



OHIO AUDITOR OF STATE
KEITH FABER



**CITY OF NORTH OLMSTED
CUYAHOGA COUNTY
DECEMBER 31, 2020**

TABLE OF CONTENTS

TITLE	PAGE
Prepared by Management:	
Schedule of Expenditures of Federal Awards	1
Notes to the Schedule of Expenditures of Federal Awards.....	2
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	3
Independent Auditor's Report on Compliance with Requirements Applicable to the Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	5
Schedule of Findings	9
Attachment: Comprehensive Annual Financial Report	

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**CITY OF NORTH OLMSTED
CUYAHOGA COUNTY**

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

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Direct Program</i>			
COVID19 - CARES Provider Relief Fund	93.498	N/A	\$ 20,012
Total U.S. Department of Health and Human Services			<u>20,012</u>
U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT			
<i>Passed Through Cuyahoga County</i>			
Community Development Block Grant	14.218	N/A	94,005
Total U.S. Department of Housing & Urban Development			<u>94,005</u>
U.S. DEPARTMENT OF TREASURY			
<i>Passed through Ohio Office of Budget and Management</i>			
COVID19 - Coronavirus Relief Fund	21.019	HB481-CRF-Local	2,075,279
Total U.S. Department of Treasury			<u>2,075,279</u>
U.S. DEPARTMENT OF HOMELAND SECURITY			
<i>Direct Program</i>			
COVID19 - Assistance to Firefighters	97.044	N/A	7,886
Total U.S. Department of Homeland Security			<u>7,886</u>
U.S. DEPARTMENT OF JUSTICE			
<i>Direct Program</i>			
Bulletproof Vest Partnership Program	16.607	N/A	8,182
Total U.S. Department of Justice			<u>8,182</u>
Total Expenditures of Federal Awards			<u><u>\$ 2,205,364</u></u>

The accompanying notes are an integral part of this schedule.

**CITY OF NORTH OLMSTED
CUYAHOGA COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of North Olmsted (the City) under programs of the federal government for the year ended December 31, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

City of North Olmsted
Cuyahoga County
5200 Dover Center Road
North Olmsted, Ohio 44070

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of North Olmsted, Cuyahoga County, (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 30, 2021, wherein we noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the City.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the financial statements. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

June 30, 2021

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

City of North Olmsted
Cuyahoga County
5200 Dover Center Road
North Olmsted, Ohio 44070

To the City Council:

Report on Compliance for the Major Federal Program

We have audited the City of North Olmsted's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the City of North Olmsted's major federal program for the year ended December 31, 2020. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal program.

Management's Responsibility

The City's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the City's compliance for the City's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the City's major program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on the Major Federal Program

In our opinion, the City of North Olmsted complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2020.

Report on Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on the major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of North Olmsted (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated June 30, 2021, wherein we noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the City. We conducted our audit to opine on the City's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Keith Faber
Auditor of State
Columbus, Ohio

June 30, 2021

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**CITY OF NORTH OLMSTED
CUYAHOGA COUNTY**

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

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	Coronavirus Relief Fund - CFDA #21.019
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

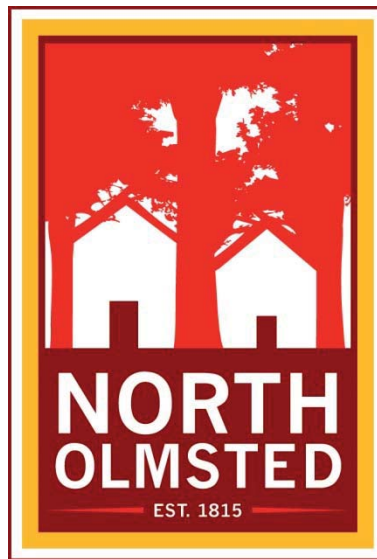
Comprehensive Annual Financial Report

NORTH OLMSTED, OHIO

For the Year Ended December 31, 2020



City of North Olmsted, Ohio
Comprehensive Annual Financial Report
For the Fiscal Year Ended
December 31, 2020



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

City of North Olmsted, Ohio

Comprehensive Annual Financial Report For the Year Ended December 31, 2020

Table of Contents	Page
I. Introductory Section	
Title Page	i
Table of Contents	ii
Letter of Transmittal	vii
Organization Chart	xiv
Principal City Officials	xv
GFOA Certificate of Achievement	xvi
II. Financial Section	
Independent Auditor’s Report.....	1
Management’s Discussion and Analysis (unaudited)	5
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position.....	21
Statement of Activities.....	22
Fund Financial Statements:	
Balance Sheet – Governmental Funds	24
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	25
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	27
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	28
Statement of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – General Fund.....	30
Statement of Fund Net Position – Proprietary Funds.....	31
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds.....	32
Statement of Cash Flows – Proprietary Funds	33
Statement of Fiduciary Net Position – Fiduciary Funds	35
Statement of Change in Fiduciary Net Position – Fiduciary Funds	36

City of North Olmsted, Ohio

Comprehensive Annual Financial Report For the Year Ended December 31, 2020

Table of Contents	Page
Notes to the Basic Financial Statements	37
Required Supplementary Information:	
Schedule of the City’s Proportionate Share of the Net Pension Liability Ohio Public Employee Retirement System – Traditional Plan.....	101
Schedule of the City’s Proportionate Share of the Net Pension Asset Ohio Public Employee Retirement System – Combined Plan.....	102
Schedule of the City’s Proportionate Share of the Net Pension Liability Ohio Police and Fire Pension Fund	103
Schedule of the City’s Contributions Ohio Public Employee Retirement System – Traditional Plan.....	104
Schedule of the City’s Contributions Ohio Public Employee Retirement System – Combined Plan.....	105
Schedule of the City’s Contributions Ohio Police and Fire Pension Fund	106
Schedule of the City’s Proportionate Share of the Net OPEB Liability Ohio Public Employee Retirement System.....	107
Schedule of the City’s Proportionate Share of the Net OPEB Liability Ohio Police and Fire Pension Fund	108
Schedule of the City’s OPEB Contributions Ohio Public Employee Retirement System.....	109
Schedule of the City’s OPEB Contributions Ohio Police and Fire Pension Fund	110
Notes to Required Supplementary Information	111
Other Supplementary Information:	
Combining Statements and Individual Fund Schedules:	
Combining Statements – Non-Major Funds:	
Fund Descriptions	116
Combining Balance Sheet – Non-Major Governmental Funds.....	120

City of North Olmsted, Ohio

Comprehensive Annual Financial Report For the Year Ended December 31, 2020

Table of Contents	Page
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-Major Governmental Funds	121
Combining Balance Sheet – Non-Major Special Revenue Funds.....	122
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-Major Special Revenue Funds	126
Combining Balance Sheet – Non-Major Debt Service Funds.....	130
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-Major Debt Service Funds	131
Combining Statement of Fund Net Position – Internal Service Funds	132
Combining Statement of Revenues, Expenses and Changes in Fund Net Position – Internal Service Funds	133
Combining Statement of Cash Flows – Internal Service Funds.....	134
Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes in Fund Balances/Equities – Budget (Non-GAAP Basis) and Actual:	
Major Funds:	
General Fund	136
Separation Pay Fund.....	141
27 th Pay Fund.....	143
Permanent Improvement Fund	144
Capital Improvements Fund	145
General Obligation Bond Retirement Fund.....	147
Non-Major Funds:	
Casualty Loss Fund	148
CDBG Fund.....	149
Alcohol Education Fund.....	150
Economic Development Fund	151
FEMA Grant Fund.....	152
Federal Grants Fund	153
Local Coronavirus Relief Fund	154
Sidewalk Improvement Fund.....	155
Motor Vehicle License Tax Fund	156
Recreation Fund.....	157
Clague Park Fund	158
Hotel/Motel Tax Fund	159
Emergency Medical Services Fund	160
State Highway Fund	161
Street Maintenance Fund	162
Great Northern TIF Fund.....	163

City of North Olmsted, Ohio

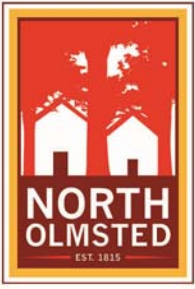
Comprehensive Annual Financial Report For the Year Ended December 31, 2020

Table of Contents	Page
Court Computerization Fund	164
Solid Waste and Recycling Fund.....	165
Community Diversion Fund	166
Drug Enforcement Fund	167
Endowment and Grant Fund.....	168
Fair Capacity Housing Fund	169
Fire Pension Fund.....	170
Law Enforcement Fund	171
STOP Program Fund	172
Police Pension Fund	173
Senior Center Fund.....	174
Title III Fund	175
Public Way Management Fund	176
Deposit Fund	177
Library Bond Retirement Fund.....	178
Fire Station Bond Retirement Fund.....	179
Building and Land Acquisition and Improvement Fund	180
Springvale Golf Course and Ballroom Fund	181
Sewer Revenue Fund.....	182
Hospitalization Fund.....	183
Workers' Compensation Self-Insurance Fund	184
Financial Statement – Fiduciary Fund:	
Fund Description.....	185
Combining Statement of Fiduciary Net Position – Fiduciary Funds.....	186
Combining Statement of Change in Fiduciary Net Position – Fiduciary Funds.....	187
III. Statistical Section	
Net Position by Component – Last Ten Years	S2
Changes in Net Position – Last Ten Years.....	S3
Fund Balances, Governmental Funds – Last Ten Years	S7
Changes in Fund Balances, Governmental Funds – Last Ten Years	S8
Assessed Valuations and Estimated Actual Values of Taxable Property – Last Ten Years	S10

City of North Olmsted, Ohio

Comprehensive Annual Financial Report For the Year Ended December 31, 2020

<u>Table of Contents</u>	<u>Page</u>
Income Tax Revenue Collections (Cash Basis) – Last Ten Years.....	S11
Property Tax Rates – Direct and Overlapping Governments – (Per \$1,000 of Assessed Valuation) – Last Ten Years.....	S12
Real Property Tax Levies and Collections – Last Ten Years.....	S13
Principal Taxpayers – Real Estate Tax – 2020 and 2011.....	S14
Ratio of Outstanding Debt to Total Personal Income and Debt per Capita – Last Ten Years	S15
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita – Last Ten Years.....	S16
Computation of Direct and Overlapping Debt.....	S18
Legal Debt Margin – Last Ten Years.....	S19
Principal Employers – Last Ten Years.....	S20
Demographic and Economic Statistics – Last Ten Years	S21
Full Time City Employees by Function or Program – Last Ten Years	S22
Operating Indicators by Function/Program – Last Ten Years	S23
Capital Assets Statistics by Function/Program – Last Ten Years	S26
Capital Assets by Function – Last Ten Years	S27



CITY of NORTH OLMSTED

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

A 5200 Dover Center Road | North Olmsted, Ohio 44070 P 440-716-4144 F 440-716-4235

June 30, 2021

Honorable Kevin M. Kennedy
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, 2020.

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.

The Auditor of the State of Ohio, Keith Faber, an independent auditor, has issued an unmodified (“clean”) opinion on the City of North Olmsted’s financial statements for the year ended December 31, 2020. The Independent Auditor’s Report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the Independent Auditor’s Report and provides a narrative introduction, overview and analysis of the basic financial statements. 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 2010 census was 32,718, which represents a four percent decline from the 2000 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
- ◆ 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, Planning and Economic Development, 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 officers and employees he has appointed, 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 for approximately 4,800 persons. The local economy has developed and redeveloped around this area.

Based on employer payments of business profits and employee wage and salary withholding income taxes, one taxpayer accounted for approximately 7.27% of the City income taxes collected in Fiscal Year 2020. No other taxpayer contributed more than 6% of the City income taxes collected in Fiscal Year 2019. 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 City is adapting to the same ever-changing economic landscape seen all across the world due to the COVID-19 pandemic. The City took swift action reducing the budget based on estimated 2020 revenue losses and continues to review and monitor the budget as well seek out federal and state assistance in order to make sure all essential services are provided to the residents, including the proper use of CARES Act funds. The Ohio courts and Ohio legislature have not resolved the litigation on workplace withholdings when working remotely since March 2020 due to the state emergency orders. This could impact the City's municipal income tax collections. The American Rescue Plan Act is expected to help address negative economic impacts experienced by the City, including the residents and businesses and aid in the economy's recovery.

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 seventeenth 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, sewer user charges and golf user charges.

The Mayor and his 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.

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

In response to the Covid-19 pandemic, the City encumbered and expended \$2.27 million CARES Act federal funding as follows:

- ◆ \$1.3 million for wages and benefits of safety and other workers providing COVID-19 related services;
- ◆ \$660,000 for capital improvements to the City Hall lobby for public health purposes to provide improved access and efficiency in a safer environment for both residents and employees;
- ◆ \$150,000 for safety supplies such as disinfectant, sanitizer, personal protective equipment, etc.,
- ◆ \$140,000 for safety equipment such as temperature screening terminals, touchless restroom equipment, and EMS equipment; and
- ◆ \$20,000 for technology to enable employees to work and provide government services remotely.

Projects were completed in 2020 to upgrade and replace the heating and ventilation system (HVAC) and electrical systems at City Hall. The current HVAC system was installed in 1983 and revamped in 1992 and operated on an antiquated Windows 95 system. The new system will be split into several zones allowing for better temperature control. Additionally, the new system will extend air conditioning to parts of the building that previously did not have any. The new HVAC units will be more efficient and should provide a savings in utility costs for the building. The City received an Energized Community Grant from the Northeast Ohio Public Energy Council (NOPEC) to pay for a significant portion of the HVAC project. City Hall also received an upgrade to the electrical system due to the old system being unable to provide the required level of power for the City's servers.

The City's annual street rating program identifies the roads needing the most repair. The City resurfaced 9 streets during 2020, including Alden Drive, Ashbury Park Drive, Brendan Lane, Brighton Drive, Cambridge Drive, Forest Ridge Drive, Hampton Drive, Somerset Drive, and Brendan Circle. In total, over 530,000 square feet of road was improved citywide in 2020. It was also the third year of the City's rejuvenation program which focuses on pavement maintenance so roads will not need to be completely resurfaced as often.

The final phase of the Country Club Boulevard project was started. The project includes street resurfacing between Great Northern Boulevard and Columbia Road and adding a center median with landscaping and street lighting. Funding from the City's tax increment financing (TIF) program was used to pay for the improvements.

A project to replace the deteriorating culvert under MacKenzie Road near the I-480 overpass was completed during 2020. Originally, it was hoped the culvert could just be lined but upon further inspection it was determined the culvert was in need of a full replacement. The project construction was paid for by the Ohio Department of Transportation and the City only had to contribute the design costs.

The City's Fire Department took delivery of a new Sutphen SPH 100 ladder truck. The new truck replaced a 1994 ladder truck that had 9,000 hours of use with deteriorating components. The new truck has a 100-foot ladder versus the 75-foot ladder on the old truck. Having a ladder truck in the City improves the departments Insurance Services Office rating which in turn impacts the insurance rate of homeowners.

The City's Recreation Center saw a renovation of the ice rink which was in need of many costly repairs. The project included the replacement of the ice floor and dasher boards as well as a full upgrade of the HVAC units. Additionally, a wall separating the rink from the warming area was constructed with new flooring in the warming area, locker rooms, and concession area. A walking path was added at the North Olmsted Community Park and was funded with Community Development Block Grant funds. A "pocket park" project with seating and public art was started on Butternut Ridge Road on land donated by the Kiwanis Club of North Olmsted and paid for through private donations and a grant from Cuyahoga County.

Construction continued on a senior living facility with 88 independent living apartments, 64 assisted living and memory care units, and 9 independent villas. In 2018, the City entered into a Community Reinvestment Area (CRA) agreement with Omni Senior Living, LLC for the development. Under the CRA agreement, Omni Senior Living, LLC will make a total investment of \$33.7 million (plus or minus 10%) in construction, furniture and fixtures, and land acquisition. By the end of 2022, there will be a minimum of 50 jobs created with an annual payroll of approximately \$2.2 million. In return, Omni Senior Living, LLC will receive a real estate tax abatement for 15 years in the amount of 50% of the tax on the facility.

Long-term Financial Planning

The City does not have a formal long-term capital plan; however, the Mayor and his administration have developed a five-year capital plan and are utilizing it for planning and budgeting purposes.

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 27th pay funds to reduce the spikes in an operating budget when these benefits are paid out in future years. The 2020 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.

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. 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 comprehensive annual financial report for the fiscal year ended December 31, 2019. This was the twenty-first 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 Comprehensive Annual 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 2020 Comprehensive Annual 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,

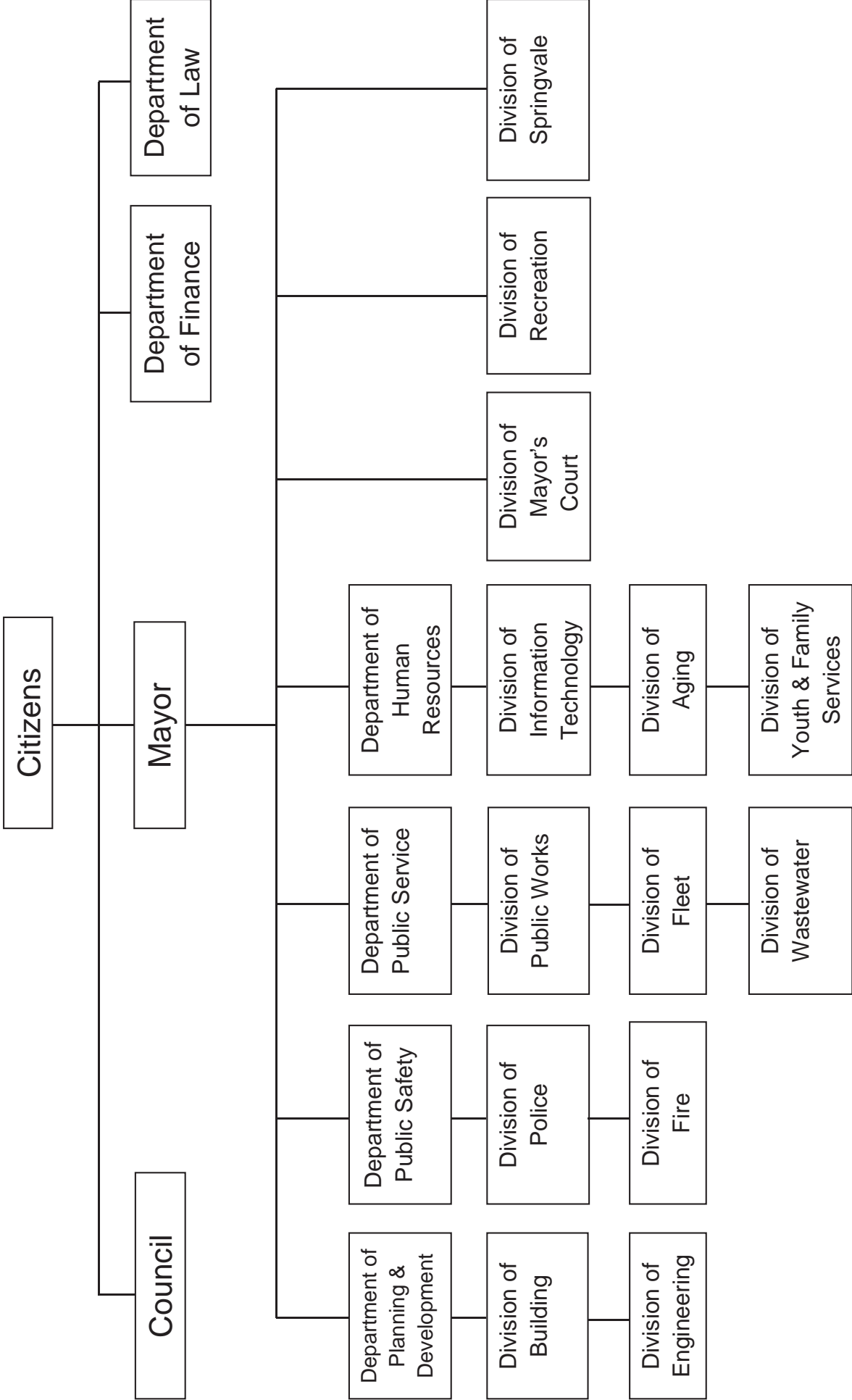


Carrie B. Copfer, CPA
Director of Finance



Keith Sperling
Assistant Director of Finance

CITY OF NORTH OLMSTED ORGANIZATIONAL CHART



City of North Olmsted, Ohio

Principal City Officials

December 31, 2020

Elected Officials

Kevin M. Kennedy	Mayor
Michael R. Gareau, Jr.....	Director of Law
Carrie B. Copfer.....	Director of Finance
Nicole Dailey Jones.....	President of Council
Louis Brossard	Council Ward 1
Chris Glassburn.....	Council Ward 2
Paul Schumann.....	Council Ward 3
Mary Ellen Hemann	Council Ward 4
Patrick Kelly.....	Council-At-Large
Duane Limpert	Council-At-Large
Angela Williamson.....	Council-At-Large

Appointed Officials

Marie Gallo	Director of Human Resources
Donald Glauner*	Director of Public Safety and Service
Kimberly Lieber.....	Director of Planning Development

* Retired during 2020 and position remains vacant.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of North Olmsted
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morrill

Executive Director/CEO

OHIO AUDITOR OF STATE KEITH FABER



Lausche Building, 12th Floor
615 Superior Avenue, NW
Cleveland, Ohio 44113-1801
(216) 787-3665 or (800) 626-2297
NortheastRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT

City of North Olmsted
Cuyahoga County
5200 Dover Center Road
North Olmsted, Ohio 44070

To the City Council:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

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

Emphasis of Matter

As discussed in Note 23 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the City. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *management's discussion and analysis* and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the City's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derives from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we will also issue our report dated June 30, 2021, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on 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's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

June 30, 2021

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City of North Olmsted

Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended December 31, 2020

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, 2020. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

◆ Key financial highlights for 2020 are as follows:

- For the year ended December 31, 2020, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities* and GASB Statement No. 83, *Certain Asset Retirement Obligations*. The implementation of these statements resulted in the restatement of net position as of December 31, 2019 for governmental activities and custodial funds. See Note 3 for additional information regarding the restatement.
- In 2020, the City received \$2,276,678 in COVID relief funding.
- The total assets and deferred outflows of resources of the City exceeded total liabilities and deferred inflows of resources at the close of 2020 by \$50,260,494. This is an increase of \$1,547,128 over the 2019 net position. Net position of the City's governmental activities increased \$754,918 from 2019, while net position of the business-type activities increased \$792,210.
- Total assets increased by \$3,610,132 and deferred outflows of resources decreased by \$6,341,101. The main factor affecting the total assets was the increase in capital assets (up \$3,753,843). The main fluctuation in deferred outflows of resources related to the pension systems (down \$7,164,341).
- Total liabilities decreased by \$10,689,565 and deferred inflows of resources increased by \$6,411,468 from 2019. The main factors affecting the total liabilities was a decrease in net pension liability (down \$10,445,975) during 2020. The deferred inflows of resources were up in 2020 with the pension systems being the biggest contributor (up \$5,089,799).
- The General Fund reported a fund balance of \$10,277,877 at the end of the 2020, which is an increase of \$941,397 from 2019. The General Fund expenditures and other financing uses decreased \$1,852,256 from 2019 to 2020 and revenues and other financing sources decreased \$1,665,099.

Using This Comprehensive Annual 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, 2020

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 2020. 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, 2020

Reporting the City of North Olmsted's Most Significant Funds

Fund Financial Statements

The presentation of the City's major funds begins on page 24. 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, Permanent Improvements Fund, Capital Improvement Fund, and General Obligation Bond Retirement Fund and 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 31 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, 2020

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 37 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 116 of this report.

City of North Olmsted
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended December 31, 2020

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 2020 compared to 2019.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2020	Restated 2019	2020	2019	2020	Restated 2019
Assets:						
Current and other assets	\$ 53,153,327	\$ 53,576,737	\$ 10,163,927	\$ 9,975,285	\$ 63,317,254	\$ 63,552,022
Capital assets, net	54,116,473	47,988,015	68,778,354	71,152,969	122,894,827	119,140,984
Net pension asset	<u>148,350</u>	<u>79,284</u>	<u>47,236</u>	<u>25,245</u>	<u>195,586</u>	<u>104,529</u>
<i>Total assets</i>	<u>107,418,150</u>	<u>101,644,036</u>	<u>78,989,517</u>	<u>81,153,499</u>	<u>186,407,667</u>	<u>182,797,535</u>
Deferred outflows of resources:						
Deferred charge on refunding	59,816	82,638	13,347	26,694	73,163	109,332
Pension	4,665,436	11,019,449	472,628	1,282,956	5,138,064	12,302,405
OPEB	<u>3,142,952</u>	<u>2,452,247</u>	<u>341,033</u>	<u>172,329</u>	<u>3,483,985</u>	<u>2,624,576</u>
<i>Total deferred outflows of resources</i>	<u>7,868,204</u>	<u>13,554,334</u>	<u>827,008</u>	<u>1,481,979</u>	<u>8,695,212</u>	<u>15,036,313</u>
Liabilities:						
Current liabilities	3,050,872	2,078,701	864,967	1,304,094	3,915,839	3,382,795
Long-term liabilities:						
Due within one year	4,619,831	5,739,337	3,320,757	3,343,289	7,940,588	9,082,626
Due within more than one year:						
Other amounts	21,201,031	18,430,105	48,017,830	50,952,724	69,218,861	69,382,829
Net pension liability	31,093,233	40,320,668	2,970,494	4,189,034	34,063,727	44,509,702
Net OPEB liability	<u>9,781,322</u>	<u>9,340,988</u>	<u>2,098,250</u>	<u>2,009,212</u>	<u>11,879,572</u>	<u>11,350,200</u>
<i>Total liabilities</i>	<u>69,746,289</u>	<u>75,909,799</u>	<u>57,272,298</u>	<u>61,798,353</u>	<u>127,018,587</u>	<u>137,708,152</u>
Deferred inflows of resources:						
Property taxes	9,052,138	9,132,321	-	-	9,052,138	9,132,321
Payments in lieu of taxes	351,766	500,893	-	-	351,766	500,893
Pension	5,067,607	585,694	681,897	74,011	5,749,504	659,705
OPEB	<u>2,354,419</u>	<u>1,110,446</u>	<u>315,971</u>	<u>8,965</u>	<u>2,670,390</u>	<u>1,119,411</u>
<i>Total deferred inflows of resources</i>	<u>16,825,930</u>	<u>11,329,354</u>	<u>997,868</u>	<u>82,976</u>	<u>17,823,798</u>	<u>11,412,330</u>
Net position:						
Net investment in capital assets	34,655,527	31,226,859	17,954,236	17,036,222	52,609,763	48,263,081
Restricted	22,745,998	23,006,480	-	-	22,745,998	23,006,480
Unrestricted	<u>(28,687,390)</u>	<u>(26,274,122)</u>	<u>3,592,123</u>	<u>3,717,927</u>	<u>(25,095,267)</u>	<u>(22,556,195)</u>
<i>Total net position</i>	\$ <u>28,714,135</u>	\$ <u>27,959,217</u>	\$ <u>21,546,359</u>	\$ <u>20,754,149</u>	\$ <u>50,260,494</u>	\$ <u>48,713,366</u>

City of North Olmsted

*Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended December 31, 2020*

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 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 liability (asset) and the net OPEB liability to equal the City's proportionate share of each plan's collective:

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

GASB notes that pension/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 liability. 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, 2020

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.

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 asset not accounted for as deferred inflows/outflows.

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 \$50,260,494 as of December 31, 2020, which is a \$1,547,128 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 and infrastructure) 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 2020 increased \$3,610,132 when compared to 2019 and deferred outflows of resources decreased by \$6,341,101. The main factor affecting the total assets was the increase capital assets (up \$3,753,843). Capital assets increased as additions outpaced depreciation in the current year. A couple of the larger projects that increased additions are the ice rink and Brookpark road resurfacing. The main fluctuation in deferred outflows of resources related to net pension (down \$7,164,341) due to GASB 68 as net difference between projected and actual earnings on pension plan investments decreased.

Total liabilities decreased by \$10,689,565 and deferred inflows of resources increased by \$6,411,468 from 2019. The main factors affecting the total liabilities was a decrease net pension liability (down \$10,445,975) during 2020 due to the effects of GASB 68 as net difference between projected and actual earnings on pension plan investments flipped from a deferred outflow to a deferred inflow. The deferred inflows of resources related to pension were up in 2020 due to the effects of GASB 68 as net difference between projected and actual earnings on pension plan investments flipped from a deferred outflow to a deferred inflow (up \$5,089,799).

City of North Olmsted
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended December 31, 2020

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.

Table 2
Changes in Net Position

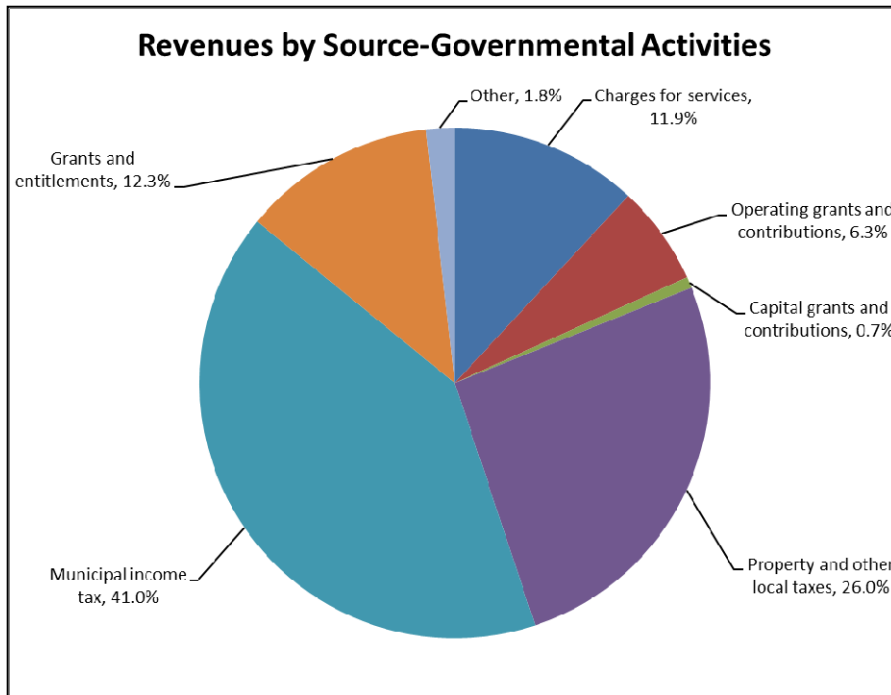
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenues:						
Program revenues:						
Charges for services and sales	\$ 4,465,099	\$ 6,184,379	\$ 11,629,310	\$ 12,158,846	\$ 16,094,409	\$ 18,343,225
Operating grants and contributions	2,324,235	2,466,651	-	-	2,324,235	2,466,651
Capital grants and contributions	<u>241,040</u>	<u>450,747</u>	<u>61,937</u>	<u>64,970</u>	<u>302,977</u>	<u>515,717</u>
Total program revenues	<u>7,030,374</u>	<u>9,101,777</u>	<u>11,691,247</u>	<u>12,223,816</u>	<u>18,721,621</u>	<u>21,325,593</u>
General revenues:						
Property taxes and other taxes	9,603,241	10,873,713	-	-	9,603,241	10,873,713
Municipal income taxes	15,162,859	16,544,287	-	-	15,162,859	16,544,287
Grants and entitlements	4,530,927	2,679,464	-	-	4,530,927	2,679,464
Other	<u>658,911</u>	<u>1,080,734</u>	<u>-</u>	<u>-</u>	<u>658,911</u>	<u>1,080,734</u>
Total general revenues	<u>29,955,938</u>	<u>31,178,198</u>	<u>-</u>	<u>-</u>	<u>29,955,938</u>	<u>31,178,198</u>
Total revenues	<u>36,986,312</u>	<u>40,279,975</u>	<u>11,691,247</u>	<u>12,223,816</u>	<u>48,677,559</u>	<u>52,503,791</u>
Program expenses:						
General government	6,838,897	6,179,418	-	-	6,838,897	6,179,418
Security of persons and property	16,496,198	2,958,665	-	-	16,496,198	2,958,665
Public health and welfare	605,662	664,427	-	-	605,662	664,427
Transportation	6,664,108	7,761,803	-	-	6,664,108	7,761,803
Basic utility services	2,513,654	2,271,866	-	-	2,513,654	2,271,866
Leisure time activities	2,108,986	3,481,815	-	-	2,108,986	3,481,815
Economic development	504,106	517,720	-	-	504,106	517,720
Interest and fiscal charges	560,489	540,558	-	-	560,489	540,558
Springvale Golf Course and Ballroom	-	-	1,599,374	1,800,252	1,599,374	1,800,252
Sewer	-	-	<u>9,238,957</u>	<u>9,580,212</u>	<u>9,238,957</u>	<u>9,580,212</u>
Total program expenses	<u>36,292,100</u>	<u>24,376,272</u>	<u>10,838,331</u>	<u>11,380,464</u>	<u>47,130,431</u>	<u>35,756,736</u>
Change in net position before transfers	694,212	15,903,703	852,916	843,352	1,547,128	16,747,055
Transfers	<u>60,706</u>	<u>20,790</u>	<u>(60,706)</u>	<u>(20,790)</u>	<u>-</u>	<u>-</u>
Change in net position	754,918	15,924,493	792,210	822,562	1,547,128	16,747,055
Net position, beginning of year, restated	<u>27,959,217</u>	<u>12,034,724</u>	<u>20,754,149</u>	<u>19,931,587</u>	<u>48,713,366</u>	<u>31,966,311</u>
Net position, end of year	\$ <u>28,714,135</u>	\$ <u>27,959,217</u>	\$ <u>21,546,359</u>	\$ <u>20,754,149</u>	\$ <u>50,260,494</u>	\$ <u>48,713,366</u>

City of North Olmsted
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended December 31, 2020

Governmental Activities

Overall, total governmental activities revenues decreased by \$3,293,663. Program revenues represent 19% of the total governmental activities revenues. This includes charges for services and sales and both operating and capital grants. Program revenues decreased in 2020 by \$2,071,403, primarily as a result of a decrease in charges for services related to leisure time activities as the recreation center was closed and related programs were cancelled due to the pandemic.

General revenues represent the other 81% of total governmental activities with municipal income taxes at 41%, property and other local taxes at 26% and grants, entitlements and other miscellaneous revenues representing 14%. General revenues also experienced a decreased in funding due to the pandemic, with property taxes and municipal income taxes decreasing \$2,651,900. This decrease was offset by an increase in grants and entitlements as the City received \$2,276,678 in COVID relief funding.



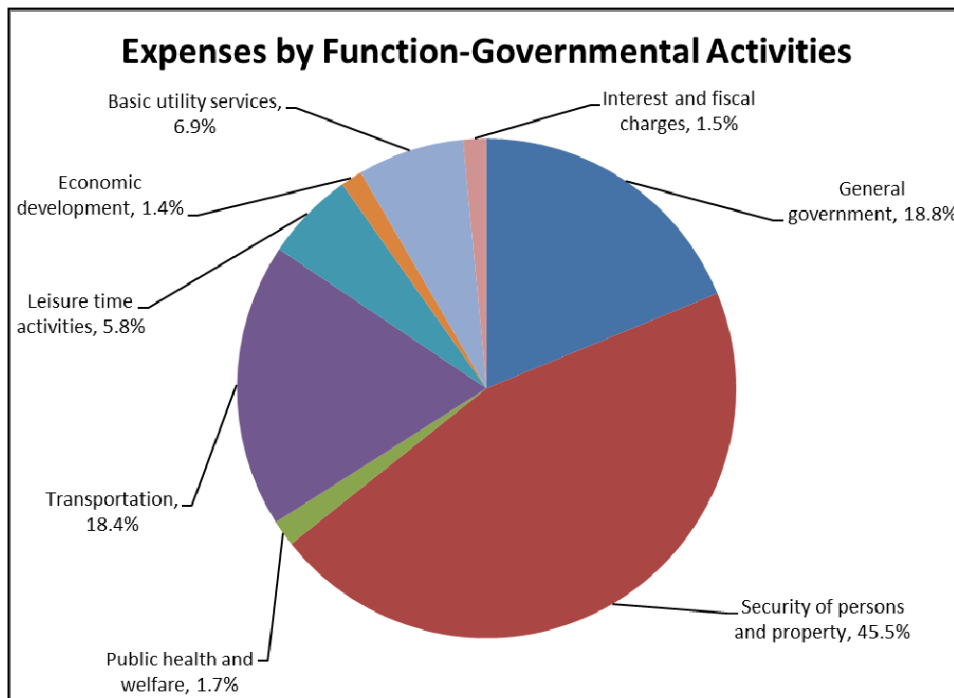
City of North Olmsted

Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended December 31, 2020

In total, the City's governmental activities experienced an increase in expenses of \$11,915,828. The majority of the increase was due change in benefit terms related to OP&F in the prior year that caused a significant reduction in security of persons and property expense in 2019.

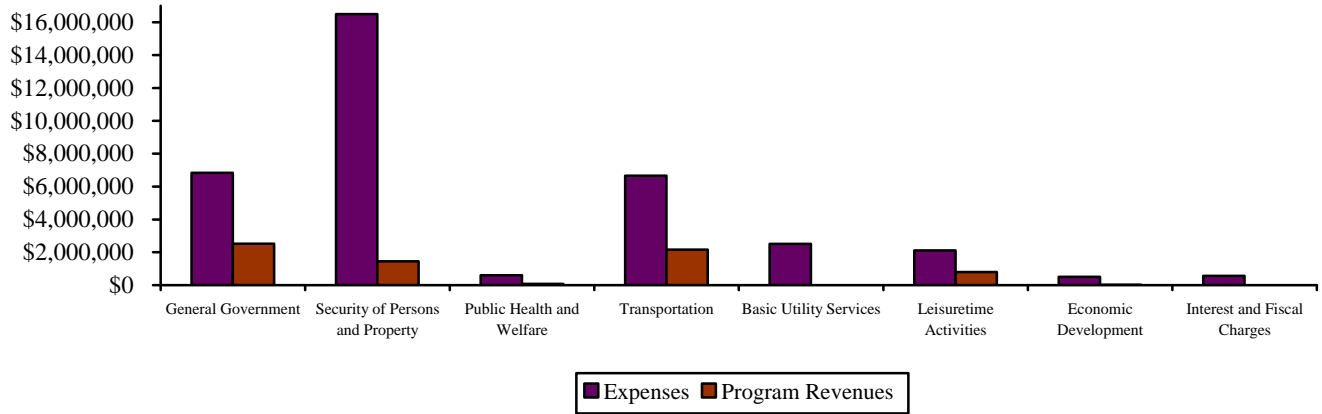
The City's expenses are categorized by function. The largest program function is security of persons and property represented 45% of program expenses in 2020. This includes the cost of providing police, dispatch, fire, and paramedic services. Security of persons and property increased \$13,537,533 from the prior year due to changes in benefit terms related to OP&F in the prior year that caused a reduction in security of persons and property under GASB 75. General government represents 19% 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. Transportation, which represents 18% of program expenses in 2020. 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.



City of North Olmsted
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended December 31, 2020

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 81% of total 2020 revenues coming from general revenues.

Expenses and Program Revenues Governmental Activities



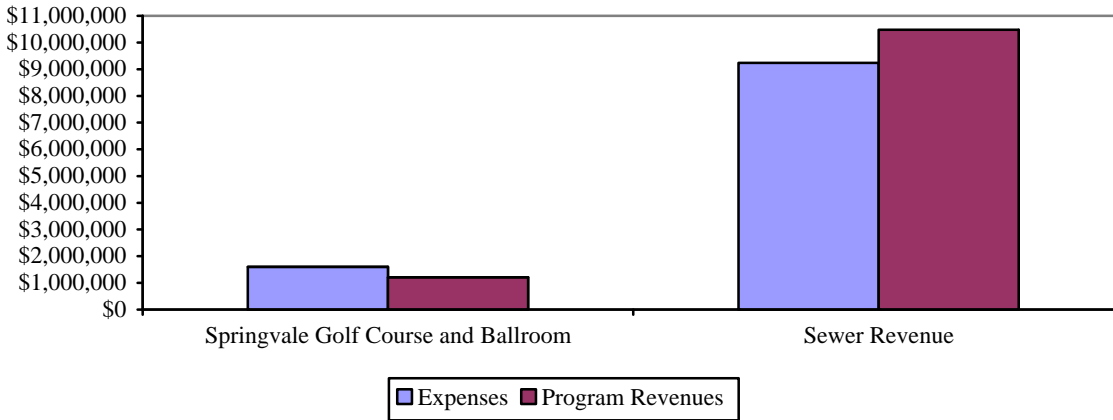
Business-Type Activities

Overall, total business-type activities revenue decreased \$532,569 in 2020. 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 remained consistent year over year. Springvale charges for services and sales decreased in 2020 by 29%, which was primarily due to a decrease in golf outings and rentals, due to the pandemic.

Business-type activities expense decreased in 2020 by \$542,133, from the prior year. Sewer expenses decreased by 4% while the Springvale expenses decreased by 11% in 2020. The decrease in Springvale expenses was primarily due to a decrease in golf outings and ballroom event rentals due to the pandemic. This was offset by an increase in open golf green fees.

City of North Olmsted
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended December 31, 2020

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 24. These funds are accounted for by using the modified accrual basis of accounting.

As of December 31, 2020, the City's governmental funds reported combined ending fund balances of \$32,600,399. Of that amount, \$30,791,027 constitutes fund balances in a spendable form. The remaining \$1,809,372 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 \$37,053,424 and expenditures of \$47,785,489, resulting in expenditures over revenues of \$10,732,065. After consideration of \$9,849,624 in net other financing sources, the current year net change in fund balance was \$(882,441).

City of North Olmsted

Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended December 31, 2020

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 2020, the General Fund had total revenues of \$22,225,926 and expenditures of \$21,330,522, resulting in an increase in fund balance of \$941,397 after consideration of \$45,993 in net other financing sources, for an ending fund balance at December 31, 2020 of \$10,277,877. General Fund revenues and other financing sources decreased \$1,665,099 from 2019, while expenditures and other financing uses decreased by \$1,852,256. The decrease in General Fund revenues was due to a decrease in municipal income taxes as well as investment revenues. The decrease in General Fund expenditures was due to an decrease in security of persons and property and transfers out.

The Permanent Improvements Fund accounts for 15% of the municipal income tax receipts and is used for the permanent improvement of streets and storm sewer system. In 2020, the Permanent Improvements Fund had total revenues of \$2,296,616 and expenditures of \$4,507,785, resulting in a decrease in fund balance of \$591,050 after consideration of \$1,620,119 in net other financing sources, for an ending fund balance at December 31, 2020 of \$3,499,194. Revenues and other financing sources increased by \$681,602 from the prior year which was primarily due to an increase in funds due to note issuance in 2020. Expenditures and other financing uses increased from the prior year by \$559,566 which was primarily due to an increase in principal expenditures for debt in 2020.

The Capital Improvements 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). In 2020, the Capital Improvements Fund had total revenues of \$232,858 and expenditures of \$5,119,243, resulting in a decrease in fund balance of \$496,385 after consideration of \$4,390,000 in net other financing sources, for an ending fund balance at December 31, 2020 of \$8,607. Revenues and other financing sources increased by \$2,374,496 from the prior year due to the issuance of notes in 2020. Expenditures and other financing uses increased from the prior year by \$3,066,758 which was primarily due to an increase in principal expenditures for debt in 2020.

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 2020, the General Obligation Bond Retirement Fund had total revenues of \$1,475,848 and expenditures of \$2,363,587 resulting in an increase in fund balance of \$760,583 after consideration of \$1,648,322 in net other financing sources, for an ending fund balance at December 31, 2020 of \$9,654,785. The General Obligation Bond Retirement Fund revenues and other financing sources increased \$131,895 in 2020. The expenditures are set by the bond, note and loan payments and decreased from the prior year based on the amortizations schedules of the City's debt.

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 2020. 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.

City of North Olmsted

Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended December 31, 2020

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 \$22,648,300. The final budgeted revenues and other financing sources were \$20,787,771. Final budget revenues decreased compared to the original budget due to lower expectations of municipal income taxes due to the pandemic. The City actually received \$22,004,313 in 2020. While the excess was a result of greater than anticipated revenues across several revenue types, the more significant variance was municipal income taxes. The City's revenues were greater than expected due to the City receiving \$889,477 more in municipal income taxes.

The original appropriations, including other financing uses for the General Fund were \$25,898,253. The final appropriations, including other financing uses, were \$24,478,421. Actual expenditures, including other financing uses ended \$2,915,051 below the final budgeted amount. Security of persons and property expenditures were less than budgeted across all areas in 2020, but the greatest variance was for salaries and benefits. Revenues exceeded expenditures by \$798,228 before \$357,285 in net other financing uses. This resulted in a net increase of the General Fund balance of \$440,943.

Capital Assets and Debt Administration

Capital Assets

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Land	\$ 4,664,882	\$ 4,664,882	\$ 2,340,714	\$ 2,340,714	\$ 7,005,596	\$ 7,005,596
Construction in progress	7,660,959	4,781,720	1,712,850	5,532,312	9,373,809	10,314,032
Other non-depreciable assets	23,000	23,000	-	-	23,000	23,000
Land improvements	1,261,195	1,220,778	2,185,898	2,326,360	3,447,093	3,547,138
Buildings and improvements	14,746,502	14,291,956	31,794,752	28,875,830	46,541,254	43,167,786
Furniture and fixtures	104,179	89,717	8,992	9,774	113,171	99,491
Vehicles and equipment	5,092,787	3,727,148	23,695,862	24,700,130	28,788,649	28,427,278
Infrastructure	20,562,969	19,188,814	7,039,286	7,367,849	27,602,255	26,556,663
Total	\$ <u>54,116,473</u>	\$ <u>47,988,015</u>	\$ <u>68,778,354</u>	\$ <u>71,152,969</u>	\$ <u>122,894,827</u>	\$ <u>119,140,984</u>

Total governmental activities capital assets, net of depreciation, as of December 31, 2020, were \$54,116,473, which was \$6,128,458 higher than December 31, 2019. The most significant additions were in roads of \$2,958,620 and construction in progress of \$6,051,141. The capital asset additions were offset by annual depreciation expense of \$3,081,745.

Business-type activities net capital assets decreased by \$2,374,615 from 2019. The most significant additions were in buildings and improvements. The capital asset additions were offset by increases in accumulated depreciation of \$3,080,892. Additional information concerning the City's capital assets can be found in Notes 8 to the basic financial statements.

City of North Olmsted
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended December 31, 2020

Debt and Other Long-Term Obligations

As of December 31, 2020, the City of North Olmsted had \$123,102,748 in total debt and other long-term obligations outstanding with \$7,940,588 due within one year.

	Governmental Activities		Business-Type Activities		Totals	
	2020	Restated 2019	2020	2019	2020	Restated 2019
General obligation bonds	\$ 10,314,016	\$ 13,505,409	\$ 4,359,815	\$ 5,072,066	\$ 14,673,831	\$ 18,577,475
OWDA loan	-	-	45,010,676	47,508,930	45,010,676	47,508,930
Police pension liability	57,894	62,201	-	-	57,894	62,201
Long-term notes	9,730,000	4,835,000	1,480,000	1,260,000	11,210,000	6,095,000
Compensated absences	5,157,561	5,055,234	488,096	454,125	5,645,657	5,509,359
Claims payable	516,391	654,950	-	-	516,391	654,950
Asset retirement obligations	45,000	45,000	-	-	45,000	45,000
Capital lease payable	-	11,648	-	892	-	12,540
Net pension liability	31,093,233	40,320,668	2,970,494	4,189,034	34,063,727	44,509,702
Net OPEB liability	<u>9,781,322</u>	<u>9,340,988</u>	<u>2,098,250</u>	<u>2,009,212</u>	<u>11,879,572</u>	<u>11,350,200</u>
Total	<u>\$ 66,695,417</u>	<u>\$ 73,831,098</u>	<u>\$ 56,407,331</u>	<u>\$ 60,494,259</u>	<u>\$ 123,102,748</u>	<u>\$ 134,325,357</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 new library 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 \$75,078,476 at December 31, 2020. 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, 12, 13, 14 and 24 to the basic financial statements.

City of North Olmsted

Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended December 31, 2020

Economic Factors and Next Year's Budget

In early 2020, the world began dealing with the effects of the Coronavirus pandemic (COVID-19). Disruptions to operations, including government mandated actions, employee, and supplier related challenges have impacted many entities. The financial markets have experienced significant declines and high volatility. Budget cuts were made throughout 2020 to address the reduced estimated resources and temporary shutdown of certain City operations by the State's declaration of emergency. The CARES Act federal grant provided funding for necessary expenditures incurred due to the public health emergency with respect to COVID-19. County and State unemployment rates both saw increases in 2020, up 6.2% and 4.1%, respectively. Municipal income tax collections have decreased, specifically in the net profit collections which went down 38.4%. Despite the negative effects from COVID-19, the local housing market remained strong with increases in both the volume of homes sold and the average sales price. The number of sales increased 8.7% to 665, while the average sale price increased 8.8% to \$164,400. This is the highest average sales price in the past 10 years.

Despite the effects of the global pandemic, the City's 2020 budget continued efforts to address the rising cost of health care while maintaining city services, capital replacement, and funding reserves. Physical building infrastructure improvement projects continued in 2020 with the largest being the renovation of the City's ice rink. Information technology infrastructure continued to be invested in to increase the security of the City's databases as well as develop adequate redundancy in the network for disaster recovery and efficiency.

In 2021, the effects from the COVID-19 pandemic and state of emergency declaration continue to impact the City's budget. The income tax revenues continue to be uncertain, especially because of pending litigation and State legislative action dealing with those employees working from home due to the pandemic emergency. Additionally, with extended, federally supplemented unemployment continuing for at least half of 2021, many businesses are having difficulty enough hiring employees to reopen and move forward. The City negotiated essentially a zero percent cost of living adjustment in 2021 for its employees to help offset the continued declines in revenues. The American Rescue Plan Act will help address some of the negative economic impacts experienced by the City, including the residents and businesses. The City continues to review and monitor the budget as well as seek out federal and state assistance in order to make sure all essential services are provided to the residents.

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.

City of North Olmsted, Ohio

Statement of Net Position

December 31, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in pooled cash and cash equivalents	\$ 27,872,682	\$ 15,096,888	\$ 42,969,570
Accounts receivable	318,166	-	318,166
Accrued interest receivable	34,950	-	34,950
Materials and supplies inventory	404,039	218,182	622,221
Prepaid items	142,091	79,536	221,627
Internal balances	7,189,886	(7,189,886)	-
Intergovernmental receivable	2,428,530	1,959,207	4,387,737
Income taxes receivable	4,403,259	-	4,403,259
Taxes receivable - property and other	9,579,944	-	9,579,944
Non-depreciable capital assets	12,348,841	4,053,564	16,402,405
Depreciable capital assets, net	41,767,632	64,724,790	106,492,422
Net pension asset	148,350	47,236	195,586
Restricted assets:			
Restricted cash and cash equivalents	779,780	-	779,780
Total assets	<u>107,418,150</u>	<u>78,989,517</u>	<u>186,407,667</u>
Deferred outflows of resources:			
Deferred charge on refunding	59,816	13,347	73,163
Pension	4,665,436	472,628	5,138,064
OPEB	3,142,952	341,033	3,483,985
Total deferred outflows or resources	<u>7,868,204</u>	<u>827,008</u>	<u>8,695,212</u>
Liabilities:			
Accounts and contracts payable	877,175	162,436	1,039,611
Accrued wages and benefits	857,991	106,468	964,459
Intergovernmental payable	63,030	466	63,496
Matured compensated absences	34,231	-	34,231
Unearned revenues	189,335	-	189,335
Deposits held and due to others	779,780	-	779,780
Retainage payable	55,669	-	55,669
Accrued interest payable	193,661	595,597	789,258
Long-term liabilities:			
Due within one year	4,619,831	3,320,757	7,940,588
Due in more than one year:			
Other amounts due in more than one year	21,201,031	48,017,830	69,218,861
Net pension liability	31,093,233	2,970,494	34,063,727
Net OPEB liability	9,781,322	2,098,250	11,879,572
Total liabilities	<u>69,746,289</u>	<u>57,272,298</u>	<u>127,018,587</u>
Deferred inflows of resources:			
Property taxes	9,052,138	-	9,052,138
Payments in lieu of taxes	351,766	-	351,766
Pension	5,067,607	681,897	5,749,504
OPEB	2,354,419	315,971	2,670,390
Total deferred inflows of resources	<u>16,825,930</u>	<u>997,868</u>	<u>17,823,798</u>
Net position:			
Net investment in capital assets	34,655,527	17,954,236	52,609,763
Restricted for:			
Debt service	10,654,661	-	10,654,661
Capital projects	3,607,650	-	3,607,650
Highways and streets	4,574,340	-	4,574,340
Public safety	1,064,799	-	1,064,799
Solid waste and recycling	2,034,428	-	2,034,428
Federal and other grants	388,951	-	388,951
Recreation	421,169	-	421,169
Unrestricted	(28,687,390)	3,592,123	(25,095,267)
Total net position	<u>\$ 28,714,135</u>	<u>\$ 21,546,359</u>	<u>\$ 50,260,494</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, 2020

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Governmental activities:				
General government	\$ 6,838,897	\$ 2,282,518	\$ 3,091	\$ 232,858
Security of persons and property	16,496,198	1,240,872	205,968	8,182
Public health and welfare	605,662	3,105	76,709	-
Transportation	6,664,108	118,894	2,035,567	-
Basic utility services	2,513,654	-	2,900	-
Leisure time activities	2,108,986	802,285	-	-
Economic development	504,106	17,425	-	-
Interest and fiscal charges	<u>560,489</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities	36,292,100	4,465,099	2,324,235	241,040
Business-type activities:				
Springvale golf course and ballroom	1,599,374	1,212,293	-	-
Sewer revenue	<u>9,238,957</u>	<u>10,417,017</u>	<u>-</u>	<u>61,937</u>
Total business-type activities	<u>10,838,331</u>	<u>11,629,310</u>	<u>-</u>	<u>61,937</u>
Total primary government	<u>\$ 47,130,431</u>	<u>\$ 16,094,409</u>	<u>\$ 2,324,235</u>	<u>\$ 302,977</u>

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

Miscellaneous

 Total general revenues

Transfers

 Total general revenues and transfers

Change in net position

Net position, beginning of year, restated (see Note 3)

Net position, end of year

The accompanying notes are an integral part of these financial statements

<u>Net (Expense) Revenue and Changes in Net Position</u>		
<u>Primary Government</u>		
<u>Governmental</u>	<u>Business-</u>	
<u>Activities</u>	<u>Type</u>	<u>Total</u>
	<u>Activities</u>	
\$ (4,320,430)	\$ -	\$ (4,320,430)
(15,041,176)	-	(15,041,176)
(525,848)	-	(525,848)
(4,509,647)	-	(4,509,647)
(2,510,754)	-	(2,510,754)
(1,306,701)	-	(1,306,701)
(486,681)	-	(486,681)
<u>(560,489)</u>	<u>-</u>	<u>(560,489)</u>
(29,261,726)	-	(29,261,726)
-	(387,081)	(387,081)
<u>-</u>	<u>1,239,997</u>	<u>1,239,997</u>
<u>-</u>	<u>852,916</u>	<u>852,916</u>
<u>(29,261,726)</u>	<u>852,916</u>	<u>(28,408,810)</u>
6,628,294	-	6,628,294
918,699	-	918,699
229,659	-	229,659
218,872	-	218,872
1,607,717	-	1,607,717
10,613,999	-	10,613,999
2,274,430	-	2,274,430
2,274,430	-	2,274,430
4,530,927	-	4,530,927
578,682	-	578,682
<u>80,229</u>	<u>-</u>	<u>80,229</u>
29,955,938	-	29,955,938
<u>60,706</u>	<u>(60,706)</u>	<u>-</u>
<u>30,016,644</u>	<u>(60,706)</u>	<u>29,955,938</u>
754,918	792,210	1,547,128
<u>27,959,217</u>	<u>20,754,149</u>	<u>48,713,366</u>
\$ <u>28,714,135</u>	\$ <u>21,546,359</u>	\$ <u>50,260,494</u>

City of North Olmsted, Ohio

Balance Sheet Governmental Funds

December 31, 2020

	<u>General</u>	<u>Permanent Improvements</u>	<u>Capital Improvement</u>	<u>General Obligation Bond Retirement</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:						
Current assets:						
Equity in pooled cash and cash equivalents	\$ 7,518,299	\$ 3,144,929	\$ 640,731	\$ 3,130,724	\$ 8,818,303	\$ 23,252,986
Income taxes receivable	3,082,281	660,489	-	-	660,489	4,403,259
Taxes receivable - property and other	6,490,448	-	-	1,331,061	1,758,435	9,579,944
Intergovernmental receivable	855,376	4,038	-	81,840	1,487,276	2,428,530
Accounts receivable	300,276	-	-	-	17,890	318,166
Interfund receivable	87,419	-	-	-	230,000	317,419
Materials and supplies inventory	287,595	-	-	-	116,444	404,039
Prepaid items	115,024	-	-	-	27,067	142,091
Accrued interest receivable	34,950	-	-	-	-	34,950
Restricted assets:						
Restricted cash and cash equivalents	-	-	-	-	779,780	779,780
Non-current assets:						
Advances to other funds	<u>1,263,242</u>	<u>-</u>	<u>-</u>	<u>6,524,061</u>	<u>-</u>	<u>7,787,303</u>
Total assets	<u>\$ 20,034,910</u>	<u>\$ 3,809,456</u>	<u>\$ 640,731</u>	<u>\$ 11,067,686</u>	<u>\$ 13,895,684</u>	<u>\$ 49,448,467</u>
Liabilities, deferred inflows of resources and fund balances:						
Liabilities:						
Accounts and contracts payable	\$ 141,076	\$ 2,211	\$ 346,455	\$ -	\$ 387,433	\$ 877,175
Accrued wages and benefits	757,317	-	-	-	100,674	857,991
Retainage payable	-	-	55,669	-	-	55,669
Intergovernmental payable	57,394	-	-	-	105	57,499
Unearned revenues	-	-	-	-	189,335	189,335
Interfund payable	-	-	230,000	-	87,419	317,419
Deposits held and due to others	-	-	-	-	779,780	779,780
Matured compensated absences	<u>34,231</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,231</u>
Total liabilities	<u>990,018</u>	<u>2,211</u>	<u>632,124</u>	<u>-</u>	<u>1,544,746</u>	<u>3,169,099</u>
Deferred inflows or resources:						
Property taxes	6,157,000	-	-	1,262,765	1,632,373	9,052,138
Payments in lieu of taxes	-	-	-	-	351,766	351,766
Unavailable revenues	<u>2,610,015</u>	<u>308,051</u>	<u>-</u>	<u>150,136</u>	<u>1,206,863</u>	<u>4,275,065</u>
Total deferred inflows of resources	<u>8,767,015</u>	<u>308,051</u>	<u>-</u>	<u>1,412,901</u>	<u>3,191,002</u>	<u>13,678,969</u>
Fund balances:						
Nonspendable	1,665,861	-	-	-	143,511	1,809,372
Restricted	-	3,499,194	8,607	9,654,785	8,577,332	21,739,918
Committed	77,253	-	-	-	526,512	603,765
Assigned	5,918,866	-	-	-	-	5,918,866
Unassigned	<u>2,615,897</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(87,419)</u>	<u>2,528,478</u>
Total fund balances	<u>10,277,877</u>	<u>3,499,194</u>	<u>8,607</u>	<u>9,654,785</u>	<u>9,159,936</u>	<u>32,600,399</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 20,034,910</u>	<u>\$ 3,809,456</u>	<u>\$ 640,731</u>	<u>\$ 11,067,686</u>	<u>\$ 13,895,684</u>	<u>\$ 49,448,467</u>

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, 2020

Total governmental fund balances \$ 32,600,399

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 54,116,473

Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.

Property and other taxes	\$ 490,127	
Municipal income taxes	2,026,756	
Intergovernmental	1,599,562	
Charges for services and sales	<u>158,620</u>	
Total		4,275,065

In the Statement of Activities, interest is accrued on outstanding long-term obligations, whereas in governmental funds, an interest expenditure is reported when due. (193,661)

Long-term liabilities are not due and payable in the current period and are therefore not reported in the funds.

Police pension liability	(57,894)	
General obligation bonds	(10,314,016)	
Asset retirement obligations	(45,000)	
Long-term notes	(9,730,000)	
Deferred charge on refunding	59,816	
Compensated absences	<u>(5,157,561)</u>	
Total		(25,244,655)

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	4,097,774	
Internal balances	<u>(597,417)</u>	
Total		3,500,357

The net pension asset / liability is not due in the current period; therefore, the asset / liability and related deferred outflows / inflows are not reported in governmental funds.

Net pension asset	148,350	
Deferred outflows	4,665,436	
Net pension liability	(31,093,233)	
Deferred inflows	<u>(5,067,607)</u>	
Total		(31,347,054)

(Continued)

City of North Olmsted, Ohio

Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities (continued)

December 31, 2020

The net OPEB liability is not due in the current period; therefore, the liability and related deferred outflows / inflows are not reported in governmental funds.

Deferred outflows	3,142,952	
Net OPEB liability	(9,781,322)	
Deferred inflows	<u>(2,354,419)</u>	
Total		<u>(8,992,789)</u>
<i>Net position of governmental activities</i>		\$ <u>28,714,135</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, 2020

	<u>General</u>	<u>Permanent Improvements</u>	<u>Capital Improvement</u>	<u>General Obligation Bond Retirement</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:						
Property and other local taxes	\$ 6,382,752	\$ -	\$ -	\$ 1,305,356	\$ 1,929,646	\$ 9,617,754
Municipal income taxes	10,679,838	2,288,539	-	-	2,288,539	15,256,916
Payments in lieu of taxes	-	-	-	-	424,500	424,500
Charges for services and sales	1,370,200	-	-	-	1,244,732	2,614,932
Fines, licenses and permits	1,308,720	-	-	-	421,930	1,730,650
Intergovernmental	1,913,984	8,077	232,858	163,680	4,393,153	6,711,752
Special assessments	-	-	-	-	33,697	33,697
Investment	563,707	-	-	6,812	13,334	583,853
Miscellaneous	6,725	-	-	-	72,645	79,370
Total revenues	<u>22,225,926</u>	<u>2,296,616</u>	<u>232,858</u>	<u>1,475,848</u>	<u>10,822,176</u>	<u>37,053,424</u>
Expenditures:						
Current:						
General government	4,550,603	-	106,506	1,500	1,536,708	6,195,317
Security of persons and property	12,835,084	-	-	-	3,130,853	15,965,937
Public health and welfare	455,099	-	-	-	99,499	554,598
Transportation	2,938,043	2,478,626	8,395	-	2,994,921	8,419,985
Basic utility services	-	-	-	-	2,513,654	2,513,654
Leisure time activities	51,889	-	342,558	-	1,858,123	2,252,570
Economic development	483,722	-	-	-	9,269	492,991
Capital outlay	-	-	2,865,068	-	-	2,865,068
Debt service:						
Principal	13,030	1,950,000	1,715,000	2,045,000	2,187,925	7,910,955
Interest and fiscal charges	3,052	60,230	53,398	317,087	118,490	552,257
Issuance costs	-	18,929	28,318	-	14,910	62,157
Total expenditures	<u>21,330,522</u>	<u>4,507,785</u>	<u>5,119,243</u>	<u>2,363,587</u>	<u>14,464,352</u>	<u>47,785,489</u>
Excess (deficiency) of revenues over expenditures	<u>895,404</u>	<u>(2,211,169)</u>	<u>(4,886,385)</u>	<u>(887,739)</u>	<u>(3,642,176)</u>	<u>(10,732,065)</u>
Other financing sources (uses):						
Issuance of notes	-	3,005,000	4,390,000	-	2,335,000	9,730,000
Premium on issuance of notes	-	-	-	83,191	-	83,191
Sale of assets	5,793	-	-	-	-	5,793
Transfers - in	40,200	-	-	1,565,131	-	1,605,331
Transfers - out	-	(1,384,881)	-	-	(189,810)	(1,574,691)
Total other financing sources (uses)	<u>45,993</u>	<u>1,620,119</u>	<u>4,390,000</u>	<u>1,648,322</u>	<u>2,145,190</u>	<u>9,849,624</u>
Net change in fund balances	941,397	(591,050)	(496,385)	760,583	(1,496,986)	(882,441)
Fund balances, beginning of year	<u>9,336,480</u>	<u>4,090,244</u>	<u>504,992</u>	<u>8,894,202</u>	<u>10,656,922</u>	<u>33,482,840</u>
Fund balances, end of year	\$ <u>10,277,877</u>	\$ <u>3,499,194</u>	\$ <u>8,607</u>	\$ <u>9,654,785</u>	\$ <u>9,159,936</u>	\$ <u>32,600,399</u>

The accompanying notes are an integral part of these financial statements

City of North Olmsted, Ohio

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

For the Year Ended December 31, 2020

Net change in fund balances - total governmental funds \$ (882,441)

*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 expense. This is the amount by which capital outlays differed from depreciation in the current period.

Capital outlay	\$ 9,181,696	
Capital asset, net transferred in	30,066	
Depreciation expense	<u>(3,081,745)</u>	
Total		6,130,017

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the Statement of Activities, a gain or loss is reported for each disposal. (1,559)

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

Property and local taxes	(14,513)	
Municipal income taxes	(94,057)	
Charges for services and sales	(21,550)	
Intergovernmental	<u>(24,417)</u>	
Total		(154,537)

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

Long-term notes issued		(9,730,000)
------------------------	--	-------------

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	3,060,000	
Long-term notes payable	4,835,000	
Police pension liability	4,307	
Capital leases	<u>11,648</u>	
Total		7,910,955

(Continued)

City of North Olmsted, Ohio

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

For the Year Ended December 31, 2020

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	(54,646)	
Compensated absences	(102,327)	
Amortization of premium	131,393	
Amortization of deferred charge on funding	<u>(22,822)</u>	
Total		(48,402)

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	68,485	
Internal balances	<u>(4,573)</u>	
Total		63,912

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

2,673,972

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

(5,206,999)

Change in net position of governmental activities

\$ 754,918

City of North Olmsted, Ohio

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

For the Year Ended December 31, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Municipal income taxes	\$ 10,850,000	\$ 9,758,000	\$ 10,647,477	\$ 889,477
Property and other local taxes	6,305,000	6,270,000	6,390,210	120,210
Charges for services and sales	1,689,000	1,318,000	1,383,027	65,027
Fees, licenses and permits	1,185,100	1,189,100	1,117,294	(71,806)
Fines and forfeitures	302,500	302,500	196,224	(106,276)
Intergovernmental	1,681,700	1,705,171	1,840,502	135,331
Investment income	500,000	200,000	409,189	209,189
Miscellaneous	<u>25,000</u>	<u>35,000</u>	<u>16,875</u>	<u>(18,125)</u>
Total revenues	<u>22,538,300</u>	<u>20,777,771</u>	<u>22,000,798</u>	<u>1,223,027</u>
Expenditures:				
Current:				
General government	5,467,349	5,116,459	4,629,438	487,021
Security of persons and property	14,086,597	13,645,861	11,995,355	1,650,506
Public health and welfare	588,071	555,205	451,202	104,003
Transportation	4,382,819	4,145,482	3,614,910	530,572
Basic utility services	29,000	29,000	19,580	9,420
Economic development	<u>608,617</u>	<u>545,614</u>	<u>492,085</u>	<u>53,529</u>
Total expenditures	<u>25,162,453</u>	<u>24,037,621</u>	<u>21,202,570</u>	<u>2,835,051</u>
(Deficiency) excess of revenues over expenditures	<u>(2,624,153)</u>	<u>(3,259,850)</u>	<u>798,228</u>	<u>4,058,078</u>
Other financing (uses) sources:				
Refunds	-	-	45	45
Sales of assets	10,000	10,000	3,470	(6,530)
Transfers - in	100,000	-	-	-
Transfers - out	<u>(735,800)</u>	<u>(440,800)</u>	<u>(360,800)</u>	<u>80,000</u>
Total other financing (uses) sources	<u>(625,800)</u>	<u>(430,800)</u>	<u>(357,285)</u>	<u>73,515</u>
Net change in fund balance	(3,249,953)	(3,690,650)	440,943	4,131,593
Prior year encumbrances	394,127	394,127	394,127	-
Fund balance, beginning of year	<u>4,539,224</u>	<u>4,539,224</u>	<u>4,539,224</u>	<u>-</u>
Fund balance, end of year	\$ <u>1,683,398</u>	\$ <u>1,242,701</u>	\$ <u>5,374,294</u>	\$ <u>4,131,593</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, 2020

	Business-Type Activities – Enterprise Funds			Governmental
	Springvale Golf Course and Ballroom	Sewer Revenue	Total	Internal Service Funds
Assets:				
Current assets:				
Equity in pooled cash and equivalents	\$ 334,552	\$ 14,762,336	\$ 15,096,888	\$ 4,619,696
Materials and supplies inventory	27,575	190,607	218,182	-
Prepaid items	9,891	69,645	79,536	-
Intergovernmental receivable	-	1,959,207	1,959,207	-
Total current assets	<u>372,018</u>	<u>16,981,795</u>	<u>17,353,813</u>	<u>4,619,696</u>
Non-current assets:				
Non-depreciable capital assets	3,907,122	146,442	4,053,564	-
Depreciable capital assets, net	5,414,090	59,310,700	64,724,790	-
Net pension asset	10,561	36,675	47,236	-
Total non-current assets	<u>9,331,773</u>	<u>59,493,817</u>	<u>68,825,590</u>	<u>-</u>
Total assets	<u>9,703,791</u>	<u>76,475,612</u>	<u>86,179,403</u>	<u>4,619,696</u>
Deferred outflows or resources:				
Deferred loss on refunding	13,347	-	13,347	-
Pension	105,682	366,946	472,628	-
OPEB	76,255	264,778	341,033	-
Total deferred outflows or resources	<u>195,284</u>	<u>631,724</u>	<u>827,008</u>	<u>-</u>
Liabilities:				
Current:				
Accounts and contracts payable	7,898	154,538	162,436	-
Accrued wages and benefits	11,396	95,072	106,468	-
Intergovernmental payable	95	371	466	5,531
Accrued interest payable	31,985	563,612	595,597	-
Claims payable	-	-	-	504,265
Accrued compensated absences	21,077	163,515	184,592	-
General obligation bond payable	505,000	70,000	575,000	-
OWDA loan payable	-	2,561,165	2,561,165	-
Total current liabilities	<u>577,451</u>	<u>3,608,273</u>	<u>4,185,724</u>	<u>509,796</u>
Long-term liabilities (net of current portion):				
Advances from other funds	6,418,359	1,368,944	7,787,303	-
Claims payable	-	-	-	12,126
Accrued compensated absences	47,327	256,177	303,504	-
General obligation bonds payable	3,297,539	487,276	3,784,815	-
Notes payable	1,480,000	-	1,480,000	-
OWDA loan payable	-	42,449,511	42,449,511	-
Net pension liability	664,210	2,306,284	2,970,494	-
Net OPEB liability	469,174	1,629,076	2,098,250	-
Total long-term liabilities	<u>12,376,609</u>	<u>48,497,268</u>	<u>60,873,877</u>	<u>12,126</u>
Total liabilities	<u>12,954,060</u>	<u>52,105,541</u>	<u>65,059,601</u>	<u>521,922</u>
Deferred inflows of resources:				
Pension	152,474	529,423	681,897	-
OPEB	70,651	245,320	315,971	-
Total deferred inflows of resources	<u>223,125</u>	<u>774,743</u>	<u>997,868</u>	<u>-</u>
Net position:				
Net investment in capital assets	4,065,046	13,889,190	17,954,236	-
Unrestricted (deficit)	(7,343,156)	10,337,862	2,994,706	4,097,774
Total net position	\$ <u>(3,278,110)</u>	\$ <u>24,227,052</u>	<u>20,948,942</u>	\$ <u>4,097,774</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:				
			597,417	
	Net position business-type activities		\$ <u>21,546,359</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, 2020

	Business-Type Activities – Enterprise Funds			Governmental Activities
	Springvale Golf Course and Ballroom	Sewer Revenue	Total	Internal Service Funds
Operating revenues:				
Charges for services and sales	\$ 1,212,293	\$ 10,417,017	\$ 11,629,310	\$ 3,465,071
Miscellaneous	-	-	-	18,219
Total operating revenues	<u>1,212,293</u>	<u>10,417,017</u>	<u>11,629,310</u>	<u>3,483,290</u>
Operating expenses:				
Salaries	397,391	1,844,207	2,241,598	-
Benefits	156,458	1,007,888	1,164,346	-
Contractual services	315,293	1,866,630	2,181,923	814,937
Materials and supplies	225,217	623,165	848,382	-
Claims	-	-	-	2,599,868
Depreciation	<u>327,543</u>	<u>2,753,349</u>	<u>3,080,892</u>	<u>-</u>
Total operating expenses	<u>1,421,902</u>	<u>8,095,239</u>	<u>9,517,141</u>	<u>3,414,805</u>
Operating (loss) income	(209,609)	2,321,778	2,112,169	68,485
Non-operating expenses:				
Loss on disposal of capital assets	(6,080)	(523)	(6,603)	-
Capital distribution	-	(30,066)	(30,066)	-
Interest and fiscal charges	(156,550)	(1,153,463)	(1,310,013)	-
Issuance fees	<u>(9,147)</u>	<u>-</u>	<u>(9,147)</u>	<u>-</u>
Total non-operating expenses	<u>(171,777)</u>	<u>(1,184,052)</u>	<u>(1,325,763)</u>	<u>-</u>
(Loss) income before capital contributions and transfers	(381,386)	1,137,726	786,406	-
Capital contributions	-	61,937	61,937	-
Transfers - out	<u>(3,280)</u>	<u>(27,360)</u>	<u>(60,706)</u>	<u>-</u>
Change in net position	(384,666)	1,172,303	787,637	68,485
Net position, beginning of year	<u>(2,893,444)</u>	<u>23,054,749</u>		<u>4,029,289</u>
Net position, end of year	\$ <u>(3,278,110)</u>	\$ <u>24,227,052</u>		\$ <u>4,097,774</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>4,573</u>	
Change in net position business-type activities			\$ <u>792,210</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, 2020

	<u>Business-Type Activities – Enterprise Funds</u>			<u>Governmental</u>
	<u>Springvale Golf Course and Ballroom</u>	<u>Sewer Revenue</u>	<u>Total</u>	<u>Internal Service Funds</u>
Cash flows from operating activities:				
Receipts from customers and users	\$ 1,215,293	\$ 10,388,187	\$ 11,603,480	\$ 3,483,290
Cash paid for goods and services	(319,365)	(1,817,375)	(2,136,740)	(817,674)
Cash paid for materials and supplies	(212,851)	(608,163)	(821,014)	-
Cash paid for employee services and benefits	(461,043)	(2,487,633)	(2,948,676)	-
Cash paid for claims	-	-	-	(2,738,427)
Net cash provided (used) by operating activities	<u>222,034</u>	<u>5,475,016</u>	<u>5,697,050</u>	<u>(72,811)</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(625,358)	(504,905)	(1,130,263)	-
Proceeds from sale of capital assets	-	8,000	8,000	-
Contributed capital	-	61,937	61,937	-
Proceeds from note issuance	1,480,000	-	1,480,000	-
Note issuance costs	(9,147)	-	(9,147)	-
Capital lease principal paid	-	(892)	(892)	-
Capital lease interest paid	-	(49)	(49)	-
Loan principal paid - OWDA	-	(2,498,254)	(2,498,254)	-
Loan interest paid	-	(1,171,178)	(1,171,178)	-
Note principal paid	(1,350,000)	-	(1,350,000)	-
Note interest paid	(40,447)	-	(40,447)	-
General obligation bonds principal paid	(550,000)	(135,000)	(685,000)	-
General obligation bonds interest paid	(131,300)	(20,900)	(152,200)	-
Net cash used by capital and related financing activities	<u>(1,226,252)</u>	<u>(4,261,241)</u>	<u>(5,487,493)</u>	<u>-</u>
Cash flows from noncapital financing activities:				
Advances - in	750,253	-	750,253	-
Transfers - out	(3,280)	(27,360)	(30,640)	-
Net cash provided (used) by noncapital financing activities	<u>746,973</u>	<u>(27,360)</u>	<u>719,613</u>	<u>-</u>
Net (decrease) increase in cash and cash equivalents	(257,245)	1,186,415	929,170	(72,811)
Cash and cash equivalents, beginning of year	<u>591,797</u>	<u>13,575,921</u>	<u>14,167,718</u>	<u>4,692,507</u>
Cash and cash equivalents, end of year	\$ <u>334,552</u>	\$ <u>14,762,336</u>	\$ <u>15,096,888</u>	\$ <u>4,619,696</u>

(Continued)

The accompanying notes are an integral part of these financial statements

City of North Olmsted, Ohio

Statement of Cash Flows (Continued) Proprietary Funds

For the Year Ended December 31, 2020

	Business-Type Activities – Enterprise Funds			Governmental
	Springvale Golf Course and Ballroom	Sewer Revenue	Total	Internal Service Funds
Reconciliation of operating (loss) income to net cash from operating activities:				
Operating (loss) income	\$ (209,609)	\$ 2,321,778	\$ 2,112,169	\$ 68,485
Adjustments:				
Depreciation	327,543	2,753,349	3,080,892	-
Changes in assets and liabilities:				
Materials and supplies inventory	12,581	11,715	24,296	-
Intergovernmental receivable	-	(28,830)	(28,830)	-
Prepaid items	84	(702)	(618)	-
Net pension asset	(4,916)	(17,075)	(21,991)	-
Deferred outflows - pension	181,193	629,135	810,328	-
Deferred outflows - OPEB	(37,723)	(130,981)	(168,704)	-
Accounts and contracts payable	(1,250)	53,030	51,780	(901)
Accrued wages and benefits	2,362	15,912	18,274	-
Intergovernmental payable	(121)	214	93	(1,836)
Claims payable	-	-	-	(138,559)
Accrued compensated absences	564	33,407	33,971	-
Net pension liability	(272,469)	(946,071)	(1,218,540)	-
Net pension OPEB	19,911	69,127	89,038	-
Deferred inflows - pension	135,237	472,649	607,886	-
Deferred inflows - OPEB	68,647	238,359	307,006	-
Net cash provided (used) by operating activities	\$ <u>222,034</u>	\$ <u>5,475,016</u>	\$ <u>5,697,050</u>	\$ <u>(72,811)</u>
Non-cash capital financing activities:				
Net transfer of capital assets to governmental activities	\$ -	\$ (30,066)	\$ (30,066)	\$ -
Amortization of premium on bonds classified as interest expense	(20,072)	(7,179)	(27,251)	-
Amortization of deferred loss on refunding classified as interest expense	13,347	-	13,347	-

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, 2020

	Total Custodial Funds
Assets:	
Equity in pooled cash and cash equivalents	\$ <u>105,589</u>
Liabilities:	
Accounts payable	75
Deposits held and due to others	<u>104,339</u>
Total current liabilities	<u>104,414</u>
Net position:	
Restricted for others	<u>1,175</u>
Total net position	\$ <u><u>1,175</u></u>

City of North Olmsted, Ohio

Statement of Change in Fiduciary Net Position
Fiduciary Funds

For the Year Ended December 31, 2020

	<u>Total Custodial Funds</u>
Additions:	
Court deposits	\$ 983,275
Deductions:	
Court disbursements	<u>1,003,463</u>
Change in net position	(20,188)
Net position, beginning of year, restated (Note 3)	<u>21,363</u>
Net position, end of year	\$ <u><u>1,175</u></u>

City of North Olmsted, Ohio

Notes to the Basic Financial Statements

For the Year Ended December 31, 2020

Note 1: Description of the City and Reporting Entity

The City of 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 a 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 one jointly governed organization, the West Shore Council of Governments. This organization is 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, 2020

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, 2020

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.

Permanent Improvements Fund – The Permanent Improvements Capital Projects Fund accounts for 15% of the municipal income tax receipts and expenditures for the permanent improvement of streets and the storm sewer system.

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).

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.

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, 2020

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, 2020

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. Unearned revenues consisted of unspent COVID-19 funds received from the federal government which will be used in a future period.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

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 position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. At December 31, 2020, the City had deferred outflows of resources for deferred charges on refunding, 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. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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 position 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 and amounts for pension and OPEB plans. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2020, but which were levied to finance fiscal year 2021 operations. These amounts have been recorded as a deferred inflow on both the government-wide Statement of Net Position and the governmental 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.

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, 2020

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 2020, investments were limited to STAR Ohio, negotiable certificates of deposit, money market accounts, 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, 2020

Note 2: Summary of Significant Accounting Policies (continued)

F. Pooled Cash and Cash Equivalents (continued)

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

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2020 amounted to \$563,707, which includes \$470,037 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 expended/expensed when used. Inventory consists of expendable supplies.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2020 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

I. 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.

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.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 2: Summary of Significant Accounting Policies (continued)

I. Capital Assets (continued)

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.

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's infrastructure consists of roads, bridges, culverts and sanitary sewer lines.

J. 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.

K. 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.

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.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 2: Summary of Significant Accounting Policies (continued)

L. 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 and long-term loans are recognized as a liability on the governmental fund financial statements when due.

M. 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.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 2: Summary of Significant Accounting Policies (continued)

M. Fund Balance (continued)

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.

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 \$1,123,000 is reported as unassigned fund balance.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 2: Summary of Significant Accounting Policies (continued)

N. 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 \$22,745,998 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.

O. 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.

P. Deferred Charge on Refunding

The difference between the reacquisition price (funds required to refund the old debt) of various refunding bonds and the net carrying amount of the old debt, the deferred amount (loss) on refunding, is being amortized as a component of interest expense over the remaining life of the new debt. On fund financial statements, the deferred charge on refunding decreases the fund balance in the year the refunding bonds are issued.

Q. 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.

R. Contributions 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. The City had \$61,937 contributions of capital for the year ended December 31, 2020.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 2: Summary of Significant Accounting Policies (continued)

S. 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.

T. 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.

U. Estimates

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

V. 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.

W. Special assessments

Special assessments include annually assessed service assessments. Service type special assessments are levied against all property owners who benefit from the provided service. Special assessments are payable by the time and in the manner stipulated in the assessing ordinance and are a lien from the date of the passage of the ordinance. The City's special assessments are billed and collected by the County Fiscal Officer. The County Fiscal Officer periodically remits these collections to the City.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 3: Change in Accounting Principles

Newly Adopted Accounting Pronouncements

For the year ended December 31, 2020, the City implemented the following Governmental Accounting Standards issued by the Governmental Accounting Standards Board (GASB):

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, issued in June 2018, establishes guidance designed to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period by simplifying accounting for interest cost incurred before the end of a construction period. GASB subsequently issued GASB Statement No. 95, which deferred the effective date of this standard to reporting periods beginning after December 15, 2020. This change was incorporated in the City's financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 83, *Certain Asset Retirement Obligations (AROs)*. This Statement requires a governmental entity that has legal obligation (laws and regulatory requirements, court judgements, contracts, etc.) to perform future asset retirement activities related to its tangible capital assets to recognize a liability, and a corresponding deferred outflow of resources. A liability must be recognized by a government that will eventually retire, dispose of, or environmentally remediate upon retirement, a capital asset if that retirement or disposal carries with it legally enforceable obligations. Measurement of the liability and initial deferred outflow is based on the best estimate of the amount of the current value of outlays expected to be incurred. Annually, the deferred outflow is expensed over the remaining life of the capital asset and evaluated to determine whether the estimate of the liability continues to be appropriate. GASB subsequently issued GASB Statement No. 95, which deferred the effective date of this standard to reporting periods beginning after June 15, 2019.

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

Government-wide net position:

	<u>Governmental Activities</u>	<u>Total</u>
Net position at December 31, 2019	\$ 28,004,217	\$ 48,758,366
Asset retirement obligations	<u>(45,000)</u>	<u>(45,000)</u>
Restated net position at December 31, 2019	<u>\$ 27,959,217</u>	<u>\$ 48,713,366</u>

GASB Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Activities meeting the criteria should be reported in a fiduciary fund in the basic financial statements.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 3: Change in Accounting Principles (continued)

Newly Adopted Accounting Pronouncements (continued)

GASB Implementation Guide No. 2019-2, *Fiduciary Activities*, issued in June 2019, provides guidance to address issues related to accounting and financial reporting for fiduciary activities in accordance with the requirements of GASB Statement No. 84.

The implementation of GASB Statement No. 84 had the following effect on beginning net position as reported as of December 31, 2019:

Fiduciary net position:

	<u>Custodial Funds</u>
Fiduciary net position at December 31, 2019	\$ -
GASB 84 fund reclassification	<u>21,363</u>
Restated fiduciary net position at December 31, 2019	\$ <u><u>21,363</u></u>

Newly Issued Accounting Pronouncements, Not Yet Adopted

GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. GASB subsequently issued GASB Statement No. 95, which deferred the effective date of this standard to reporting periods beginning after June 15, 2021. The City has not yet determined the impact that this GASB pronouncement will have on its financial statements and disclosures.

GASB Statement No. 91, *Conduit Debt Obligations*, was issued in May 2019. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB subsequently issued GASB Statement No. 95, which deferred the effective date of this standard to reporting periods beginning after December 15, 2021. The City has not yet determined the impact that this GASB pronouncement will have on its financial statements and disclosures.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 3: Change in Accounting Principles (continued)

Newly Issued Accounting Pronouncements, Not Yet Adopted (continued)

GASB Statement No. 92, *Omnibus 2020*, was issued in January 2020. 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. GASB subsequently issued GASB Statement No. 95, which deferred the effective date of this standard to reporting periods beginning after June 15, 2021. The City has not yet determined the impact that this GASB pronouncement will have on its financial statements and disclosures.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, was issued in March 2020 to address accounting and financial reporting implications that result from global reference rate reform. The removal of London Interbank Offered Rate (LIBOR) as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020. The City has not yet determined the impact that these implementation guides will have on its financial statements and disclosures.

GASB Implementation Guide No. 2019-1, *Implementation Guide Update-2019*, and GASB Implementation Guide No. 2019-3, *Leases*, effective dates were also deferred as a result of GASB Statement No. 95. The effective date of these implementation guides are reporting periods beginning after June 15, 2020 and June 15, 2021, respectively. The City has not yet determined the impact that these implementation guides 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:

<u>Fund Balances</u>	<u>General</u>	<u>Permanent Improvements</u>	<u>Capital Improvement</u>	<u>General Obligation Bond Retirement</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:						
Long-term advances	\$ 1,263,242	\$ -	\$ -	\$ -	\$ -	\$ 1,263,242
Inventory	287,595	-	-	-	116,444	404,039
Prepays	115,024	-	-	-	27,067	142,091
Total nonspendable	<u>1,665,861</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>143,511</u>	<u>1,809,372</u>

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 4: Fund Balances (continued)

<u>Fund Balances</u>	<u>General</u>	<u>Permanent Improvements</u>	<u>Capital Improvement</u>	<u>General Obligation Bond Retirement</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Restricted for:						
Community diversion	-	-	-	-	11,312	11,312
Recreation	-	-	-	-	449,869	449,869
Court computer	-	-	-	-	9,917	9,917
Alcohol education	-	-	-	-	33,642	33,642
Drug and law enforcement	-	-	-	-	28,814	28,814
Police and fire pension	-	-	-	-	128,992	128,992
Emergency medical services	-	-	-	-	820,616	820,616
Motor vehicle license tax	-	-	-	-	128,287	128,287
State highway	-	-	-	-	314,216	314,216
Street maintenance	-	-	-	-	1,345,673	1,345,673
Public way management	-	-	-	-	24,649	24,649
Sidewalk improvement	-	-	-	-	169,732	169,732
Solid waste and recycling	-	-	-	-	1,726,377	1,726,377
Great Northern TIF	-	-	-	-	2,154,788	2,154,788
Endowments and grants	-	-	-	-	216,952	216,952
Title III grant	-	-	-	-	34,279	34,279
Fair capacity housing	-	-	-	-	104,176	104,176
FEMA grant	-	-	-	-	18,500	18,500
Federal grants	-	-	-	-	15,044	15,044
Debt service payments	-	-	-	9,654,785	839,497	10,494,282
Permanent improvements	-	3,499,194	-	-	-	3,499,194
Capital improvements	-	-	8,607	-	2,000	10,607
Total restricted	-	<u>3,499,194</u>	<u>8,607</u>	<u>9,654,785</u>	<u>8,577,332</u>	<u>21,739,918</u>
Committed to:						
Casualty loss	-	-	-	-	41,273	41,273
Economic development	-	-	-	-	45,939	45,939
Senior center	-	-	-	-	9,062	9,062
Clague Park	-	-	-	-	3,065	3,065
Hotel/motel tax	-	-	-	-	327,435	327,435
STOP program	-	-	-	-	99,738	99,738
Purchases on order	<u>77,253</u>	-	-	-	-	<u>77,253</u>
Total committed	<u>77,253</u>	-	-	-	<u>526,512</u>	<u>603,765</u>
Assigned to:						
Separation pay	1,282,199	-	-	-	-	1,282,199
27th pay	380,000	-	-	-	-	380,000
Year 2021 appropriations	4,067,445	-	-	-	-	4,067,445
Purchases on order	<u>189,222</u>	-	-	-	-	<u>189,222</u>
Total assigned	<u>5,918,866</u>	-	-	-	-	<u>5,918,866</u>
Unassigned	<u>2,615,897</u>	-	-	-	<u>(87,419)</u>	<u>2,528,478</u>
Total fund balance	\$ <u>10,277,877</u>	\$ <u>3,499,194</u>	\$ <u>8,607</u>	\$ <u>9,654,785</u>	\$ <u>9,159,936</u>	\$ <u>32,600,399</u>

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

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) Short-term note proceeds, short-term note principal retirements, advances-in, and advances-out for governmental funds are operating transactions (budgetary) as opposed to balance sheet transactions (GAAP).
- 5) Investments are reported at fair value (GAAP) rather than cost (budgetary).
- 6) 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.

Net Change in Fund Balance

GAAP basis	\$ <u>941,397</u>
Increase (decrease) due to:	
Revenue accruals	(67,778)
Expenditure accruals	(303,209)
Outstanding encumbrances	(401,679)
Fair value adjustment for investments	(159,628)
To reclassify the net change in fund balance for funds combined with the General Fund for GASB 54	<u>431,840</u>
Budget basis	\$ <u><u>440,943</u></u>

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

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);

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 6: Deposits and Investments (continued)

7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the 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 \$11,408,406. At year-end \$1,176,673 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 50% 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, 2020

Note 6: Deposits and Investments (continued)

Investments

As of December 31, 2020, 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	\$ 64,666	\$ 64,666	\$ -
U.S. agency securities:			
Federal Home Loan Bank	553,673	-	553,673
Negotiable certificates of deposit	10,314,077	2,585,898	7,728,179
STAR Ohio	<u>23,867,243</u>	<u>23,867,243</u>	<u>-</u>
Total	<u>\$ 34,799,659</u>	<u>\$ 26,517,807</u>	<u>\$ 8,281,852</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, 2020:

- Money market is based on Level 1 inputs and is valued at amortized costs, which approximates fair value.
- U.S. agency securities are valued based on Level 2 inputs using matrix pricing techniques.
- Negotiable certificates of deposit are measure based on Level 2 inputs, using a matrix or model pricing method.
- STAR Ohio is measured based on amortized cost, Level 1.

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, 2020

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 carries an "AAAm" money market rating by Standard & Poor's. The U.S. agency securities carry an "AAA" rating by Moody's and the negotiable certificate of deposits are 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, 2020:

<u>Investment Issuer</u>	<u>Percentage of Investments</u>
Money market	0.2%
U.S. agency securities:	
Federal Home Loan Bank	1.6%
Negotiable certificates of deposit	29.6%
STAR Ohio	68.6%

Note 7: Receivables

Receivables at December 31, 2020, consisted primarily of municipal income taxes, property and other taxes, accounts (billings for user charged services and court fines), and intergovernmental receivables arising from grants, entitlements and shared revenues.

The general fund accounts receivable is net of a \$209,040 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, 2020

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 2020 for real and public utility property taxes represents collections of the 2019 taxes.

Real property taxes are levied after October 1, 2020, on the assessed value as of January 1, 2020, the lien date. Assessed values are established by State law at 35% of appraised market value. 2020 real property taxes are collected in and intended to finance 2021. 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. 2020 public utility property taxes which became a lien on December 31, 2019, are levied after October 1, 2020, and are collected in 2021 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2020, was \$12.20 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2020 property tax receipts were based as follows:

Real estate	
Residential/Agriculture	\$ 598,249,650
Commercial/Industrial/Mineral	246,945,320
Public utility tangible personal property	<u>19,820,540</u>
Total valuation	<u>\$ 865,015,510</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, 2020 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 and Fire Station 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 2020 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.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 7: Receivables (continued)

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.

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	\$ 391,468
Homestead and rollback	587,324
Gasoline tax	814,739
Permissive tax	110,290
Auto registration	100,531
Miscellaneous	54,412
Drug use prevention grant	18,000
Payments in lieu of taxes	<u>351,766</u>
Total governmental activities	2,428,530
Business-type activities:	
Sewer charges	<u>1,959,207</u>
Total business-type activities	<u>1,959,207</u>
Total	\$ <u><u>4,387,737</u></u>

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 8: Capital Assets

A summary of changes in capital assets during 2020 follows:

	<u>Balance</u> <u>12/31/19</u>	<u>Transfers &</u> <u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>12/31/20</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 4,664,882	\$ -	\$ -	\$ 4,664,882
Art	23,000	-	-	23,000
Construction in progress	<u>4,781,720</u>	<u>6,051,141</u>	<u>(3,171,902)</u>	<u>7,660,959</u>
Total capital assets not being depreciated	<u>9,469,602</u>	<u>6,051,141</u>	<u>(3,171,902)</u>	<u>12,348,841</u>
Capital assets, being depreciated:				
Land improvements	2,484,687	132,943	-	2,617,630
Buildings and improvements	34,805,540	1,260,159	-	36,065,699
Furniture and fixtures	623,749	24,633	-	648,382
Vehicles and equipment	12,591,802	2,158,616	(163,476)	14,586,942
Infrastructure:				
Roads	147,370,641	2,958,620	-	150,329,261
Bridges and culverts	<u>3,688,098</u>	<u>-</u>	<u>-</u>	<u>3,688,098</u>
Total capital assets, being depreciated	<u>201,564,517</u>	<u>6,534,971</u>	<u>(163,476)</u>	<u>207,936,012</u>
Less accumulated depreciation:				
Land improvements	(1,263,909)	(92,526)	-	(1,356,435)
Buildings and improvements	(20,513,584)	(805,613)	-	(21,319,197)
Furniture and fixtures	(534,032)	(10,171)	-	(544,203)
Vehicles and equipment	(8,864,654)	(791,418)	161,917	(9,494,155)
Infrastructure:				
Roads	(129,596,121)	(1,496,904)	-	(131,093,025)
Bridges and culverts	<u>(2,273,804)</u>	<u>(87,561)</u>	<u>-</u>	<u>(2,361,365)</u>
Total accumulated depreciation	<u>(163,046,104)</u>	<u>(3,284,193)</u>	<u>161,917</u>	<u>(166,168,380)</u>
Total capital assets, being depreciated, net	<u>38,518,413</u>	<u>3,250,778</u>	<u>(1,559)</u>	<u>41,767,632</u>
Total governmental capital assets, net	\$ <u>47,988,015</u>	\$ <u>9,301,919</u>	\$ <u>(3,173,461)</u>	\$ <u>54,116,473</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 445,983
Security of persons and property	567,061
Transportation	1,812,748
Public health and welfare	10,734
Leisure time activities	240,959
Economic development	<u>4,260</u>
Total depreciation expense	<u>3,081,745</u>
Transfer	<u>202,448</u>
Total	\$ <u>3,284,193</u>

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 8: Capital Assets (continued)

	Balance 12/31/19	Additions	Transfers & Disposals	Balance 12/31/20
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 2,340,714	\$ -	\$ -	\$ 2,340,714
Construction in progress	<u>5,532,312</u>	<u>149,245</u>	<u>(3,968,707)</u>	<u>1,712,850</u>
Total capital assets not being depreciated	<u>7,873,026</u>	<u>149,245</u>	<u>(3,968,707)</u>	<u>4,053,564</u>
Capital assets, being depreciated:				
Land improvements	4,231,531	24,134	-	4,255,665
Buildings and improvements	46,217,073	4,008,956	-	50,226,029
Furniture and fixtures	81,047	-	-	81,047
Vehicles and equipment	35,196,117	537,318	(292,400)	35,441,035
Sanitary sewer lines	<u>18,333,579</u>	<u>-</u>	<u>-</u>	<u>18,333,579</u>
Total capital assets, being depreciated	<u>104,059,347</u>	<u>4,570,408</u>	<u>(292,400)</u>	<u>108,337,355</u>
Less accumulated depreciation:				
Land improvements	(1,905,171)	(164,596)	-	(2,069,767)
Buildings and improvements	(17,341,243)	(1,090,034)	-	(18,431,277)
Furniture and fixtures	(71,273)	(782)	-	(72,055)
Vehicles and equipment	(10,495,987)	(1,496,917)	247,731	(11,745,173)
Sanitary sewer lines	<u>(10,965,730)</u>	<u>(328,563)</u>	<u>-</u>	<u>(11,294,293)</u>
Total accumulated depreciation	<u>(40,779,404)</u>	<u>(3,080,892)</u>	<u>247,731</u>	<u>(43,612,565)</u>
Total capital assets, being depreciated, net	<u>63,279,943</u>	<u>1,489,516</u>	<u>(44,669)</u>	<u>64,724,790</u>
Total business-type capital assets, net	\$ <u>71,152,969</u>	\$ <u>1,638,761</u>	\$ <u>(4,013,376)</u>	\$ <u>68,778,354</u>

During 2020, the City transferred vehicles from business-type activities to governmental activities. The vehicles had a cost basis of \$232,514 and had accumulated depreciation of \$202,448. This transfer is reported as an addition in the governmental activities and as a disposal in the business-type activities.

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.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 9: Defined Benefit Pension Plans (continued)

A. Net Pension/OPEB Liability (Asset) (continued)

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 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 health care to eligible benefit recipients.

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

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 9: Defined Benefit Pension Plans (continued)

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

Plan Description – City employees 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 combination defined benefit/defined contribution plan; and the Member-Directed plan, a defined contribution plan. 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 Annual Report referenced above for additional information):

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

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 9: Defined Benefit Pension Plans (continued)

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

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

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 and Combined plan.

The OPERS Board of Trustees approved a proposal at its October 2019 meeting to create a new tier of membership in the OPERS traditional pension plan. OPERS currently splits its non-retired membership into Group A, B or C depending on age and service criteria. Retirement Group D would consist of OPERS-contributing members hired in 2022 and beyond. Group D will have its own eligibility standards, benefit structure and unique member features designed to meet the changing needs of Ohio public workers. It also will help OPERS address expected investment market volatility and adjust to the lack of available funding for health care.

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 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 annuitize their defined contribution account balances.

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.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

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 Annual Report referenced above for additional information):

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 5 years of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 5 years of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 1.0% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Formula: 1.0% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Formula: 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 (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.

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, 2020

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 2020 for the Traditional and Combined plans. The portion of the employer's contribution allocated to health care was 4% for the Member-Direct plan for 2020. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. In 2020, the City's contractually required contribution, net of postemployment health care benefits, was \$1,234,193. Of this amount, \$144,771 is reported as accrued wages and benefits at December 31, 2020.

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 administers pension, disability, deferred-retirement option plan (DROP) and health care stipend benefits to qualified members. In addition, OP&F administers survivor benefits, death benefits and a health care stipend benefit for eligible survivors, spouses, children and dependent parents. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report that may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

OP&F also offers DROP. DROP is a cost neutral benefit offered by OP&F. Upon the DROP effective date, the member's pension is calculated as if that were their date of retirement. While the member continues to work and draw their normal salary, the amount they would have received in retirement benefits accumulates tax-deferred at OP&F on their behalf, as well as a portion of their OP&F employee contributions and interest.

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.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 9: Defined Benefit Pension Plans (continued)

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

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 and statutory survivors.

Members retiring under normal service retirement, 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% 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 1%.

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 2020. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

In 2020, the City's contractually required contribution, net of postemployment health care benefits, was \$1,688,221. Of this amount, \$197,245 is reported as accrued wages and benefits at December 31, 2020.

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

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

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&F</u>	<u>Total</u>
Proportion of the net pension liability/asset prior measurement date	0.063334%	0.093477%	0.332782%	
Proportion of the net pension liability/asset current measurement date	<u>0.062230%</u>	<u>0.093795%</u>	<u>0.323067%</u>	
Change in Proportionate Share	(0.001104%)	0.000318%	(0.009715%)	
Proportionate share of the net pension liability	\$ 12,300,181	\$ -	\$ 21,763,546	\$ 34,063,727
Proportionate share of the net pension asset	\$ -	\$ 195,586	\$ -	\$ 195,586
Pension expense	\$ 1,944,502	\$ 28,226	\$ 2,666,794	\$ 4,639,522

2020 pension expense for the member-directed defined contribution plan was \$31,029. The aggregate pension expense for all pension plans was \$4,670,551 for 2020.

At December 31, 2020, 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&F</u>	<u>Total</u>
Deferred outflow of resources				
Difference between expected and actual experience	\$ -	\$ -	\$ 823,821	\$ 823,821
Change in assumptions	656,974	20,167	534,238	1,211,379
Differences in employer contributions and change in proportionate share	45,711	-	134,739	180,450
City contributions subsequent to the measurement date	<u>1,167,757</u>	<u>66,436</u>	<u>1,688,221</u>	<u>2,922,414</u>
Total deferred outflow of resources	\$ <u>1,870,442</u>	\$ <u>86,603</u>	\$ <u>3,181,019</u>	\$ <u>5,138,064</u>

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

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
Deferred inflow of resources				
Difference between expected and actual experience	\$ 155,518	\$ 45,917	\$ 1,122,434	\$ 1,323,869
Net difference between projected and actual earnings on pension plan investments	2,453,610	25,368	1,051,354	3,530,332
Differences in employer contributions and change in proportionate share	<u>143,178</u>	<u>-</u>	<u>752,125</u>	<u>895,303</u>
Total deferred inflow of resources	\$ <u>2,752,306</u>	\$ <u>71,285</u>	\$ <u>2,925,913</u>	\$ <u>5,749,504</u>

The \$2,922,414 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS Traditional	OPERS Combined	OP&F	Total
Fiscal Year Ending December 31:				
2021	\$ (333,431)	\$ (12,464)	\$ (343,071)	\$ (688,966)
2022	(843,551)	(11,987)	(196,336)	(1,051,874)
2023	101,603	(4,914)	320,705	417,394
2024	(974,242)	(14,201)	(1,073,316)	(2,061,759)
2025	-	(2,650)	(141,097)	(143,747)
2026-2028	<u>-</u>	<u>(4,902)</u>	<u>-</u>	<u>(4,902)</u>
	\$ <u>(2,049,621)</u>	\$ <u>(51,118)</u>	\$ <u>(1,433,115)</u>	\$ <u>(3,533,854)</u>

E. Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The 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, 2020

Note 9: Defined Benefit Pension Plans (continued)

E. Actuarial Assumptions – OPERS (continued)

The total pension liability (asset) in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>
Valuation date	December 31, 2019	December 31, 2019
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% wage inflation	3.25 to 10.75%	3.25 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 retirees	3.00% Simple	3.00% Simple
Post-Jan 7, 2013 retirees	1.40% Simple through 2020 then 2.15% Simple	1.40% Simple though 2020 then 2.15% 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, 2015 and methods and assumptions were approved and adopted by the OPERS Board of Trustees.

Mortality rates were based on the RP-2014 Health 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 were determined by applying the MP-2015 Mortality Improvement Scale to the above described tables.

The long-term 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.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 9: Defined Benefit Pension Plans (continued)

E. Actuarial Assumptions – OPERS (continued)

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional 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 17.2% for 2019.

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 table below displays the Board-approved asset allocation policy for 2019 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 (Arithmetic)</u>
Fixed income	25.00%	1.83%
Domestic equities	19.00	5.75
Real estate	10.00	5.20
Private equity	12.00	10.70
International equities	21.00	7.66
Other investments	13.00	4.98
Total	<u>100.00%</u>	<u>5.61%</u>

Discount Rate The discount rate used to measure the total pension liability (asset) for measurement year 2019 was 7.2%. 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 (asset).

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

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 7.2%, as well as what the City’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (6.2%) or one-percentage-point higher (8.2%) than the current rate:

	1% Decrease (6.2%)	Discount Rate (7.2%)	1% Increase (8.2%)
City’s proportionate share of the net pension liability – Traditional	\$ 20,286,980	\$ 12,300,181	\$ 5,120,284
City’s proportionate share of the net pension asset – Combined	\$ 118,182	\$ 195,586	\$ 251,371

F. Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2019 is based on the results of an actuarial valuation date of January 1, 2019, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of 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.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2019, are presented below:

Actuarial cost method	Entry age normal
Investment rate of return	8.00%
Projected salary increases	3.75% - 10.50%
Payroll increases	3.25%
Inflation assumptions	2.75%
Cost of living adjustments	2.20% and 3.00% simple

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 9: Defined Benefit Pension Plans (continued)

F. Actuarial Assumptions – OP&F (continued)

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

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

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

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

The actuarial assumptions used in the valuation are based on the results of a five-year experience review covering the period 2012-2016. The experience study was performed by OP&F's prior actuary and the assumptions were effective January 1, 2017.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in OP&F's Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. 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 average 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.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 9: Defined Benefit Pension Plans (continued)

F. Actuarial Assumptions – OP&F (continued)

Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2019 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return**</u>
Cash and cash equivalents	0.0%	1.0%
Domestic equity	16.0	5.4
International equity	16.0	5.8
Private markets	8.0	8.0
Core fixed income*	23.0	2.7
High yield fixed income	7.0	4.7
Private credit	5.0	5.5
U.S. inflation linked bonds*	17.0	2.5
Midstream energy infrastructure	8.0	6.6
Real assets	8.0	7.4
Private real estate	12.0	6.4

Note: Assumptions are geometric.

*Levered 2x

**Numbers are net of expected inflation.

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

Discount Rate The total pension liability was calculated using the discount rate of 8.00%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8.00%. 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, 2020

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 8.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00%), or one percentage point higher (9.00%) than the current rate.

	<u>1% Decrease (7.00%)</u>	<u>Discount Rate (8.00%)</u>	<u>1% Increase (9.00%)</u>
City’s proportionate share of the net pension liability	\$ 30,163,518	\$ 21,763,546	\$ 14,737,802

Note 10: Postemployment Benefits

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

Plan Description – OPERS is a cost-sharing, multiple-employer public employee retirement system comprised of three separate pension plans: the Traditional plan, a defined benefit plan; the Combined plan, a combination defined benefit/defined contribution plan; and the Member-Directed plan, a defined contribution plan.

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

In order to qualify for postemployment health care coverage, age and service retirees under the Traditional pension and Combined plans must have twenty or more years of qualifying Ohio service credit. 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 75. See OPERS’ Annual Report referenced below for additional information.

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

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 10: Postemployment Benefits (continued)

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

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 2020, 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 employer contributions allocated to health care for members in the Traditional plan and Combined plan was 0% for 2020. The portion of employer contributions allocated to health care for members in the Member-Direct plan was 4% during 2020.

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 2020, the City’s contractually required contribution for postemployment health care benefits was \$12,411.

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 retiree health care stipend program, a cost-sharing, multiple-employer, defined benefit OPEB plan that provides various levels of health care to eligible benefit recipients and their eligible dependents.

On Jan. 1, 2019, OP&F changed the way it supports retiree health care. A stipend-based health care model has replaced the self-insured group health care plan that had been in place. OP&F has contracted with a vendor who can assist 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.

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.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 10: Postemployment Benefits (continued)

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5% 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 employer units and 24.0% for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. There is 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. An Internal Revenue Code 401(h) account is maintained for Medicare Part B reimbursements.

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2020, the portion of employer contributions allocated to health care was 0.5% 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 \$40,202 for 2020. Of this amount, \$4,648 is reported as accrued wages and benefits at December 31, 2020.

C. OPEB Liabilities, 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, 2020, was measured as of December 31, 2019. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. OP&F's total OPEB liability was measured as of December 31, 2019, and was determined by rolling forward the total OPEB liability as of January 1, 2019, to December 31, 2019.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 10: Postemployment Benefits (continued)

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

The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net OPEB liability prior measurement date	0.063813%	0.332782%	
Proportion of the net OPEB liability current measurement date	<u>0.062902%</u>	<u>0.323067%</u>	
Change in Proportionate Share	(0.000911%)	0.009715%	
Proportionate share of the net OPEB liability	\$ 8,688,401	\$ 3,191,171	\$ 11,879,572
OPEB expense	\$ 953,779	\$ 319,776	\$ 1,273,555

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred outflow of resources			
Difference between expected and actual experience	\$ 233	\$ -	\$ 233
Change in assumptions	1,375,281	1,865,683	3,240,964
Differences in employer contributions and change in proportionate share	24,222	165,953	190,175
City contributions subsequent to the measurement date	<u>12,411</u>	<u>40,202</u>	<u>52,613</u>
Total deferred outflow of resources	\$ <u>1,412,147</u>	\$ <u>2,071,838</u>	\$ <u>3,483,985</u>
Deferred inflow of resources			
Difference between expected and actual experience	\$ 794,594	\$ 343,180	\$ 1,137,774
Change in assumptions	-	680,087	680,087
Net difference between projected and actual earnings on OPEB plan investments	442,411	146,846	589,257
Differences in employer contributions and change in proportionate share	<u>71,369</u>	<u>191,903</u>	<u>263,272</u>
Total deferred inflow of resources	\$ <u>1,308,374</u>	\$ <u>1,362,016</u>	\$ <u>2,670,390</u>

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 10: Postemployment Benefits (continued)

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

The \$52,613 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending December 31:	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2021	\$ 203,580	\$ 119,102	\$ 322,682
2022	76,478	119,101	195,579
2023	352	149,224	149,576
2024	(189,048)	101,734	(87,314)
2025	-	123,822	123,822
2026-2027	-	56,637	56,637
	\$ <u>91,362</u>	\$ <u>669,620</u>	\$ <u>760,982</u>

Changes Between the Measurement Date and the Reporting Date On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and pre-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for pre-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are expected to decrease the associated OPEB liability.

D. Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 10: Postemployment Benefits (continued)

D. Actuarial Assumptions – OPERS (continued)

The total OPEB liability for the measurement period December 31, 2019 was determined using the following actuarial assumptions that follow.

	<u>Assumptions</u>
Valuation date	December 31, 2018
Rolled-forward measurement date	December 31, 2019
Experience study	5-year period ended December 31, 2015
Actuarial cost method	Individual entry age normal
Projected salary increases, including 3.25% wage inflation	3.25 to 10.75%
Projected payroll/active member increase	3.25% per year
Investment rate of return	6.00%
Municipal bond rate	2.75%
Single discount rate of return	3.16%
Health care cost trend	Initial 10.5% to 3.5% ultimate in 2030

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively.

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

The 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, 2020

Note 10: Postemployment Benefits (continued)

D. Actuarial Assumptions – OPERS (continued)

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional pension plan, Combined plan and Member-Directed plan eligible members. Within the Health Care portfolio, 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 19.7% for 2019.

The allocation of investment assets with 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 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 (Arithmetic)</u>
Fixed income	36.00%	1.53%
Domestic equities	21.00	5.75
Real estate	6.00	5.69
International equities	23.00	7.66
Other investments	14.00	4.90
Total	<u>100.00%</u>	<u>4.55%</u>

Discount Rate A single discount rate of 3.16% was used to measure the OPEB liability on the measurement date of December 31, 2019. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 2.75% for the measurement date of December 31, 2019.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 10: Postemployment Benefits (continued)

D. Actuarial Assumptions – OPERS (continued)

The projection of cash flows used to determine this single discount rate assumed that employer contributions will be met 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 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City’s Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following table presents the City’s proportionate share of the net OPEB liability calculated using the single discount rate of 3.16%, as well as what the City’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.16%) or one-percentage-point higher (4.16%) than the current rate:

	1% Decrease <u>(2.16%)</u>	Discount Rate <u>(3.16%)</u>	1% Increase <u>(4.16%)</u>
City’s proportionate share of the net OPEB liability	\$ 11,370,166	\$ 8,688,401	\$ 6,541,179

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.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2020 is 10.5%. 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 3.5% in the most recent valuation.

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% lower or 1% higher than the current rate.

	1% Decrease <u></u>	Cost Trend Rate <u></u>	1% Increase <u></u>
City’s proportionate share of the net OPEB liability	\$ 8,432,013	\$ 8,688,401	\$ 8,941,519

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 10: Postemployment Benefits (continued)

D. Actuarial Assumptions – OPERS (continued)

Assumption Changes Since the Prior Measurement Date Municipal bond rate changed from 3.71% to 2.75% and the single discount rate changed from 3.96% to 3.16%. The health care cost trend rate changed from 10% initial, 3.25%, ultimate in 2029 to 10.5% initial, 3.5% ultimate in 2030.

E. Actuarial Assumptions – OP&F

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

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

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

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 10: Postemployment Benefits (continued)

E. Actuarial Assumptions – OP&F (continued)

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	8.00%
Price inflation	2.75%
Salary increases, including price inflation	3.75% – 10.50%
Municipal bond index rate	
Prior measurement date	4.13%
Current measurement date	2.75%
Single equivalent interest rate, net of plan	
Investment expense, including price inflation	
Prior measurement date	4.66%
Current measurement date	3.56%

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

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

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

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

The actuarial assumptions used in the valuation are based on the results of a five-year experience review covering the period 2012-2016. The experience study was performed by OP&F's prior actuary and the assumptions were effective with the January 1, 2017 valuation.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 10: Postemployment Benefits (continued)

E. Actuarial Assumptions – OP&F (continued)

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, 2019, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return**</u>
Cash and cash equivalents	0.0%	1.0%
Domestic equity	16.0	5.4
International equity	16.0	5.8
Private markets	8.0	8.0
Core fixed income*	23.0	2.7
High yield fixed income	7.0	4.7
Private credit	5.0	5.5
U.S. inflation linked bonds*	17.0	2.5
Midstream energy infrastructure	8.0	6.6
Real assets	8.0	7.4
Private real estate	12.0	6.4

Note: Assumptions are geometric.

*Levered 2x

*Numbers are net of expected inflation.

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

Discount Rate The total OPEB liability was calculated using the discount rate of 3.56%. 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 8.00%. Based on those assumptions, OP&F's fiduciary net position was projected to be able to make all future benefit payment of current and inactive employees until 2034. After that time, the funding of benefit payments is uncertain. The discount rate is the single equivalent rate which results in the same present value as discounting future benefit payments made from assets at the long term expected rate of return and discounting future benefit payments funded on a pay-as-you go basis on the municipal bond 20-year index rate.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 10: Postemployment Benefits (continued)

E. Actuarial Assumptions – OP&F (continued)

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

	1% Decrease <u>(2.56%)</u>	Discount Rate <u>(3.56%)</u>	1% Increase <u>(4.56%)</u>
City’s proportionate share of the net OPEB liability	\$ 3,956,848	\$ 3,191,171	\$ 2,554,950

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 single discount rate decreased from 4.66% to 3.56%.

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 2020, self-insurance was in effect for claims up to \$100,000 per covered individual and \$3,525,117 in aggregate. This aggregate includes both medical and drug coverage. Claims in excess of this aggregated amount are insured by private carriers.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 11: Risk Management (continued)

B. Health Insurance Benefits (continued)

The claims liability of \$467,885 as estimated by the third-party administrator and reported in the Hospitalization Internal Service Fund at December 31, 2020, is based on the requirements of GASB Statement No. 30 which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the Fund's claims liability amount in 2020 and 2019 were as follows:

	<u>2020</u>	<u>2019</u>
Unpaid claims, beginning of year	\$ 593,063	\$ 240,958
Incurred claims and adjustments	2,524,613	3,147,294
Claims payments	<u>(2,649,791)</u>	<u>(2,795,189)</u>
Unpaid claims, end of year	<u>\$ 467,885</u>	<u>\$ 593,063</u>

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 Sedgwick, the 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 \$48,506 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 2020 and 2019 were as follows:

	<u>2020</u>	<u>2019</u>
Unpaid claims, beginning of year	\$ 61,887	\$ 90,462
Incurred claims and adjustments	75,255	94,547
Claims payments	<u>(88,636)</u>	<u>(123,122)</u>
Unpaid claims, end of year	<u>\$ 48,506</u>	<u>\$ 61,887</u>

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 12: Long-Term Obligations

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

	<u>Original Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>
Governmental activities:				
General obligation bonds:				
Street improvement bonds	2010	2020	3.75-4.00%	\$ 3,715,000
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
Fire station improvement refunding bonds	2015	2025	3.00-3.25	2,260,000
Library improvement refunding bonds	2017	2020	2.00-4.00	3,065,000
Various purpose refunding, series 2017	2017	2037	2.00-4.00	571,000
Capital improvement bonds	2017	2037	2.00-4.00	4,735,000
Police pension	1968	2031	4.25	272,250
Long-term bond anticipation notes	2019	2020	3.00	4,835,000
Long-term bond anticipation notes	2020	2021	2.00-2.51	9,730,000
Business-type activities:				
General obligation bonds:				
Capital improvement and equipment bonds	2013	2021	2.00-2.125	380,000
Capital improvement and refunding bonds	2015	2020	3.00-3.50	240,000
Various purpose refunding, series 2017	2017	2037	2.00-4.00	2,489,000
Capital improvement bonds	2017	2037	2.00-4.00	3,970,000
OWDA sanitary sewer loan	2012	2034	2.80	9,448,575
OWDA sanitary sewer loan	2013	2035	2.44	45,900,266
Long-term bond anticipation notes	2019	2020	3.00	1,260,000
Long-term bond anticipation notes	2020	2021	2.00	1,480,000

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 12: Long-Term Obligations (continued)

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

	Balance 12/31/19	Increase	Decrease	Balance 12/31/20	Amounts Due in One Year
Governmental activities:					
General obligation bonds:					
Street improvement bonds	\$ 345,000	\$ -	\$ 345,000	\$ -	\$ -
Premium on street improvement bonds	16,890	-	16,890	-	-
Capital improvement and equipment bonds	1,965,000	-	445,000	1,520,000	530,000
Premium on capital improvement and equipment bonds	48,160	-	12,039	36,121	-
Capital improvement and refunding bonds	4,080,000	-	675,000	3,405,000	700,000
Premium on capital improvement and refunding bonds	261,955	-	23,814	238,141	-
Fire station improvement refunding bonds	1,565,000	-	235,000	1,330,000	250,000
Premium on fire station improvement refunding bonds	96,813	-	16,136	80,677	-
Library improvements refunding bonds	780,000	-	780,000	-	-
Premium on library improvements refunding bonds	27,075	-	27,075	-	-
Various purpose refunding bonds	175,000	-	135,000	40,000	40,000
Premium on various purpose refunding bonds	6,178	-	5,022	1,156	-
Capital improvement bonds	3,895,000	-	445,000	3,450,000	445,000
Premium on capital improvement bonds	243,338	-	30,417	212,921	-
Total general obligation bonds	13,505,409	-	3,191,393	10,314,016	1,965,000
Police pension liability*	62,201	-	4,307	57,894	4,492
Long-term notes*	4,835,000	9,730,000	4,835,000	9,730,000	-
Capital lease payable*	11,648	-	11,648	-	-
Claims payable*	654,950	2,599,868	2,738,427	516,391	504,265
Compensated absences payable	5,055,234	1,072,609	970,282	5,157,561	2,146,074
Asset retirement obligations	45,000	-	-	45,000	-
Net pension liability	40,320,668	-	9,227,435	31,093,233	-
Net OPEB liability	9,340,988	440,334	-	9,781,322	-
Total governmental activities	\$ 73,831,098	\$ 13,842,811	\$ 20,978,492	\$ 66,695,417	\$ 4,619,831

* 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, 2020

Note 12: Long-Term Obligations (continued)

	Balance <u>12/31/19</u>	Increase	Decrease	Balance <u>12/31/20</u>	Amounts Due <u>in One Year</u>
Business-type activities:					
General obligation bonds:					
Capital improvement and equipment bonds	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ -
Capital improvement and refunding bonds	70,000	-	35,000	35,000	35,000
Premium on capital improvement and refunding bonds	2,326	-	2,326	-	-
Various purpose bonds refunding	990,000	-	525,000	465,000	465,000
Premium on various purpose bond refunding	31,838	-	17,202	14,636	-
Capital improvement bonds	3,835,000	-	75,000	3,760,000	75,000
Premium on capital improvement bonds	<u>92,902</u>	<u>-</u>	<u>7,723</u>	<u>85,179</u>	<u>-</u>
Total general obligation bonds	5,072,066	-	712,251	4,359,815	575,000
Long-term notes*	1,260,000	1,480,000	1,260,000	1,480,000	-
OWDA sanitary sewer loans*	47,508,930	-	2,498,254	45,010,676	2,561,165
Capital lease payable*	892	-	892	-	-
Compensated absences payable	454,125	127,911	93,940	488,096	184,592
Net pension liability	4,189,034	-	1,218,540	2,970,494	-
Net OPEB liability	<u>2,009,212</u>	<u>89,038</u>	<u>-</u>	<u>2,098,250</u>	<u>-</u>
Total business-type activities	\$ <u>60,494,259</u>	\$ <u>1,696,949</u>	\$ <u>5,783,877</u>	\$ <u>56,407,331</u>	\$ <u>3,320,757</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, and Fire Station Bond Retirement Funds.

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 percent on the amount of each default shall be paid to the OWDA, and (3) for each additional 30 days during which the charges remain unpaid, the City shall continue to pay an additional late charge of 1 percent on the amount of the default until such charges are paid.

In 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, 2020

Note 12: 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, Title III Fund, and Fair Capacity Housing 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 \$3,065,000 in library improvement refunding bonds, for the purpose of providing funds to refund the City's outstanding capital improvement bonds related to the 2001 library project. The bonds mature on December 1, 2020 and have an interest rate between 2.0% and 4.0%. The bonds were sold at a premium of \$108,302. Proceeds and premium of \$3,112,607 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 \$205,238 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 \$199,083.

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.

The notes are dated March 10 and April 8, 2020 and are due on March 10 and April 8, 2021 with interest rates ranging from 2.00-2.15%. These notes are reported as long-term obligations as they were refinanced on March 9, 2021 with capital improvement and equipment bonds. See Note 21 for additional information.

The City's overall legal debt margin was \$75,078,476 at December 31, 2020.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 12: Long-Term Obligations (continued)

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

Year	Governmental Activities			
	General Obligation Bonds		Police Pension*	
	Principal	Interest	Principal	Interest
2021	\$ 1,965,000	\$ 301,013	\$ 4,492	\$ 2,413
2022	1,690,000	251,588	4,685	2,220
2023	1,690,000	208,863	4,886	2,019
2024	1,245,000	160,425	5,096	1,809
2025	1,300,000	116,363	5,315	1,590
2026-2030	1,855,000	148,325	30,202	4,326
2031	-	-	3,218	68
Totals	\$ <u>9,745,000</u>	\$ <u>1,186,577</u>	\$ <u>57,894</u>	\$ <u>14,445</u>

Year	Governmental Activities (continued)	
	Total	
	Principal	Interest
2021	\$ 1,969,492	\$ 303,426
2022	1,694,685	253,808
2023	1,694,886	210,882
2024	1,250,096	162,234
2025	1,305,315	117,953
2026-2030	1,885,202	152,651
2031	3,218	68
Totals	\$ <u>9,802,894</u>	\$ <u>1,201,022</u>

Year	Business-Type Activities			
	General Obligation Bonds		OWDA Loans*	
	Principal	Interest	Principal	Interest
2021	\$ 575,000	\$ 138,000	\$ 2,561,165	\$ 1,108,267
2022	225,000	126,500	2,625,665	1,043,767
2023	230,000	119,750	2,691,793	977,638
2024	240,000	112,850	2,759,593	909,839
2025	245,000	103,250	2,829,105	840,326
2026-2030	1,120,000	372,850	15,251,262	3,095,896
2031-2035	1,125,000	196,963	16,292,093	1,088,446
2036-2037	500,000	26,119	-	-
Totals	\$ <u>4,260,000</u>	\$ <u>1,196,282</u>	\$ <u>45,010,676</u>	\$ <u>9,064,179</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, 2020

Note 12: Long-Term Obligations (continued)

Year	Business-Type Activities (continued)	
	Total	
	Principal	Interest
2021	\$ 3,136,165	\$ 1,246,267
2022	2,850,665	1,170,267
2023	2,921,793	1,097,388
2024	2,999,593	1,022,689
2025	3,074,105	943,576
2026-2030	16,371,262	3,468,746
2031-2035	17,417,093	1,285,409
2036-2037	500,000	26,119
Totals	\$ <u>49,270,676</u>	\$ <u>10,260,461</u>

Note 13: Lease Obligations

The City entered into lease agreements for several copiers. The City's lease obligations met the criteria of a capital lease and have been recorded on the government-wide statements. All capital leases were secured by the related equipment. Capital lease payments for governmental fund-type capital leases have been reclassified and are reflected as debt service expenses in the fund financial statements for the General Fund, Recreation Fund and Senior Center Fund. These expenditures are reflected as capital outlay expenditures on a budgetary basis. These leases expired in 2020.

The City entered into leases for certain equipment. These leases do not meet the criteria of a capital lease. The total cost for operating leases in 2020 was \$1,439 for governmental activities and \$65,575 for enterprise activities.

Note 14: 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 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, 2020

Note 15: Short Term Notes Payable

A summary of the notes transactions for the year ended December 31, 2020, follows:

	<u>Balance</u> <u>12/31/19</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>12/31/20</u>
Governmental activities:				
Capital improvement and equipment notes	\$ <u>590,000</u>	\$ <u>-</u>	\$ <u>590,000</u>	\$ <u>-</u>
Business type activities:				
Capital improvement and equipment notes	\$ <u>90,000</u>	\$ <u>-</u>	\$ <u>90,000</u>	\$ <u>-</u>

The capital improvement and equipment notes were issued for the purposes of improving designated streets, improvements to the City's municipal complex and Springvale Golf Course, to provide funds to acquire equipment for the City's Fire Department, and to provide funds for acquiring and installing telecommunications system and computer hardware and software equipment. The notes were dated April 9, 2019 and matured on April 9, 2020 with an interest rate of 3%.

Note 16: Construction and Other Significant Commitments

At December 31, 2020, the City's significant contractual commitments consisted of:

<u>Project</u>	<u>Contract</u> <u>Amount</u>	<u>Amount</u> <u>Paid/Accrued</u>	<u>Remaining on</u> <u>Contract</u>
County club phase III	\$ 874,784	\$ 808,320	\$ 66,464
Ice rink roof construction	995,594	993,094	2,500
Total commitments	\$ <u>1,870,378</u>	\$ <u>1,801,414</u>	\$ <u>68,964</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	\$ 266,475
Permanent Improvements Fund	330,929
Capital Improvements Fund	144,252
General Obligation Bond Retirement Fund	12,000
Other Governmental Funds	<u>393,940</u>
Total other significant commitments	\$ <u>1,147,596</u>

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 17: Interfund Activity

Interfund Transfers

Interfund transfers for the year ended December 31, 2020 consisted of the following:

	<u>Transfer to</u>		
	<u>General</u>	<u>Obligation Bond</u>	
Transfer from:	<u>Fund</u>	<u>Retirement</u>	<u>Total</u>
Permanent Improvement Fund	\$ -	\$ 1,384,881	\$ 1,384,881
Non-major Governmental Funds	9,560	180,250	189,810
Springvale Golf and Ballroom Fund	3,280	-	3,280
Sewer Revenue Fund	<u>27,360</u>	<u>-</u>	<u>27,360</u>
Total	<u>\$ 40,200</u>	<u>\$ 1,565,131</u>	<u>\$ 1,605,331</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). 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, 2020, interfund balances were as follows:

	<u>Receivable</u>	<u>Payable</u>
	<u>Advance to</u>	<u>Advance from</u>
	<u>Other Funds</u>	<u>Other Funds</u>
Governmental Activities:		
General Fund	\$ 1,263,242	\$ -
General Obligation Bond Retirement Fund	<u>6,524,061</u>	<u>-</u>
Total Governmental Activities	<u>7,787,303</u>	<u>-</u>
Business-Type Activities:		
Springvale Golf Course and Ballroom Fund	-	6,418,359
Sewer Revenue Fund	<u>-</u>	<u>1,368,944</u>
Total Business-Type Activities	<u>-</u>	<u>7,787,303</u>
Total	<u>\$ 7,787,303</u>	<u>\$ 7,787,303</u>

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.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 17: Interfund Activity (continued)

Interfund Balances (continued)

Interfund receivables/payables for the year ended December 31, 2020 consisted of the following:

	<u>Interfund Payable</u>		
	<u>Capital Improvement Fund</u>	<u>Non-major Governmental Fund</u>	<u>Total</u>
Interfund Receivable:			
General Fund	\$ -	\$ 87,419	\$ 87,419
Non-major Governmental Funds	<u>230,000</u>	<u>-</u>	<u>230,000</u>
Total	\$ <u>230,000</u>	\$ <u>87,419</u>	\$ <u>317,419</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 2020, the City contributed \$70,202. 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 (HAZ MAT) 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.

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, 2020.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 19: Contingent Liabilities (continued)

Litigation

The City is unaware of any un-asserted claims pending against it as of December 31, 2020. 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, 2020, 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. For residential properties, 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:

- Ten years, for the construction of dwellings containing not more than three housing units, with such exemption being 75% for each of the 10 years.
- 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.

For the year ended December 31, 2020, the City abated property taxes totaling \$114,148 under this program.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 20: Tax Abatements (continued)

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. The total amount of taxes abated under this program for the year ended December 31, 2020 was \$147,784.

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. The total amount of taxes abated under this program for the year ended December 31, 2020 was \$41,196.

Note 21: Subsequent Events

On March 9, 2021, the City issued \$11,075,000 (\$1,280,000 business-type and \$9,795,000 governmental) 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 is December 10, 2031, and the bond carry an interest rate 2% - 4%.

Note 22: Accountability and Compliance

There was a deficit in the CDBG fund of \$87,419. This deficit due to the City not receiving the grant reimbursement before year end. The general fund is liable for any deficit in this fund and provides operating transfers when cash is required, not when accruals occur.

The CDBG fund had a negative cash balance indicating that revenue from other sources were used to pay obligations of this fund contrary to Ohio Revised Code Section 5705.10. Although this budgetary violation and cash deficit was not corrected by year end, management has indicated that appropriations will be closely monitored to prevent future violations.

City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

For the Year Ended December 31, 2020

Note 23: COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the City. The City's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the City's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated. In 2020, the City received \$2,276,678 in COVID relief funding. Additional funding will be available through the Consolidated Appropriations Act, 2021, passed by Congress on December 21, 2020 and/or the American Rescue Plan Act, passed by Congress on March 11, 2021.

Note 24: 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. This asset retirement obligation (ARO) of \$45,000 associated with the City's underground storage tanks was estimated by the City engineer. The remaining useful life of these USTs are 0 years. The City maintains insurance related to any potential pollution remediation associated with the USTs.

Ohio Revised Code Section 6111.44 requires the City to submit any changes to their 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 for this year.

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 Seven Years

	<u>2020(1)</u>	<u>2019(1)</u>			
City's proportion of the net pension liability	0.062230%	0.063334%			
City's proportionate share of the net pension liability	\$ 12,300,181	\$ 17,345,899			
City's covered payroll	\$ 8,801,900	\$ 8,284,775			
City's proportionate share of the net pension liability as a percentage of its covered payroll	139.74%	209.37%			
Plan fiduciary net position as a percentage of the total pension liability	82.17%	74.70%			
	<u>2018(1)</u>	<u>2017(1)</u>	<u>2016(1)</u>	<u>2015(1)</u>	<u>2014(1)</u>
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

(1) Information prior to 2014 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 Pension Asset Ohio Public Employee Retirement System – Combined Plan

For the Last Seven Years

	<u>2020(1)</u>	<u>2019(1)</u>			
City's proportion of the net pension asset	0.093795%	0.093477%			
City's proportionate share of the net pension asset	\$ 195,586	\$ 104,529			
City's covered payroll	\$ 420,500	\$ 385,547			
City's proportionate share of the net pension asset as a percentage of its covered payroll	46.51%	27.11%			
Plan fiduciary net position as a percentage of the total pension asset	145.28%	126.64%			
	<u>2018(1)</u>	<u>2017(1)</u>	<u>2016(1)</u>	<u>2015(1)</u>	<u>2014(1)</u>
City's proportion of the net pension asset	0.098962%	0.096272%	0.098960%	0.117384%	0.117384%
City's proportionate share 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 asset	137.28%	116.55%	116.90%	114.83%	n/a

(1) Information prior to 2014 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 Pension Liability Ohio Police and Fire Pension Fund

For the Last Seven Years

	<u>2020(1)</u>	<u>2019(1)</u>			
City's proportion of the net pension liability	0.323067%	0.332782%			
City's proportionate share of the net pension liability	\$ 21,763,546	\$ 27,163,803			
City's covered payroll	\$ 7,761,669	\$ 7,338,794			
City's proportionate share of the net pension liability as a percentage of its covered payroll	280.40%	370.14%			
Plan fiduciary net position as a percentage of the total pension liability	69.89%	63.07%			
	<u>2018(1)</u>	<u>2017(1)</u>	<u>2016(1)</u>	<u>2015(1)</u>	<u>2014(1)</u>
City's proportion of the net pension liability	0.328291%	0.332886%	0.337684%	0.341655%	0.341646%
City's proportionate share 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%

(1) Information prior to 2014 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 Contributions
 Ohio Public Employee Retirement System – Traditional Plan

For the Last Ten Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually-required contribution	\$ 1,167,757	\$ 1,232,266	\$ 1,159,869	\$ 1,074,104	\$ 992,473
Contributions in relation to the contractually-required contribution	<u>(1,167,757)</u>	<u>(1,232,266)</u>	<u>(1,159,869)</u>	<u>(1,074,104)</u>	<u>(992,473)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
City covered payroll	\$ 8,341,121	\$ 8,801,900	\$ 8,284,775	\$ 8,262,335	\$ 8,270,612
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.00%	12.00%
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually-required contribution	\$ 980,493	\$ 916,217	\$ 935,199	\$ 690,331	\$ 655,112
Contributions in relation to the contractually-required contribution	<u>(980,493)</u>	<u>(916,217)</u>	<u>(935,199)</u>	<u>(690,331)</u>	<u>(655,112)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
City covered payroll	\$ 8,170,779	\$ 7,635,146	\$ 7,193,840	\$ 6,903,306	\$ 6,551,122
Contributions as a percentage of covered payroll	12.00%	12.00%	13.00%	10.00%	10.00%

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 Contributions
 Ohio Public Employee Retirement System – Combined Plan

For the Last Ten Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually-required contribution	\$ 66,436	\$ 58,869	\$ 53,977	\$ 52,367	\$ 45,627
Contributions in relation to the contractually-required contribution	<u>(66,436)</u>	<u>(58,869)</u>	<u>(53,977)</u>	<u>(52,367)</u>	<u>(45,627)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
City covered payroll	\$ 474,550	\$ 420,500	\$ 385,547	\$ 402,822	\$ 380,227
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.00%	12.00%
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually-required contribution	\$ 46,303	\$ 49,608	\$ 44,193	\$ 32,622	\$ 30,957
Contributions in relation to the contractually-required contribution	<u>(46,303)</u>	<u>(49,608)</u>	<u>(44,193)</u>	<u>(32,622)</u>	<u>(30,957)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
City covered payroll	\$ 385,862	\$ 413,399	\$ 339,946	\$ 326,217	\$ 309,574
Contributions as a percentage of covered payroll	12.00%	12.00%	13.00%	10.00%	10.00%

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 Contributions Ohio Police and Fire Pension Fund

For the Last Ten Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually-required contribution	\$ 1,688,221	\$ 1,629,823	\$ 1,543,225	\$ 1,522,576	\$ 1,534,192
Contributions in relation to the contractually-required contribution	<u>(1,688,221)</u>	<u>(1,629,823)</u>	<u>(1,543,225)</u>	<u>(1,522,576)</u>	<u>(1,534,192)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
City covered payroll	\$ 8,040,410	\$ 7,761,669	\$ 7,338,794	\$ 7,235,102	\$ 7,292,482
Contributions as a percentage of covered payroll	21.00%	21.00%	21.03%	21.04%	21.04%
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually-required contribution	\$ 1,552,780	\$ 1,413,097	\$ 1,209,419	\$ 952,073	\$ 866,244
Contributions in relation to the contractually-required contribution	<u>(1,552,780)</u>	<u>(1,413,097)</u>	<u>(1,209,419)</u>	<u>(952,073)</u>	<u>(866,244)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
City covered payroll	\$ 7,387,575	\$ 6,699,634	\$ 6,712,291	\$ 6,424,504	\$ 5,841,179
Contributions as a percentage of covered payroll	21.02%	21.09%	18.02%	14.82%	14.83%

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 Public Employee Retirement System

For the Last Four Years

	<u>2020(1)</u>	<u>2019(1)</u>	<u>2018(1)</u>	<u>2017(1)</u>
City's proportion of the net OPEB liability	0.062902%	0.063813%	0.063020%	0.063332%
City's proportionate share of the net OPEB liability	\$ 8,688,401	\$ 8,319,709	\$ 6,843,509	\$ 6,396,753
City's covered payroll	\$ 9,556,893	\$ 8,966,207	\$ 8,951,607	\$ 8,904,621
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	90.91%	92.79%	76.45%	71.84%
Plan fiduciary net position as a percentage of the total OPEB liability	47.80%	46.33%	54.14%	n/a

(1) Information prior to 2017 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 Four Years

	<u>2020(1)</u>	<u>2019(1)</u>	<u>2018(1)</u>	<u>2017(1)</u>
City's proportion of the net OPEB liability	0.323067%	0.332782%	0.328291%	0.332886%
City's proportionate share of the net OPEB liability	\$ 3,191,171	\$ 3,030,491	\$ 18,600,508	\$ 15,801,350
City's covered payroll	\$ 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	41.11%	41.29%	257.09%	216.68%
Plan fiduciary net position as a percentage of the total OPEB liability	47.10%	46.57%	14.13%	n/a

(1) Information prior to 2017 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 Five Years (1)

	<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.

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 Police and Fire Pension Fund

For the Last Ten Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually-required contribution	\$ 40,202	\$ 38,808	\$ 36,694	\$ 36,175	\$ 36,462
Contributions in relation to the contractually-required contribution	<u>(40,202)</u>	<u>(38,808)</u>	<u>(36,694)</u>	<u>(36,175)</u>	<u>(36,462)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
City covered payroll	\$ 8,040,410	\$ 7,761,669	\$ 7,338,794	\$ 7,235,102	\$ 7,292,482
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%	0.50%
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually-required contribution	\$ 36,938	\$ 33,498	\$ 242,985	\$ 433,654	\$ 394,280
Contributions in relation to the contractually-required contribution	<u>(36,938)</u>	<u>(33,498)</u>	<u>(242,985)</u>	<u>(433,654)</u>	<u>(394,280)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
City covered payroll	\$ 7,387,575	\$ 6,699,634	\$ 6,712,291	\$ 6,424,504	\$ 5,841,179
Contributions as a percentage of covered payroll	0.50%	0.50%	3.62%	6.75%	6.75%

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, 2020

Note 1: Net Pension Liability

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 – 2020

	OPERS <u>Traditional plan</u>	OPERS <u>Combined plan</u>
Valuation Date	December 31, 2019	December 31, 2019
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

Key Methods and Assumptions in Valuing Total Pension Liability – 2019

	OPERS <u>Traditional plan</u>	OPERS <u>Combined plan</u>
Valuation Date	December 31, 2018	December 31, 2018
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

City of North Olmsted, Ohio

Notes to Required Supplementary Information

For the Year Ended December 31, 2020

Note 1: Net Pension Liability (continued)

Changes in Assumptions – OPERS (continued)

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

	OPERS <u>Traditional plan</u>	OPERS <u>Combined plan</u>
Valuation Date	December 31, 2017	December 31, 2017
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

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

	OPERS <u>Traditional plan</u>	OPERS <u>Combined plan</u>
Valuation Date	December 31, 2015	December 31, 2015
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 though 2018 then 2.8% Simple

Mortality rates - 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.

City of North Olmsted, Ohio

Notes to Required Supplementary Information

For the Year Ended December 31, 2020

Note 1: Net Pension Liability (continued)

Changes in Assumptions – OPERS (continued)

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.

Changes in Assumptions – OP&F

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

	<u>Beginning in 2018</u>	<u>2017 and Prior</u>
Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017	January 1, 2016, with actuarial liabilities rolled forward to December 31, 2016
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.00%	8.25%
Projected Salary Increases	3.75% to 10.50%	4.25% to 11.00%
Payroll Growth	Inflation rate of 2.75% plus productivity increase rate of 0.50%	Inflation rate of 3.25% plus productivity increase rate of 0.50%
Cost of Living Adjustments	3.00% simple; 2.20% simple for increased based on the lesser of the increase in CPI and 3%	3.00% simple; 2.60% simple for increased based on the lesser of the increase in CPI and 3%

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

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

City of North Olmsted, Ohio

Notes to Required Supplementary Information

For the Year Ended December 31, 2020

Note 1: Net Pension Liability (continued)

Changes in Assumptions – OP&F (continued)

Amounts reported for 2018 use valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the 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%	100%

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

Note 2: Net OPEB Liability

Changes in Assumptions – OPERS

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 2019, 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

For the Year Ended December 31, 2020

Note 2: Net OPEB Liability (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, 2020

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.

Local Coronavirus Relief 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).

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.

Clague Park Fund – Accounts for the proceeds from the sale of land as well as Clague Park wireless communication tower upfront proceeds and the expenditures related to revitalizing and improving Clague Park.

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, 2020

Non-Major Special Revenue Funds (continued)

Emergency Medical Services Fund – Until 2008, accounted for 25% of the resident emergency medical service's receipts. Expenditures are restricted to capital improvements 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.

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.

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.

City of North Olmsted, Ohio

Combining Statements
Fund Descriptions

For the Year Ended December 31, 2020

Non-Major Special Revenue Funds (continued)

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.

27th Pay Fund – Accounts for resource set aside for the payment of the 27th 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 Funds

Library Bond Retirement Fund – Accounts for resources restricted to pay the principal, interest and related fiscal charges on the library bonded debt.

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

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, 2020

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 Governmental Funds

December 31, 2020

	Non-Major Special Revenue Funds	Non-Major Debt Service Funds	Non-Major Capital Projects Funds	Total Non-Major Governmental Funds
Assets:				
Current assets:				
Equity in pooled cash and cash equivalents	\$ 7,976,806	\$ 839,497	\$ 2,000	\$ 8,818,303
Income taxes receivable	660,489	-	-	660,489
Taxes receivable - property and other	1,445,244	313,191	-	1,758,435
Intergovernmental receivable	1,468,019	19,257	-	1,487,276
Accounts receivable	17,890	-	-	17,890
Interfund receivable	230,000	-	-	230,000
Inventories and supplies	116,444	-	-	116,444
Prepaid items	27,067	-	-	27,067
Restricted assets:				
Restricted cash and cash equivalents	<u>779,780</u>	<u>-</u>	<u>-</u>	<u>779,780</u>
Total assets	<u>\$ 12,721,739</u>	<u>\$ 1,171,945</u>	<u>\$ 2,000</u>	<u>\$ 13,895,684</u>
Liabilities, deferred inflows of resources and fund balances:				
Liabilities:				
Accounts and contracts payable	\$ 387,433	\$ -	\$ -	\$ 387,433
Accrued wages and benefits	100,674	-	-	100,674
Intergovernmental payable	105	-	-	105
Unearned revenues	189,335	-	-	189,335
Interfund payable	87,419	-	-	87,419
Deposits held and due to others	<u>779,780</u>	<u>-</u>	<u>-</u>	<u>779,780</u>
Total liabilities	<u>1,544,746</u>	<u>-</u>	<u>-</u>	<u>1,544,746</u>
Deferred inflows of resources:				
Property taxes	1,335,252	297,121	-	1,632,373
Payments in lieu of taxes	351,766	-	-	351,766
Unavailable revenues	<u>1,171,536</u>	<u>35,327</u>	<u>-</u>	<u>1,206,863</u>
Total deferred inflows of resources	<u>2,858,554</u>	<u>332,448</u>	<u>-</u>	<u>3,191,002</u>
Fund balances:				
Nonspendable	143,511	-	-	143,511
Restricted	7,735,835	839,497	2,000	8,577,332
Committed	526,512	-	-	526,512
Unassigned	<u>(87,419)</u>	<u>-</u>	<u>-</u>	<u>(87,419)</u>
Total fund balances	<u>8,318,439</u>	<u>839,497</u>	<u>2,000</u>	<u>9,159,936</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 12,721,739</u>	<u>\$ 1,171,945</u>	<u>\$ 2,000</u>	<u>\$ 13,895,684</u>

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, 2020

	Non-Major Special Revenue Funds	Non-Major Debt Service Funds	Non-Major Capital Projects Funds	Total Non-Major Governmental Funds
Revenues:				
Property and other local taxes	\$ 1,622,502	\$ 307,144	\$ -	\$ 1,929,646
Municipal income taxes	2,288,539	-	-	2,288,539
Payments in lieu of taxes	424,500	-	-	424,500
Charges for services and sales	1,244,732	-	-	1,244,732
Fines, licenses and permits	421,930	-	-	421,930
Intergovernmental	4,354,640	38,513	-	4,393,153
Special assessments	33,697	-	-	33,697
Investment income	13,334	-	-	13,334
Miscellaneous	72,645	-	-	72,645
Total revenues	<u>10,476,519</u>	<u>345,657</u>	<u>-</u>	<u>10,822,176</u>
Expenditures:				
Current:				
General government	1,536,708	-	-	1,536,708
Security of persons and property	3,130,853	-	-	3,130,853
Public health and welfare	99,499	-	-	99,499
Transportation	2,994,921	-	-	2,994,921
Basic utility services	2,513,654	-	-	2,513,654
Leisure time activities	1,858,123	-	-	1,858,123
Economic development	9,269	-	-	9,269
Debt service:				
Principal	1,172,925	1,015,000	-	2,187,925
Interest and fiscal charges	36,427	82,063	-	118,490
Issuance costs	14,910	-	-	14,910
Total expenditures	<u>13,367,289</u>	<u>1,097,063</u>	<u>-</u>	<u>14,464,352</u>
Excess (deficiency) of revenues over expenditures	<u>(2,890,770)</u>	<u>(751,406)</u>	<u>-</u>	<u>(3,642,176)</u>
Other financing sources (uses):				
Issuance of notes	2,335,000	-	-	2,335,000
Transfers - out	(189,810)	-	-	(189,810)
Total other financing sources (uses)	<u>2,145,190</u>	<u>-</u>	<u>-</u>	<u>2,145,190</u>
Net change in fund balances	(745,580)	(751,406)	-	(1,496,986)
Fund balances, beginning of year	<u>9,064,019</u>	<u>1,590,903</u>	<u>2,000</u>	<u>10,656,922</u>
Fund balances, end of year	<u>\$ 8,318,439</u>	<u>\$ 839,497</u>	<u>\$ 2,000</u>	<u>\$ 9,159,936</u>

City of North Olmsted, Ohio

Combining Balance Sheet Non-Major Special Revenue Funds

December 31, 2020

	Casualty Loss	CDBG	Alcohol Education	Economic Development	FEMA Grant	Federal Grants	Local Coronavirus Relief	Sidewalk Improvement
Assets:								
Equity in pooled cash and cash equivalents	\$ 48,068	\$ -	\$ 33,277	\$ 45,939	\$ 18,500	\$ 15,044	\$ 203,276	\$ 169,732
Income taxes receivable	-	-	-	-	-	-	-	-
Taxes receivable - property and other	-	-	-	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-	-	-	-
Accounts receivable	-	-	365	-	-	-	-	-
Interfund receivable	-	-	-	-	-	-	-	-
Inventories and supplies	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-
Restricted assets:								
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-
Total assets	\$ <u>48,068</u>	\$ <u>-</u>	\$ <u>33,642</u>	\$ <u>45,939</u>	\$ <u>18,500</u>	\$ <u>15,044</u>	\$ <u>203,276</u>	\$ <u>169,732</u>
Liabilities, deferred inflows of resources and fund balances:								
Liabilities:								
Accounts and contracts payable	\$ 6,795	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,941	\$ -
Accrued wages and benefits	-	-	-	-	-	-	-	-
Intergovernmental payable	-	-	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-	189,335	-
Interfund payables	-	87,419	-	-	-	-	-	-
Deposits held and due to others	-	-	-	-	-	-	-	-
Total liabilities	<u>6,795</u>	<u>87,419</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>203,276</u>	<u>-</u>
Deferred inflows of resources:								
Property taxes	-	-	-	-	-	-	-	-
Payments in lieu of taxes	-	-	-	-	-	-	-	-
Unavailable revenues	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	33,642	-	18,500	15,044	-	169,732
Committed	41,273	-	-	45,939	-	-	-	-
Unassigned	-	(87,419)	-	-	-	-	-	-
Total fund balances	<u>41,273</u>	<u>(87,419)</u>	<u>33,642</u>	<u>45,939</u>	<u>18,500</u>	<u>15,044</u>	<u>-</u>	<u>169,732</u>
Total liabilities, deferred inflows of resources, and fund balances	\$ <u>48,068</u>	\$ <u>-</u>	\$ <u>33,642</u>	\$ <u>45,939</u>	\$ <u>18,500</u>	\$ <u>15,044</u>	\$ <u>203,276</u>	\$ <u>169,732</u>

<u>Motor Vehicle License Tax</u>	<u>Recreation</u>	<u>Clague Park</u>	<u>Hotel/Motel Tax</u>	<u>Emergency Medical Services</u>	<u>State Highway</u>	<u>Street Maintenance</u>	<u>Great Northern TIF</u>
\$ 93,580	\$ 313,074	\$ 3,065	\$ 309,041	\$ 822,016	\$ 291,746	\$ 1,181,174	\$ 2,219,832
-	-	-	-	-	-	-	-
-	938,377	-	37,679	-	-	-	-
110,290	57,770	-	-	-	68,679	846,592	351,766
-	-	-	-	-	-	-	-
-	230,000	-	-	-	-	-	-
18,165	-	-	-	-	9,781	88,498	-
-	27,067	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 222,035</u>	<u>\$ 1,566,288</u>	<u>\$ 3,065</u>	<u>\$ 346,720</u>	<u>\$ 822,016</u>	<u>\$ 370,206</u>	<u>\$ 2,116,264</u>	<u>\$ 2,571,598</u>
\$ -	\$ 43,810	\$ -	\$ 6,016	\$ 1,400	\$ -	\$ 65,661	\$ 65,044
-	49,290	-	-	-	-	46,975	-
-	105	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>93,205</u>	<u>-</u>	<u>6,016</u>	<u>1,400</u>	<u>-</u>	<u>112,636</u>	<u>65,044</u>
-	890,168	-	-	-	-	-	-
-	-	-	-	-	-	-	351,766
<u>75,583</u>	<u>105,979</u>	<u>-</u>	<u>13,269</u>	<u>-</u>	<u>46,209</u>	<u>569,457</u>	<u>-</u>
<u>75,583</u>	<u>996,147</u>	<u>-</u>	<u>13,269</u>	<u>-</u>	<u>46,209</u>	<u>569,457</u>	<u>351,766</u>
18,165	27,067	-	-	-	9,781	88,498	-
128,287	449,869	-	-	820,616	314,216	1,345,673	2,154,788
-	-	3,065	327,435	-	-	-	-
-	-	-	-	-	-	-	-
<u>146,452</u>	<u>476,936</u>	<u>3,065</u>	<u>327,435</u>	<u>820,616</u>	<u>323,997</u>	<u>1,434,171</u>	<u>2,154,788</u>
<u>\$ 222,035</u>	<u>\$ 1,566,288</u>	<u>\$ 3,065</u>	<u>\$ 346,720</u>	<u>\$ 822,016</u>	<u>\$ 370,206</u>	<u>\$ 2,116,264</u>	<u>\$ 2,571,598</u>

(Continued)

City of North Olmsted, Ohio

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

December 31, 2020

	<u>Court Computerization</u>	<u>Solid Waste and Recycling</u>	<u>Community Diversion</u>	<u>Drug Enforcement</u>	<u>Endowment and Grant</u>	<u>Fair Capacity Housing</u>
Assets:						
Equity in pooled cash and cash equivalents	\$ 9,478	\$ 1,552,986	\$ 12,201	\$ 17,335	\$ 218,332	\$ 104,176
Income taxes receivable	-	660,489	-	-	-	-
Taxes receivable - property and other	-	-	-	-	-	-
Intergovernmental receivable	-	4,038	-	-	-	-
Accounts receivable	439	-	-	-	-	-
Interfund receivable	-	-	-	-	-	-
Inventories and supplies	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Restricted assets:						
Restricted cash and cash equivalents	-	-	-	-	-	-
Total assets	\$ 9,917	\$ 2,217,513	\$ 12,201	\$ 17,335	\$ 218,332	\$ 104,176
Liabilities, deferred inflows of resources and fund balances:						
Liabilities:						
Accounts and contracts payable	\$ -	\$ 183,085	\$ 89	\$ -	\$ 1,380	\$ -
Accrued wages and benefits	-	-	800	-	-	-
Intergovernmental payable	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-
Interfund payables	-	-	-	-	-	-
Deposits held and due to others	-	-	-	-	-	-
Total liabilities	-	183,085	889	-	1,380	-
Deferred inflows of resources:						
Property taxes	-	-	-	-	-	-
Payments in lieu of taxes	-	-	-	-	-	-
Unavailable revenues	-	308,051	-	-	-	-
Total deferred inflows of resources	-	308,051	-	-	-	-
Fund balances:						
Nonspendable	-	-	-	-	-	-
Restricted	9,917	1,726,377	11,312	17,335	216,952	104,176
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	9,917	1,726,377	11,312	17,335	216,952	104,176
Total liabilities, deferred inflows of resources and fund balances	\$ 9,917	\$ 2,217,513	\$ 12,201	\$ 17,335	\$ 218,332	\$ 104,176

<u>Fire Pension</u>	<u>Law Enforcement</u>	<u>STOP Program</u>	<u>Police Pension</u>	<u>Senior Center</u>	<u>Title III</u>	<u>Public Way Management</u>	<u>Deposits</u>	<u>Total</u>
\$ 64,496	\$ 11,479	\$ 86,261	\$ 64,496	\$ 9,274	\$ 34,279	\$ 24,649	\$ -	\$ 7,976,806
-	-	-	-	-	-	-	-	660,489
234,594	-	-	234,594	-	-	-	-	1,445,244
14,442	-	-	14,442	-	-	-	-	1,468,019
-	-	17,086	-	-	-	-	-	17,890
-	-	-	-	-	-	-	-	230,000
-	-	-	-	-	-	-	-	116,444
-	-	-	-	-	-	-	-	27,067
-	-	-	-	-	-	-	779,780	779,780
<u>\$ 313,532</u>	<u>\$ 11,479</u>	<u>\$ 103,347</u>	<u>\$ 313,532</u>	<u>\$ 9,274</u>	<u>\$ 34,279</u>	<u>\$ 24,649</u>	<u>\$ 779,780</u>	<u>\$ 12,721,739</u>
\$ -	\$ -	\$ -	\$ -	\$ 212	\$ -	\$ -	\$ -	\$ 387,433
-	-	3,609	-	-	-	-	-	100,674
-	-	-	-	-	-	-	-	105
-	-	-	-	-	-	-	-	189,335
-	-	-	-	-	-	-	-	87,419
-	-	-	-	-	-	-	779,780	779,780
-	-	3,609	-	212	-	-	779,780	1,544,746
222,542	-	-	222,542	-	-	-	-	1,335,252
-	-	-	-	-	-	-	-	351,766
<u>26,494</u>	<u>-</u>	<u>-</u>	<u>26,494</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,171,536</u>
<u>249,036</u>	<u>-</u>	<u>-</u>	<u>249,036</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,858,554</u>
-	-	-	-	-	-	-	-	143,511
64,496	11,479	-	64,496	-	34,279	24,649	-	7,735,835
-	-	99,738	-	9,062	-	-	-	526,512
-	-	-	-	-	-	-	-	(87,419)
<u>64,496</u>	<u>11,479</u>	<u>99,738</u>	<u>64,496</u>	<u>9,062</u>	<u>34,279</u>	<u>24,649</u>	<u>-</u>	<u>8,318,439</u>
<u>\$ 313,532</u>	<u>\$ 11,479</u>	<u>\$ 103,347</u>	<u>\$ 313,532</u>	<u>\$ 9,274</u>	<u>\$ 34,279</u>	<u>\$ 24,649</u>	<u>\$ 779,780</u>	<u>\$ 12,721,739</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, 2020

	Casualty Loss	CDBG	Alcohol Education	Economic Development	FEMA Grant	Federal Grants	Local Coronavirus Relief	Sidewalk Improvement
Revenues:								
Property and other local taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income taxes	-	-	-	-	-	-	-	-
Payments in lieu of taxes	-	-	-	-	-	-	-	-
Charges for services and sales	22,800	-	-	-	-	-	-	19,870
Fines, licenses and permits	-	-	2,466	-	-	-	-	-
Intergovernmental	-	-	-	-	-	8,182	2,087,343	-
Special assessments	-	-	-	-	-	-	-	33,697
Investment income	-	-	-	-	-	-	1,877	-
Miscellaneous	-	-	-	17,425	-	-	-	-
Total revenues	<u>22,800</u>	<u>-</u>	<u>2,466</u>	<u>17,425</u>	<u>-</u>	<u>8,182</u>	<u>2,089,220</u>	<u>53,567</u>
Expenditures:								
Current:								
General government	24,253	-	-	-	-	-	1,329,670	-
Security of persons and property	14,757	-	-	-	-	8,182	753,975	-
Public health and welfare	-	-	-	-	-	-	5,575	-
Transportation	6,795	-	-	-	-	-	-	11,044
Basic utility services	-	-	-	-	-	-	-	-
Leisure time activities	-	94,005	-	-	-	-	-	-
Economic development	-	-	-	9,269	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Issuance costs	-	-	-	-	-	-	-	-
Total expenditures	<u>45,805</u>	<u>94,005</u>	<u>-</u>	<u>9,269</u>	<u>-</u>	<u>8,182</u>	<u>2,089,220</u>	<u>11,044</u>
(Deficiency) excess of revenues over expenditures	<u>(23,005)</u>	<u>(94,005)</u>	<u>2,466</u>	<u>8,156</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,523</u>
Other financing sources (uses):								
Issuance of notes	-	-	-	-	-	-	-	-
Transfers - out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(23,005)	(94,005)	2,466	8,156	-	-	-	42,523
Fund balances, beginning of year	<u>64,278</u>	<u>6,586</u>	<u>31,176</u>	<u>37,783</u>	<u>18,500</u>	<u>15,044</u>	<u>-</u>	<u>127,209</u>
Fund balance, end of year	\$ <u>41,273</u>	\$ <u>(87,419)</u>	\$ <u>33,642</u>	\$ <u>45,939</u>	\$ <u>18,500</u>	\$ <u>15,044</u>	\$ <u>-</u>	\$ <u>169,732</u>

<u>Motor Vehicle License Tax</u>	<u>Recreation</u>	<u>Clague Park</u>	<u>Hotel/Motel Tax</u>	<u>Emergency Medical Services</u>	<u>State Highway</u>	<u>Street Maintenance</u>	<u>Great Northern TIF</u>
\$ -	\$ 921,432	\$ -	\$ 240,386	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	424,500
-	789,914	-	-	403,016	-	-	-
-	-	-	-	-	-	-	-
218,019	115,539	-	-	-	137,359	1,693,182	-
-	-	-	-	-	-	-	-
937	-	-	-	-	2,504	8,000	-
-	-	-	-	-	-	-	-
<u>218,956</u>	<u>1,826,885</u>	<u>-</u>	<u>240,386</u>	<u>403,016</u>	<u>139,863</u>	<u>1,701,182</u>	<u>424,500</u>
-	-	-	-	-	-	-	-
-	-	-	308,925	1,262,594	-	-	-
-	-	-	-	-	-	-	-
220,649	-	-	-	-	86,707	1,398,625	1,271,101
-	-	-	-	-	-	-	-
-	1,751,168	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	1,644	-	-	1,170,000	-	-	-
-	85	-	-	36,275	-	-	-
-	-	-	-	7,129	-	-	7,781
<u>220,649</u>	<u>1,752,897</u>	<u>-</u>	<u>308,925</u>	<u>2,475,998</u>	<u>86,707</u>	<u>1,398,625</u>	<u>1,278,882</u>
<u>(1,693)</u>	<u>73,988</u>	<u>-</u>	<u>(68,539)</u>	<u>(2,072,982)</u>	<u>53,156</u>	<u>302,557</u>	<u>(854,382)</u>
-	-	-	-	1,170,000	-	-	1,165,000
-	(9,560)	-	-	-	-	-	(180,250)
-	(9,560)	-	-	1,170,000	-	-	984,750
(1,693)	64,428	-	(68,539)	(902,982)	53,156	302,557	130,368
<u>148,145</u>	<u>412,508</u>	<u>3,065</u>	<u>395,974</u>	<u>1,723,598</u>	<u>270,841</u>	<u>1,131,614</u>	<u>2,024,420</u>
\$ <u>146,452</u>	\$ <u>476,936</u>	\$ <u>3,065</u>	\$ <u>327,435</u>	\$ <u>820,616</u>	\$ <u>323,997</u>	\$ <u>1,434,171</u>	\$ <u>2,154,788</u>

(Continued)

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, 2020

	<u>Court Computerization</u>	<u>Solid Waste and Recycling</u>	<u>Community Diversion</u>	<u>Drug Enforcement</u>	<u>Endowment and Grant</u>	<u>Fair Capacity Housing</u>
Revenues:						
Property and other						
local taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income taxes	-	2,288,539	-	-	-	-
Payments in lieu of taxes	-	-	-	-	-	-
Charges for services and sales	5,936	-	1,890	-	-	-
Fines, licenses and permits	-	-	-	-	-	-
Intergovernmental	-	10,977	24,246	-	-	-
Special assessments	-	-	-	-	-	-
Investment income	-	-	-	-	16	-
Miscellaneous	-	-	-	-	54,054	-
Total revenues	<u>5,936</u>	<u>2,299,516</u>	<u>26,136</u>	<u>-</u>	<u>54,070</u>	<u>-</u>
Expenditures:						
Current:						
General government	9,833	-	-	-	-	-
Security of persons and property	-	-	-	-	-	-
Public health and welfare	-	-	18,533	-	63,679	-
Transportation	-	-	-	-	-	-
Basic utility services	-	2,513,654	-	-	-	-
Leisure time activities	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Issuance costs	-	-	-	-	-	-
Total expenditures	<u>9,833</u>	<u>2,513,654</u>	<u>18,533</u>	<u>-</u>	<u>63,679</u>	<u>-</u>
(Deficiency) excess of revenues over expenditures	<u>(3,897)</u>	<u>(214,138)</u>	<u>7,603</u>	<u>-</u>	<u>(9,609)</u>	<u>-</u>
Other financing sources (uses):						
Issuance of notes	-	-	-	-	-	-
Transfers - out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(3,897)	(214,138)	7,603	-	(9,609)	-
Fund balances, beginning of year	<u>13,814</u>	<u>1,940,515</u>	<u>3,709</u>	<u>17,335</u>	<u>226,561</u>	<u>104,176</u>
Fund balances, end of year	\$ <u>9,917</u>	\$ <u>1,726,377</u>	\$ <u>11,312</u>	\$ <u>17,335</u>	\$ <u>216,952</u>	\$ <u>104,176</u>

<u>Fire Pension</u>	<u>Law Enforcement</u>	<u>STOP Program</u>	<u>Police Pension</u>	<u>Senior Center</u>	<u>Title III</u>	<u>Public Way Management</u>	<u>Deposits</u>	<u>Total</u>
\$ 230,342	\$ -	\$ -	\$ 230,342	\$ -	\$ -	\$ -	\$ -	\$ 1,622,502
-	-	-	-	-	-	-	-	2,288,539
-	-	-	-	-	-	-	-	424,500
-	-	-	-	91	1,215	-	-	1,244,732
-	6,936	230,666	-	1,800	-	-	180,062	421,930
28,885	-	-	28,885	-	2,023	-	-	4,354,640
-	-	-	-	-	-	-	-	33,697
-	-	-	-	-	-	-	-	13,334
-	-	-	-	1,166	-	-	-	72,645
<u>259,227</u>	<u>6,936</u>	<u>230,666</u>	<u>259,227</u>	<u>3,057</u>	<u>3,238</u>	<u>-</u>	<u>180,062</u>	<u>10,476,519</u>
-	-	-	-	-	-	-	172,952	1,536,708
230,342	25,767	295,969	230,342	-	-	-	-	3,130,853
-	-	-	-	-	11,712	-	-	99,499
-	-	-	-	-	-	-	-	2,994,921
-	-	-	-	-	-	-	-	2,513,654
-	-	-	-	5,840	-	-	7,110	1,858,123
-	-	-	-	-	-	-	-	9,269
-	-	-	-	1,281	-	-	-	1,172,925
-	-	-	-	67	-	-	-	36,427
-	-	-	-	-	-	-	-	14,910
<u>230,342</u>	<u>25,767</u>	<u>295,969</u>	<u>230,342</u>	<u>7,188</u>	<u>11,712</u>	<u>-</u>	<u>180,062</u>	<u>13,367,289</u>
<u>28,885</u>	<u>(18,831)</u>	<u>(65,303)</u>	<u>28,885</u>	<u>(4,131)</u>	<u>(8,474)</u>	<u>-</u>	<u>-</u>	<u>(2,890,770)</u>
-	-	-	-	-	-	-	-	2,335,000
-	-	-	-	-	-	-	-	(189,810)
-	-	-	-	-	-	-	-	2,145,190
28,885	(18,831)	(65,303)	28,885	(4,131)	(8,474)	-	-	(745,580)
<u>35,611</u>	<u>30,310</u>	<u>165,041</u>	<u>35,611</u>	<u>13,193</u>	<u>42,753</u>	<u>24,649</u>	<u>-</u>	<u>9,064,019</u>
\$ <u>64,496</u>	\$ <u>11,479</u>	\$ <u>99,738</u>	\$ <u>64,496</u>	\$ <u>9,062</u>	\$ <u>34,279</u>	\$ <u>24,649</u>	\$ <u>-</u>	\$ <u>8,318,439</u>

City of North Olmsted, Ohio

Combining Balance Sheet Non-Major Debt Service Funds

December 31, 2020

	Library Bond <u>Retirement</u>	Fire Station Bond <u>Retirement</u>	<u>Total</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 115,987	\$ 723,510	\$ 839,497
Taxes receivable – property and other	-	313,191	313,191
Intergovernmental receivable	-	<u>19,257</u>	<u>19,257</u>
Total assets	\$ <u>115,987</u>	\$ <u>1,055,958</u>	\$ <u>1,171,945</u>
Liabilities, deferred inflows of resources and fund balances:			
Deferred inflows of resources:			
Property taxes	\$ -	\$ 297,121	\$ 297,121
Unavailable revenues	-	<u>35,327</u>	<u>35,327</u>
Total deferred inflows of resources	<u>-</u>	<u>332,448</u>	<u>332,448</u>
Fund balances:			
Restricted	<u>115,987</u>	<u>723,510</u>	<u>839,497</u>
Total liabilities, deferred inflows of resources, and fund balances	\$ <u>115,987</u>	\$ <u>1,055,958</u>	\$ <u>1,171,945</u>

City of North Olmsted, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Non-Major Debt Service Funds

For the Year Ended December 31, 2020

	Library Bond <u>Retirement</u>	Fire Station Bond <u>Retirement</u>	<u>Total</u>
Revenues:			
Property and other local taxes	\$ -	\$ 307,144	\$ 307,144
Intergovernmental	<u>-</u>	<u>38,513</u>	<u>38,513</u>
Total revenues	<u>-</u>	<u>345,657</u>	<u>345,657</u>
Expenditures:			
Debt service:			
Principal	780,000	235,000	1,015,000
Interest and fiscal charges	<u>31,200</u>	<u>50,863</u>	<u>82,063</u>
Total expenditures	<u>811,200</u>	<u>285,863</u>	<u>1,097,063</u>
Net change in fund balances	(811,200)	59,794	(751,406)
Fund balances, beginning of year	<u>927,187</u>	<u>663,716</u>	<u>1,590,903</u>
Fund balances, end of year	\$ <u><u>115,987</u></u>	\$ <u><u>723,510</u></u>	\$ <u><u>839,497</u></u>

City of North Olmsted, Ohio

Combining Statement of Fund Net Position Internal Service Funds

December 31, 2020

	<u>Hospitalization</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Total Internal Service Funds</u>
Assets:			
Current assets:			
Equity in pooled cash and cash equivalents	\$ <u>3,367,972</u>	\$ <u>1,251,724</u>	\$ <u>4,619,696</u>
Liabilities:			
Current liabilities:			
Intergovernmental payable	-	5,531	5,531
Claims payable	<u>467,885</u>	<u>36,380</u>	<u>504,265</u>
Total current liabilities	467,885	41,911	509,796
Long-term liabilities:			
Claims payable	<u>-</u>	<u>12,126</u>	<u>12,126</u>
Total liabilities	<u>467,885</u>	<u>54,037</u>	<u>521,922</u>
Net position:			
Unrestricted	\$ <u><u>2,900,087</u></u>	\$ <u><u>1,197,687</u></u>	\$ <u><u>4,097,774</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, 2020

	<u>Hospitalization</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Total Internal Service Funds</u>
Operating revenues:			
Charges for services and sales	\$ 3,465,013	\$ 58	\$ 3,465,071
Miscellaneous	<u>18,219</u>	<u>-</u>	<u>18,219</u>
Total operating revenues	<u>3,483,232</u>	<u>58</u>	<u>3,483,290</u>
Operating expenses:			
Contractual services	709,484	105,453	814,937
Claims	<u>2,524,613</u>	<u>75,255</u>	<u>2,599,868</u>
Total operating expenses	<u>3,234,097</u>	<u>180,708</u>	<u>3,414,805</u>
Change in net position	249,135	(180,650)	68,485
Net position, beginning of year	<u>2,650,952</u>	<u>1,378,337</u>	<u>4,029,289</u>
Net position, end of year	\$ <u><u>2,900,087</u></u>	\$ <u><u>1,197,687</u></u>	\$ <u><u>4,097,774</u></u>

City of North Olmsted, Ohio

Combining Statement of Cash Flows Internal Service Funds

For the Year Ended December 31, 2020

	<u>Hospitalization</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Total Internal Service Funds</u>
Cash flows from operating activities:			
Receipts from customers and users	\$ 3,483,232	\$ 58	\$ 3,483,290
Cash paid for goods and services	(709,484)	(108,190)	(817,674)
Cash paid for claims	<u>(2,649,791)</u>	<u>(88,636)</u>	<u>(2,738,427)</u>
Net cash provided (used) by operating activities	<u>123,957</u>	<u>(196,768)</u>	<u>(72,811)</u>
Net increase (decrease) in cash and cash equivalents	123,957	(196,768)	(72,811)
Cash and cash equivalents, beginning of year	<u>3,244,015</u>	<u>1,448,492</u>	<u>4,692,507</u>
Cash and cash equivalents, end of year	\$ <u><u>3,367,972</u></u>	\$ <u><u>1,251,724</u></u>	\$ <u><u>4,619,696</u></u>
Reconciliation of operating income (loss) to net cash from operating activities:			
Operating income (loss)	\$ 249,135	\$ (180,650)	\$ 68,485
Adjustments:			
Changes in assets/liabilities:			
Accounts and contracts payable	-	(901)	(901)
Intergovernmental payable	-	(1,836)	(1,836)
Claims payable	<u>(125,178)</u>	<u>(13,381)</u>	<u>(138,559)</u>
Net cash provided (used) by operating activities	\$ <u><u>123,957</u></u>	\$ <u><u>(196,768)</u></u>	\$ <u><u>(72,811)</u></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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Municipal income tax	\$ 10,850,000	\$ 9,758,000	\$ 10,647,477	\$ 889,477
Property and other taxes	6,305,000	6,270,000	6,390,210	120,210
Charges for services and sales	1,689,000	1,318,000	1,383,027	65,027
Licenses and permits	1,185,100	1,189,100	1,117,294	(71,806)
Fines and forfeitures	302,500	302,500	196,224	(106,276)
Intergovernmental revenue	1,681,700	1,705,171	1,840,502	135,331
Investment income	500,000	200,000	409,189	209,189
Miscellaneous	25,000	35,000	16,875	(18,125)
Total revenue	<u>22,538,300</u>	<u>20,777,771</u>	<u>22,000,798</u>	<u>1,223,027</u>
Expenditures:				
Current:				
General government				
Council				
Salaries	169,044	169,044	166,312	2,732
Benefits	49,576	46,099	43,353	2,746
Materials and supplies	1,681	1,681	988	693
Contractual services	37,700	37,400	15,271	22,129
Capital outlay	6,000	6,000	1,685	4,315
Total council	<u>264,001</u>	<u>260,224</u>	<u>227,609</u>	<u>32,615</u>
Office of the mayor				
Salaries	163,732	158,363	157,930	433
Benefits	42,700	39,700	39,416	284
Materials and supplies	18,874	2,874	251	2,623
Contractual services	59,300	16,875	17,195	(320)
Total office of the mayor	<u>284,606</u>	<u>217,812</u>	<u>214,792</u>	<u>3,020</u>
Mayor's court				
Salaries	211,524	184,414	175,109	9,305
Benefits	59,985	52,236	46,372	5,864
Materials and supplies	17,200	17,200	9,395	7,805
Contractual services	13,205	14,281	7,516	6,765
Capital outlay	3,600	3,600	-	3,600
Total mayor's court	<u>305,514</u>	<u>271,731</u>	<u>238,392</u>	<u>33,339</u>
Department of finance				
Salaries	368,674	362,752	359,273	3,479
Benefits	154,622	144,260	143,501	759
Materials and supplies	11,810	11,810	8,383	3,427
Contractual services	782,096	769,899	649,507	120,392
Total department of finance	<u>1,317,202</u>	<u>1,288,721</u>	<u>1,160,664</u>	<u>128,057</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, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Law Department				
Salaries	203,820	199,622	198,488	1,134
Benefits	115,826	108,508	108,286	222
Materials and supplies	1,000	1,000	110	890
Contractual services	13,730	10,243	2,654	7,589
Capital outlay	500	500	-	500
Total law department	<u>334,876</u>	<u>319,873</u>	<u>309,538</u>	<u>10,335</u>
Department of human resources				
Salaries	309,942	296,426	289,710	6,716
Benefits	119,969	108,927	107,509	1,418
Materials and supplies	29,442	31,942	25,603	6,339
Contractual services	281,340	221,340	191,121	30,219
Total department of human resources	<u>740,693</u>	<u>658,635</u>	<u>613,943</u>	<u>44,692</u>
Civil service				
Salaries	1,000	1,000	-	1,000
Benefits	170	155	19	136
Materials and supplies	400	400	211	189
Contractual services	45,124	48,324	32,723	15,601
Total civil service	<u>46,694</u>	<u>49,879</u>	<u>32,953</u>	<u>16,926</u>
Division of information technology				
Salaries	158,279	158,279	158,195	84
Benefits	28,870	26,134	25,953	181
Materials and supplies	11,250	11,250	918	10,332
Contractual services	158,101	125,601	81,031	44,570
Capital outlay	30,362	25,862	24,743	1,119
Total division of information technology	<u>386,862</u>	<u>347,126</u>	<u>290,840</u>	<u>56,286</u>
Boards and commissions				
Materials and supplies	9,579	6,579	3,288	3,291
Contractual services	20,025	8,025	2,834	5,191
Total boards and commissions	<u>29,604</u>	<u>14,604</u>	<u>6,122</u>	<u>8,482</u>
Division of building				
Salaries	824,162	756,766	744,879	11,887
Benefits	371,166	340,965	318,974	21,991
Materials and supplies	21,731	21,731	13,097	8,634
Contractual services	127,625	166,472	131,398	35,074
Capital outlay	5,994	5,994	5,409	585
Total division of building	<u>1,350,678</u>	<u>1,291,928</u>	<u>1,213,757</u>	<u>78,171</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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Division of engineering				
Salaries	154,489	148,260	130,090	18,170
Benefits	46,541	42,077	39,192	2,885
Materials and supplies	2,134	2,134	143	1,991
Contractual services	203,455	203,455	151,403	52,052
Total division of engineering	406,619	395,926	320,828	75,098
Total general government	5,467,349	5,116,459	4,629,438	487,021
Security of persons and property				
Department of public safety				
Salaries	103,380	99,182	81,785	17,397
Benefits	43,156	39,153	36,313	2,840
Materials and supplies	2,200	2,200	805	1,395
Contractual services	32,685	15,685	8,511	7,174
Capital outlay	1,200	1,200	-	1,200
Total department of public safety	182,621	157,420	127,414	30,006
Division of fire				
Salaries	3,726,567	3,717,936	3,318,354	399,582
Benefits	1,632,457	1,522,978	1,369,925	153,053
Materials and supplies	147,328	147,328	118,343	28,985
Contractual services	323,158	269,558	192,760	76,798
Capital outlay	41,098	17,448	10,248	7,200
Total division of fire	5,870,608	5,675,248	5,009,630	665,618
Division of police				
Salaries	4,614,098	4,613,696	4,097,591	516,105
Benefits	1,751,086	1,630,129	1,471,926	158,203
Materials and supplies	154,487	168,547	157,730	10,817
Contractual services	392,065	347,305	278,567	68,738
Capital outlay	58,903	55,063	54,981	82
Total division of police	6,970,639	6,814,740	6,060,795	753,945
Central dispatch				
Salaries	580,302	580,302	474,052	106,250
Benefits	233,882	216,362	177,942	38,420
Materials and supplies	2,500	2,500	-	2,500
Contractual services	10,404	10,404	632	9,772
Total central dispatch	827,088	809,568	652,626	156,942

(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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Corrections				
Salaries	93,338	85,708	79,141	6,567
Benefits	49,547	41,021	35,078	5,943
Materials and supplies	3,153	3,153	1,234	1,919
Contractual services	89,603	59,003	29,437	29,566
Total corrections	235,641	188,885	144,890	43,995
Total security of persons and property	14,086,597	13,645,861	11,995,355	1,650,506
Public health and welfare				
Division of youth and family services				
Salaries	108,487	104,559	99,728	4,831
Benefits	27,167	24,964	24,109	855
Materials and supplies	3,055	3,055	2,909	146
Contractual services	12,162	12,162	7,695	4,467
Capital outlay	4,700	4,700	638	4,062
Total division of youth and family services	155,571	149,440	135,079	14,361
Division of aging				
Salaries	205,708	190,337	172,292	18,045
Benefits	96,699	87,336	84,481	2,855
Materials and supplies	10,100	8,099	3,107	4,992
Contractual services	119,993	119,993	56,243	63,750
Total division of aging	432,500	405,765	316,123	89,642
Total public health and welfare	588,071	555,205	451,202	104,003
Transportation				
Department of public service				
Salaries	97,866	94,092	78,308	15,784
Benefits	26,141	23,477	21,273	2,204
Materials and supplies	1,750	1,750	1,750	-
Contractual services	587,193	587,193	546,774	40,419
Capital outlay	800	800	-	800
Total department of public service	713,750	707,312	648,105	59,207
Division of public works				
Salaries	1,271,002	1,264,852	1,169,674	95,178
Benefits	570,733	529,047	500,075	28,972
Materials and supplies	161,031	136,031	92,480	43,551
Contractual services	459,625	434,625	333,928	100,697
Capital outlay	86,740	45,740	26,954	18,786
Total division of public works	2,549,131	2,410,295	2,123,111	287,184

(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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Division of fleet				
Salaries	457,183	454,999	433,857	21,142
Benefits	214,265	199,386	171,081	28,305
Materials and supplies	422,048	346,778	222,603	124,175
Contractual services	24,442	24,442	13,890	10,552
Capital outlay	2,000	2,270	2,263	7
Total division of fleet	<u>1,119,938</u>	<u>1,027,875</u>	<u>843,694</u>	<u>184,181</u>
Total transportation	<u>4,382,819</u>	<u>4,145,482</u>	<u>3,614,910</u>	<u>530,572</u>
Basic utility services				
Service department				
Contractual services	<u>29,000</u>	<u>29,000</u>	<u>19,580</u>	<u>9,420</u>
Economic development				
Department of planning and development				
Salaries	246,758	199,998	175,217	24,781
Benefits	97,854	78,111	74,065	4,046
Materials and supplies	1,000	1,000	696	304
Contractual services	258,005	261,505	237,107	24,398
Capital outlay	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Total department of planning and development	<u>608,617</u>	<u>545,614</u>	<u>492,085</u>	<u>53,529</u>
Total expenditures	<u>25,162,453</u>	<u>24,037,621</u>	<u>21,202,570</u>	<u>2,835,051</u>
Excess (deficiency) of revenues over expenditures	(2,624,153)	(3,259,850)	798,228	4,058,078
Other financing sources (uses):				
Refunds	-	-	45	45
Proceeds from sale of assets	10,000	10,000	3,470	(6,530)
Transfers - in	100,000	-	-	-
Transfers - out	<u>(735,800)</u>	<u>(440,800)</u>	<u>(360,800)</u>	<u>80,000</u>
Total other financing sources (uses)	<u>(625,800)</u>	<u>(430,800)</u>	<u>(357,285)</u>	<u>73,515</u>
Net change in fund balance	(3,249,953)	(3,690,650)	440,943	4,131,593
Fund balance, beginning of year	4,539,224	4,539,224	4,539,224	-
Prior year encumbrances appropriated	<u>394,127</u>	<u>394,127</u>	<u>394,127</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,683,398</u>	<u>\$ 1,242,701</u>	<u>\$ 5,374,294</u>	<u>\$ 4,131,593</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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
General government				
Division of building				
Salaries	\$ -	\$ 16,031	\$ 16,031	\$ -
Benefits	-	233	232	1
Total general government	-	16,264	16,263	1
Security of persons and property				
Department of public safety				
Salaries	-	30,552	30,552	-
Benefits	-	444	443	1
Total department of public safety	-	30,996	30,995	1
Division of fire				
Salaries	175,000	75,000	26,769	48,231
Benefits	2,538	1,538	388	1,150
Total division of fire	177,538	76,538	27,157	49,381
Division of police				
Salaries	330,740	306,619	279,581	27,038
Benefits	4,796	4,659	4,030	629
Total division of police	335,536	311,278	283,611	27,667
Central dispatch				
Salaries	76,576	75,076	25,282	49,794
Benefits	1,111	1,061	367	694
Total central dispatch	77,687	76,137	25,649	50,488
Total security of persons and property	590,761	494,949	367,412	127,537

(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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Transportation				
Department of public service				
Salaries	-	10,910	10,813	97
Benefits	-	185	155	30
Total transportation	-	11,095	10,968	127
Leisure time activities				
Recreation department				
Salaries	-	51,890	51,889	1
Benefits	-	93	92	1
Total leisure time activities	-	51,983	51,981	2
Sewer				
Salaries	-	16,238	16,237	1
Benefits	-	231	230	1
Total sewer	-	16,469	16,467	2
Total expenditures	590,761	590,760	463,091	127,669
Excess (deficiency) of revenues over expenditures	(590,761)	(590,760)	(463,091)	127,669
Other financing sources (uses):				
Transfers - in	375,000	230,000	325,000	95,000
Net change in fund balance	(215,761)	(360,760)	(138,091)	222,669
Fund balance, beginning of year	1,454,521	1,454,521	1,454,521	-
Fund balance, end of year	<u>\$ 1,238,760</u>	<u>\$ 1,093,761</u>	<u>\$ 1,316,430</u>	<u>\$ 222,669</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, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Other financing sources (uses):				
Transfers - in	\$ 76,000	\$ 76,000	\$ 76,000	\$ -
Net change in fund balance	76,000	76,000	76,000	-
Fund balance, beginning of year	304,000	304,000	304,000	-
Fund balance, end of year	<u>\$ 380,000</u>	<u>\$ 380,000</u>	<u>\$ 380,000</u>	<u>\$ -</u>

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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Municipal income tax	\$ 2,325,000	\$ 2,091,000	\$ 2,281,602	\$ 190,602
Intergovernmental revenue	8,000	215,219	8,077	(207,142)
Total revenue	<u>2,333,000</u>	<u>2,306,219</u>	<u>2,289,679</u>	<u>(16,540)</u>
Expenditures:				
Current:				
Transportation				
Service				
Contractual services	45,000	45,000	32,153	12,847
Capital outlay	2,525,375	3,549,644	2,717,602	832,042
Total service	<u>2,570,375</u>	<u>3,594,644</u>	<u>2,749,755</u>	<u>844,889</u>
Engineering				
Capital outlay	136,970	166,970	59,798	107,172
Total transportation	<u>2,707,345</u>	<u>3,761,614</u>	<u>2,809,553</u>	<u>952,061</u>
Debt service:				
Principal	2,170,000	2,170,000	2,170,000	-
Interest and fiscal charges	65,040	65,040	65,040	-
Issuance costs	29,000	29,000	18,929	10,071
Total debt service	<u>2,264,040</u>	<u>2,264,040</u>	<u>2,253,969</u>	<u>10,071</u>
Total expenditures	<u>4,971,385</u>	<u>6,025,654</u>	<u>5,063,522</u>	<u>962,132</u>
Excess (deficiency) of revenues over expenditures	(2,638,385)	(3,719,435)	(2,773,843)	945,592
Other financing sources (uses):				
Note proceeds	3,034,000	3,034,000	3,005,000	(29,000)
Transfers - out	<u>(1,384,881)</u>	<u>(1,384,881)</u>	<u>(1,384,881)</u>	<u>-</u>
Total other financing sources (uses)	<u>1,649,119</u>	<u>1,649,119</u>	<u>1,620,119</u>	<u>(29,000)</u>
Net change in fund balance	(989,266)	(2,070,316)	(1,153,724)	916,592
Prior year encumbrances appropriated	117,902	117,902	117,902	-
Fund balance, beginning of year	<u>3,847,612</u>	<u>3,847,612</u>	<u>3,847,612</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,976,248</u>	<u>\$ 1,895,198</u>	<u>\$ 2,811,790</u>	<u>\$ 916,592</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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 760,000	\$ 810,000	\$ 432,856	\$ (377,144)
Expenditures:				
Current:				
General government				
Division of finance				
Contractual services	-	3,000	3,000	-
Capital outlay	48,829	48,829	28,626	20,203
Total division of finance	48,829	51,829	31,626	20,203
Division of information technology				
Capital outlay	547,689	572,739	538,573	34,166
Division of information planning				
Capital outlay	-	50,000	45,404	4,596
Division of fleet				
Capital outlay	-	10,000	8,395	1,605
Division of public service and properties				
Capital outlay	767,612	699,676	634,753	64,923
Total general government	1,364,130	1,384,244	1,258,751	125,493
Security of persons and property				
Division of police				
Capital outlay	123,180	191,116	111,816	79,300
Leisure time activities				
Recreation department				
Capital outlay	2,426,185	2,426,185	2,223,260	202,925

(Continued)

City of North Olmsted, Ohio

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

For the Year Ended December 31, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Debt service:				
Principal	1,950,000	1,950,000	1,950,000	-
Interest and fiscal charges	58,536	58,536	58,536	-
Issuance cost	40,500	30,500	28,318	2,182
Total debt service	<u>2,049,036</u>	<u>2,039,036</u>	<u>2,036,854</u>	<u>2,182</u>
Total expenditures	<u>5,962,531</u>	<u>6,040,581</u>	<u>5,630,681</u>	<u>409,900</u>
Excess (deficiency) of revenues over expenditures	(5,202,531)	(5,230,581)	(5,197,825)	32,756
Other financing sources (uses):				
Note proceeds	4,430,500	4,430,500	4,390,000	(40,500)
Advances - out	(230,000)	-	-	-
Transfers - in	150,000	150,000	-	(150,000)
Total other financing sources (uses)	<u>4,350,500</u>	<u>4,580,500</u>	<u>4,390,000</u>	<u>(190,500)</u>
Net change in fund balance	(852,031)	(650,081)	(807,825)	(157,744)
Prior year encumbrances appropriated	428,542	428,542	428,542	-
Fund balance, beginning of year	<u>473,636</u>	<u>473,636</u>	<u>473,636</u>	<u>-</u>
Fund balance, end of year	<u>\$ 50,147</u>	<u>\$ 252,097</u>	<u>\$ 94,353</u>	<u>\$ (157,744)</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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ 1,280,000	\$ 1,280,000	\$ 1,305,356	\$ 25,356
Intergovernmental revenue	162,000	162,000	163,680	1,680
Investment income	9,000	9,000	6,813	(2,187)
Total revenue	<u>1,451,000</u>	<u>1,451,000</u>	<u>1,475,849</u>	<u>24,849</u>
Expenditures:				
Debt service:				
Contractual services	43,400	43,400	13,500	29,900
Principal	5,256,102	5,256,102	5,228,254	27,848
Interest and fiscal charges	1,649,254	1,649,254	1,635,715	13,539
Issuance cost	15,000	15,000	4,750	10,250
Total expenditures	<u>6,963,756</u>	<u>6,963,756</u>	<u>6,882,219</u>	<u>81,537</u>
Excess (deficiency) of revenues over expenditures	(5,512,756)	(5,512,756)	(5,406,370)	106,386
Other financing sources (uses):				
Transfers - in	<u>5,744,649</u>	<u>5,479,749</u>	<u>5,473,653</u>	<u>(6,096)</u>
Net change in fund balance	231,893	(33,007)	67,283	100,290
Prior year encumbrances appropriated	8,400	8,400	8,400	-
Fund balance, beginning of year	<u>3,043,042</u>	<u>3,043,042</u>	<u>3,043,042</u>	<u>-</u>
Fund balance, end of year	<u>\$ 3,283,335</u>	<u>\$ 3,018,435</u>	<u>\$ 3,118,725</u>	<u>\$ 100,290</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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services and sales	\$ 15,000	\$ 15,000	\$ 22,800	\$ 7,800
Expenditures:				
Current:				
General government				
Department of human resources				
Contractual services	25,000	16,240	15,191	1,049
Division of building				
Contractual services	-	14,760	14,757	3
Division of engineering				
Contractual services	25,000	19,000	15,858	3,142
Total expenditures	50,000	50,000	45,806	4,194
Excess (deficiency) of revenues over expenditures	(35,000)	(35,000)	(23,006)	11,994
Other financing sources (uses):				
Transfers - in	50,000	50,000	-	(50,000)
Net change in fund balance	15,000	15,000	(23,006)	(38,006)
Fund balance, beginning of year	64,278	64,278	64,278	-
Fund balance, end of year	\$ 79,278	\$ 79,278	\$ 41,272	\$ (38,006)

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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ -	\$ 102,000	\$ -	\$ (102,000)
Expenditures:				
Current:				
Economic development				
Department of planning and development				
Capital outlay	-	102,000	94,005	7,995
Net change in fund balance	-	-	(94,005)	(94,005)
Fund balance, beginning of year	6,586	6,586	6,586	-
Fund balance (deficit), end of year	<u>\$ 6,586</u>	<u>\$ 6,586</u>	<u>\$ (87,419)</u>	<u>\$ (94,005)</u>

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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ -	\$ 2,382	\$ 2,382
Net change in fund balance	-	-	2,382	2,382
Fund balance, beginning of year	30,895	30,895	30,895	-
Fund balance, end of year	\$ 30,895	\$ 30,895	\$ 33,277	\$ 2,382

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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ 12,000	\$ 12,000	\$ 17,425	\$ 5,425
Expenditures:				
Current:				
Economic development				
Department of planning and development				
Contractual services	14,500	14,500	12,500	2,000
Net change in fund balance	(2,500)	(2,500)	4,925	7,425
Fund balance, beginning of year	37,784	37,784	37,784	-
Fund balance, end of year	\$ 35,284	\$ 35,284	\$ 42,709	\$ 7,425

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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, beginning of year	\$ 18,500	\$ 18,500	\$ 18,500	\$ -
Fund balance, end of year	\$ 18,500	\$ 18,500	\$ 18,500	\$ -

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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 5,500	\$ 11,000	\$ 8,182	\$ (2,818)
Expenditures:				
Current:				
Security of persons and property				
Police department				
Capital outlay	-	11,000	8,182	2,818
Net change in fund balance	5,500	-	-	-
Fund balance, beginning of year	15,044	15,044	15,044	-
Fund balance, end of year	\$ 20,544	\$ 15,044	\$ 15,044	\$ -

City of North Olmsted, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Local Coronavirus Relief Fund

For the Year Ended December 31, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ -	\$ 2,276,678	\$ 2,276,678	\$ -
Investment income	-	1,877	1,877	-
Total revenue	-	2,278,555	2,278,555	-
Expenditures:				
Current:				
General government				
Salaries	-	893,573	893,573	-
Benefits	-	409,855	409,855	-
Materials and supplies	-	145,299	132,027	13,272
Contractual services	-	62,354	63,756	(1,402)
Capital outlay	-	767,474	762,348	5,126
Total expenditures	-	2,278,555	2,261,559	16,996
Net change in fund balance	-	-	16,996	16,996
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ 16,996	\$ 16,996

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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services and sales	\$ 84,143	\$ 114,143	\$ 53,567	\$ (60,576)
Expenditures:				
Current:				
Transportation				
Public service and properties				
Materials and Supplies	5,830	5,830	5,621	209
Contractual Services	230,983	230,983	16,608	214,375
Total expenditures	<u>236,813</u>	<u>236,813</u>	<u>22,229</u>	<u>214,584</u>
Excess (deficiency) of revenues over expenditures	(152,670)	(122,670)	31,338	154,008
Other financing sources (uses):				
Transfers - in	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(102,670)	(122,670)	31,338	154,008
Prior year encumbrances appropriated	11,983	11,983	11,983	-
Fund balance, beginning of year	<u>115,225</u>	<u>115,225</u>	<u>115,225</u>	<u>-</u>
Fund balance, end of year	<u>\$ 24,538</u>	<u>\$ 4,538</u>	<u>\$ 158,546</u>	<u>\$ 154,008</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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 228,000	\$ 228,000	\$ 220,580	\$ (7,420)
Miscellaneous	1,000	1,000	937	(63)
Total revenue	<u>229,000</u>	<u>229,000</u>	<u>221,517</u>	<u>(7,483)</u>
Expenditures:				
Current:				
Transportation				
Department of public service				
Materials and supplies	48,000	48,000	31,400	16,600
Contractual services	<u>232,306</u>	<u>232,306</u>	<u>193,227</u>	<u>39,079</u>
Total expenditures	<u>280,306</u>	<u>280,306</u>	<u>224,627</u>	<u>55,679</u>
Net change in fund balance	(51,306)	(51,306)	(3,110)	48,196
Prior year encumbrances appropriated	1,506	1,506	1,506	-
Fund balance, beginning of year	<u>92,670</u>	<u>92,670</u>	<u>92,670</u>	-
Fund balance, end of year	<u><u>\$ 42,870</u></u>	<u><u>\$ 42,870</u></u>	<u><u>\$ 91,066</u></u>	<u><u>\$ 48,196</u></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, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Property and other taxes	\$ 901,400	\$ 901,400	\$ 921,432	\$ 20,032
Charges for services and sales	1,709,500	788,423	791,466	3,043
Intergovernmental revenue	117,000	117,000	115,539	(1,461)
Total revenue	<u>2,727,900</u>	<u>1,806,823</u>	<u>1,828,437</u>	<u>21,614</u>
Expenditures:				
Current:				
Leisure time activities				
Recreation department				
Salaries	1,356,201	865,251	816,585	48,666
Benefits	456,661	345,685	313,563	32,122
Materials and supplies	185,090	115,890	80,792	35,098
Contractual services	968,222	809,580	643,414	166,166
Capital outlay	39,886	9,886	9,860	26
Total expenditures	<u>3,006,060</u>	<u>2,146,292</u>	<u>1,864,214</u>	<u>282,078</u>
Excess (deficiency) of revenues over expenditures	(278,160)	(339,469)	(35,777)	303,692
Other financing sources (uses):				
Advances - in	230,000	230,000	-	(230,000)
Transfers - out	(14,560)	(14,560)	(9,560)	5,000
Total other financing sources (uses)	<u>215,440</u>	<u>215,440</u>	<u>(9,560)</u>	<u>(225,000)</u>
Net change in fund balance	(62,720)	(124,029)	(45,337)	78,692
Fund balance, beginning of year	198,718	198,718	198,718	-
Prior year encumbrances appropriated	<u>63,773</u>	<u>63,773</u>	<u>63,773</u>	<u>-</u>
Fund balance, end of year	<u>\$ 199,771</u>	<u>\$ 138,462</u>	<u>\$ 217,154</u>	<u>\$ 78,692</u>

City of North Olmsted, Ohio

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

For the Year Ended December 31, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, beginning of year	\$ 3,065	\$ 3,065	\$ 3,065	\$ -
Fund balance, end of year	\$ 3,065	\$ 3,065	\$ 3,065	\$ -

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, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Property and other taxes	\$ 400,000	\$ 100,000	\$ 251,173	\$ 151,173
Expenditures:				
Current:				
Security of persons and property				
Fire department				
Materials and supplies	26,343	26,343	24,195	2,148
Contractual services	53,143	53,143	43,608	9,535
Capital outlay	213,022	124,247	98,915	25,332
Total fire department	292,508	203,733	166,718	37,015
Police Department				
Materials and supplies	47,820	22,831	22,816	15
Contractual services	12,000	12,000	4,980	7,020
Capital outlay	170,570	150,386	130,231	20,155
Total police department	230,390	185,217	158,027	27,190
Total expenditures	522,898	388,950	324,745	64,205
Excess (deficiency) of revenues over expenditures	(122,898)	(288,950)	(73,572)	215,378
Other financing sources (uses):				
Transfers - out	(47,900)	(47,900)	-	47,900
Net change in fund balance	(170,798)	(336,850)	(73,572)	263,278
Prior year encumbrances appropriated	37,632	37,632	37,632	-
Fund balance, beginning of year	323,883	323,883	323,883	-
Fund balance, end of year	\$ 190,717	\$ 24,665	\$ 287,943	\$ 263,278

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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services and sales	\$ 420,000	\$ 375,000	\$ 403,016	\$ 28,016
Expenditures:				
Current:				
Security of persons and property				
Fire department				
Contractual services	37,215	37,215	32,488	4,727
Capital outlay	1,663,834	1,233,834	1,232,775	1,059
Total security of persons and property	<u>1,701,049</u>	<u>1,271,049</u>	<u>1,265,263</u>	<u>5,786</u>
Debt service:				
Principal	1,305,000	1,305,000	1,305,000	-
Interest and fiscal charges	39,227	39,227	39,227	-
Issuance fee	10,000	10,000	7,129	2,871
Total debt service	<u>1,354,227</u>	<u>1,354,227</u>	<u>1,351,356</u>	<u>2,871</u>
Total expenditures	<u>3,055,276</u>	<u>2,625,276</u>	<u>2,616,619</u>	<u>8,657</u>
Excess (deficiency) of revenues over expenditures	(2,635,276)	(2,250,276)	(2,213,603)	36,673
Other financing sources (uses):				
Note proceeds	<u>1,180,000</u>	<u>1,180,000</u>	<u>1,170,000</u>	<u>(10,000)</u>
Net change in fund balance	(1,455,276)	(1,070,276)	(1,043,603)	26,673
Prior year encumbrances appropriated	1,231,049	1,231,049	1,231,049	-
Fund balance, beginning of year	<u>630,502</u>	<u>630,502</u>	<u>630,502</u>	<u>-</u>
Fund balance, end of year	<u>\$ 406,275</u>	<u>\$ 791,275</u>	<u>\$ 817,948</u>	<u>\$ 26,673</u>

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, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Intergovernmental revenue	\$ 141,400	\$ 131,400	\$ 137,359	\$ 5,959
Interest	1,750	1,750	2,504	754
Total revenue	<u>143,150</u>	<u>133,150</u>	<u>139,863</u>	<u>6,713</u>
Expenditures:				
Current:				
Transportation				
Service department				
Materials and supplies	243,104	243,104	16,037	227,067
Contractual services	104,314	104,314	86,715	17,599
Total expenditures	<u>347,418</u>	<u>347,418</u>	<u>102,752</u>	<u>244,666</u>
Net change in fund balance	(204,268)	(214,268)	37,111	251,379
Prior year encumbrances appropriated	50,818	50,818	50,818	-
Fund balance, beginning of year	<u>202,764</u>	<u>202,764</u>	<u>202,764</u>	-
Fund balance, end of year	<u>\$ 49,314</u>	<u>\$ 39,314</u>	<u>\$ 290,693</u>	<u>\$ 251,379</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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 1,810,000	\$ 1,410,000	\$ 1,693,183	\$ 283,183
Interest	1,000	1,000	8,000	7,000
Total revenue	<u>1,811,000</u>	<u>1,411,000</u>	<u>1,701,183</u>	<u>290,183</u>
Expenditures:				
Current:				
Transportation				
Service department				
Salaries	497,860	394,860	340,725	54,135
Benefits	173,228	159,146	139,866	19,280
Materials and supplies	546,389	496,389	392,584	103,805
Contractual services	211,411	256,521	256,468	53
Capital outlay	481,995	285,495	275,495	10,000
Total expenditures	<u>1,910,883</u>	<u>1,592,411</u>	<u>1,405,138</u>	<u>187,273</u>
Net change in fund balance	(99,883)	(181,411)	296,045	477,456
Prior year encumbrances appropriated	15,100	15,100	15,100	-
Fund balance, beginning of year	<u>784,765</u>	<u>784,765</u>	<u>784,765</u>	-
Fund balance, end of year	<u>\$ 699,982</u>	<u>\$ 618,454</u>	<u>\$ 1,095,910</u>	<u>\$ 477,456</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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ 340,000	\$ 340,000	\$ 424,500	\$ 84,500
Expenditures:				
Current:				
General government				
Capital outlay	1,217,755	1,634,193	1,348,854	285,339
Debt service:				
Issuance fee	10,000	10,000	7,781	2,219
Total expenditures	<u>1,227,755</u>	<u>1,644,193</u>	<u>1,356,635</u>	<u>287,558</u>
Excess (deficiency) of revenues over expenditures	(887,755)	(1,304,193)	(932,135)	372,058
Other financing sources (uses):				
Note proceeds	1,175,000	1,175,000	1,165,000	(10,000)
Transfers - out	<u>(180,250)</u>	<u>(180,250)</u>	<u>(180,250)</u>	<u>-</u>
Total other financing sources (uses)	<u>994,750</u>	<u>994,750</u>	<u>984,750</u>	<u>(10,000)</u>
Net change in fund balance	106,995	(309,443)	52,615	362,058
Prior year encumbrances appropriated	52,755	52,755	52,755	-
Fund balance, beginning of year	<u>1,971,664</u>	<u>1,971,664</u>	<u>1,971,664</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,131,414</u>	<u>\$ 1,714,976</u>	<u>\$ 2,077,034</u>	<u>\$ 362,058</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, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 6,062	\$ (3,938)
Expenditures:				
Current:				
Public health and welfare				
Contractual services	11,600	11,600	9,331	2,269
Capital outlay	2,000	2,000	1,502	498
Total expenditures	13,600	13,600	10,833	2,767
Net change in fund balance	(3,600)	(3,600)	(4,771)	(1,171)
Fund balance, beginning of year	13,250	13,250	13,250	-
Fund balance, end of year	\$ 9,650	\$ 9,650	\$ 8,479	\$ (1,171)

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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Municipal income tax	\$ 2,325,000	\$ 2,091,000	\$ 2,281,602	\$ 190,602
Intergovernmental revenue	13,000	13,000	10,977	(2,023)
Total revenue	<u>2,338,000</u>	<u>2,104,000</u>	<u>2,292,579</u>	<u>188,579</u>
Expenditures:				
Current:				
Basic utility services				
Service department				
Contractual services	2,585,756	2,585,756	2,476,795	108,961
Capital outlay	48,000	48,000	48,000	-
Total expenditures	<u>2,633,756</u>	<u>2,633,756</u>	<u>2,524,795</u>	<u>108,961</u>
Net change in fund balance	(295,756)	(529,756)	(232,216)	297,540
Prior year encumbrances appropriated	6,696	6,696	6,696	-
Fund balance, beginning of year	<u>1,767,396</u>	<u>1,767,396</u>	<u>1,767,396</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,478,336</u>	<u>\$ 1,244,336</u>	<u>\$ 1,541,876</u>	<u>\$ 297,540</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, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
Revenues:				
Charges for services and sales	\$ 16,000	\$ 16,000	\$ 11,136	\$ (4,864)
Intergovernmental revenue	15,000	15,000	15,000	-
Total revenue	<u>31,000</u>	<u>31,000</u>	<u>26,136</u>	<u>(4,864)</u>
Expenditures:				
Current:				
Public health and welfare				
Division of youth services				
Salaries	23,100	21,963	14,919	7,044
Benefits	3,916	3,393	2,311	1,082
Materials and supplies	900	900	322	578
Contractual services	3,500	3,500	853	2,647
Total expenditures	<u>31,416</u>	<u>29,756</u>	<u>18,405</u>	<u>11,351</u>
Net change in fund balance	(416)	1,244	7,731	6,487
Fund balance, beginning of year	<u>4,430</u>	<u>4,430</u>	<u>4,430</u>	<u>-</u>
Fund balance, end of year	<u>\$ 4,014</u>	<u>\$ 5,674</u>	<u>\$ 12,161</u>	<u>\$ 6,487</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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, beginning of year	\$ 17,335	\$ 17,335	\$ 17,335	\$ -
Fund balance, end of year	\$ 17,335	\$ 17,335	\$ 17,335	\$ -

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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Miscellaneous	28,000	28,000	54,070	26,070
Total revenue	<u>33,000</u>	<u>33,000</u>	<u>54,070</u>	<u>21,070</u>
Expenditures:				
Current:				
Security of persons and property				
Police department				
Materials and supplies	<u>25,100</u>	<u>25,100</u>	<u>-</u>	<u>25,100</u>
Public health and welfare				
Division of youth and family services				
Materials and supplies	91,151	61,029	19,775	41,254
Contractual services	35,577	35,577	15,000	20,577
Capital outlay	-	30,122	30,122	-
Total public health and welfare	<u>126,728</u>	<u>126,728</u>	<u>64,897</u>	<u>61,831</u>
Total expenditures	<u>151,828</u>	<u>151,828</u>	<u>64,897</u>	<u>86,931</u>
Net change in fund balance	(118,828)	(118,828)	(10,827)	108,001
Prior year encumbrances appropriated	1,610	1,610	1,610	-
Fund balance, beginning of year	<u>226,452</u>	<u>226,452</u>	<u>226,452</u>	<u>-</u>
Fund balance, end of year	<u>\$ 109,234</u>	<u>\$ 109,234</u>	<u>\$ 217,235</u>	<u>\$ 108,001</u>

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, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
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 – Fire Pension Fund

For the Year Ended December 31, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ 226,000	\$ 226,000	\$ 230,342	\$ 4,342
Intergovernmental revenue	28,600	28,600	28,885	285
Total revenue	<u>254,600</u>	<u>254,600</u>	<u>259,227</u>	<u>4,627</u>
Expenditures:				
Current:				
Security of persons and property				
Fire department				
Benefits	<u>254,600</u>	<u>254,600</u>	<u>230,342</u>	<u>24,258</u>
Net change in fund balance	-	-	28,885	28,885
Fund balance, beginning of year	<u>35,611</u>	<u>35,611</u>	<u>35,611</u>	-
Fund balance, end of year	<u><u>\$ 35,611</u></u>	<u><u>\$ 35,611</u></u>	<u><u>\$ 64,496</u></u>	<u><u>\$ 28,885</u></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, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Fines and forfeitures	\$ -	\$ 4,000	\$ 6,936	\$ 2,936
Expenditures:				
Current:				
Security of persons and property				
Police department				
Contractual services	5,000	5,000	694	4,306
Capital outlay	15,000	26,600	25,073	1,527
Total expenditures	20,000	31,600	25,767	5,833
Net change in fund balance	(20,000)	(27,600)	(18,831)	8,769
Fund balance, beginning of year	30,310	30,310	30,310	-
Fund balance, end of year	\$ 10,310	\$ 2,710	\$ 11,479	\$ 8,769

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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 450,000	\$ 450,000	\$ 233,685	\$ (216,315)
Expenditures:				
Current:				
Security of persons and property				
Law department				
Salaries	33,568	33,568	33,568	-
Benefits	15,588	18,679	18,672	7
Total law department	49,156	52,247	52,240	7
Police department				
Salaries	240,000	240,000	137,362	102,638
Benefits	94,880	87,685	46,451	41,234
Materials and supplies	53,220	53,220	8,598	44,622
Contractual services	18,300	18,300	11,537	6,763
Capital outlay	65,000	65,000	44,034	20,966
Total police department	471,400	464,205	247,982	216,223
Total expenditures	520,556	516,452	300,222	216,230
Net change in fund balance	(70,556)	(66,452)	(66,537)	(85)
Prior year encumbrances appropriated	3,320	3,320	3,320	-
Fund balance, beginning of year	149,477	149,477	149,477	-
Fund balance, end of year	\$ 82,241	\$ 86,345	\$ 86,260	\$ (85)

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, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Property and other taxes	\$ 226,000	\$ 226,000	\$ 230,342	\$ 4,342
Intergovernmental revenue	28,600	28,600	28,885	285
Total revenue	<u>254,600</u>	<u>254,600</u>	<u>259,227</u>	<u>4,627</u>
Expenditures:				
Current:				
Security of persons and property				
Police department				
Benefits	<u>254,600</u>	<u>254,600</u>	<u>230,342</u>	<u>24,258</u>
Net change in fund balance	-	-	28,885	28,885
Fund balance, beginning of year	<u>35,611</u>	<u>35,611</u>	<u>35,611</u>	-
Fund balance, end of year	<u><u>\$ 35,611</u></u>	<u><u>\$ 35,611</u></u>	<u><u>\$ 64,496</u></u>	<u><u>\$ 28,885</u></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, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Charges for services and sales	\$ 1,000	\$ 1,000	\$ 91	\$ (909)
Fines and forfeitures	2,700	2,700	1,800	(900)
Donations	4,000	4,000	1,166	(2,834)
Total revenue	<u>7,700</u>	<u>7,700</u>	<u>3,057</u>	<u>(4,643)</u>
Expenditures:				
Current:				
Leisure time activities				
Department of community life services				
Materials and supplies	18,131	17,006	8,233	8,773
Contractual services	-	125	121	4
Total expenditures	<u>18,131</u>	<u>17,131</u>	<u>8,354</u>	<u>8,777</u>
Net change in fund balance	(10,431)	(9,431)	(5,297)	4,134
Prior year encumbrances appropriated	631	631	631	-
Fund balance, beginning of year	<u>12,773</u>	<u>12,773</u>	<u>12,773</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,973</u>	<u>\$ 3,973</u>	<u>\$ 8,107</u>	<u>\$ 4,134</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, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Charges for services and sales	\$ 5,500	\$ 5,500	\$ 1,215	\$ (4,285)
Intergovernmental revenue	8,000	8,000	1,307	(6,693)
Total revenue	<u>13,500</u>	<u>13,500</u>	<u>2,522</u>	<u>(10,978)</u>
Expenditures:				
Current:				
Public health and welfare				
Senior services				
Salaries	11,664	7,436	3,135	4,301
Benefits	1,978	1,150	510	640
Contractual services	23,000	23,000	7,268	15,732
Total expenditures	<u>36,642</u>	<u>31,586</u>	<u>10,913</u>	<u>20,673</u>
Net change in fund balance	(23,142)	(18,086)	(8,391)	9,695
Fund balance, beginning of year	<u>42,669</u>	<u>42,669</u>	<u>42,669</u>	-
Fund balance, end of year	<u>\$ 19,527</u>	<u>\$ 24,583</u>	<u>\$ 34,278</u>	<u>\$ 9,695</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, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
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 – Deposit Fund

For the Year Ended December 31, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services and sales	\$ 205,000	\$ 205,000	\$ 180,062	\$ (24,938)
Expenditures:				
Current:				
General government				
Contractual services	197,660	437,660	348,434	89,226
Net change in fund balance	7,340	(232,660)	(168,372)	64,288
Prior year encumbrances appropriated	660	660	660	-
Fund balance, beginning of year	945,692	945,692	945,692	-
Fund balance, end of year	\$ 953,692	\$ 713,692	\$ 777,980	\$ 64,288

City of North Olmsted, Ohio

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

For the Year Ended December 31, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Debt service:				
Principal	\$ 780,000	\$ 780,000	\$ 780,000	\$ -
Interest and fiscal charges	31,200	31,200	31,200	-
Total expenditures	<u>811,200</u>	<u>811,200</u>	<u>811,200</u>	<u>-</u>
Net change in fund balance	(811,200)	(811,200)	(811,200)	-
Fund balance, beginning of year	<u>927,188</u>	<u>927,188</u>	<u>927,188</u>	<u>-</u>
Fund balance, end of year	<u>\$ 115,988</u>	<u>\$ 115,988</u>	<u>\$ 115,988</u>	<u>\$ -</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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ 301,000	\$ 301,000	\$ 307,144	\$ 6,144
Intergovernmental revenue	38,000	38,000	38,513	513
Total revenue	<u>339,000</u>	<u>339,000</u>	<u>345,657</u>	<u>6,657</u>
Expenditures:				
Debt service:				
Principal	235,000	235,000	235,000	-
Interest and fiscal charges	50,863	50,863	50,863	-
Total expenditures	<u>285,863</u>	<u>285,863</u>	<u>285,863</u>	<u>-</u>
Net change in fund balance	53,137	53,137	59,794	6,657
Fund balance, beginning of year	<u>663,716</u>	<u>663,716</u>	<u>663,716</u>	<u>-</u>
Fund balance, end of year	<u>\$ 716,853</u>	<u>\$ 716,853</u>	<u>\$ 723,510</u>	<u>\$ 6,657</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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
Fund balance, beginning of year	\$ <u>2,000</u>	\$ <u>2,000</u>	\$ <u>2,000</u>	\$ <u>-</u>
Fund balance, end of year	\$ <u><u>2,000</u></u>	\$ <u><u>2,000</u></u>	\$ <u><u>2,000</u></u>	\$ <u><u>-</u></u>

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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Revenues:				
Charges for services and sales	\$ 1,761,300	\$ 1,384,800	\$ 1,289,343	\$ (95,457)
Expenses:				
Golf course and ballroom:				
Salaries	559,618	495,418	394,465	100,953
Benefits	122,790	110,724	66,578	44,146
Materials and supplies	397,698	299,598	219,344	80,254
Contractual services	348,462	330,003	262,706	67,297
Capital outlay	665,831	650,965	627,859	23,106
Total golf course and ballroom	2,094,399	1,886,708	1,570,952	315,756
Debt Service:				
Principal	1,350,000	1,350,000	1,350,000	-
Interest and fiscal charges	40,447	40,447	40,447	-
Issuance costs	12,500	12,500	9,147	3,353
Total debt service	1,402,947	1,402,947	1,399,594	3,353
Total expenses	3,497,346	3,289,655	2,970,546	319,109
Excess (deficiency) of revenues over expenses	(1,736,046)	(1,904,855)	(1,681,203)	223,652
Other financing sources (uses):				
Refunds	(3,000)	(94,000)	(74,049)	19,951
Note proceeds	1,492,500	1,492,500	1,480,000	(12,500)
Transfers - in	120,000	120,000	120,000	-
Transfers - out	(389,180)	(124,280)	(123,280)	1,000
Total other financing sources (uses)	1,220,320	1,394,220	1,402,671	8,451
Net change in fund equity	(515,726)	(510,635)	(278,532)	232,103
Prior year encumbrances appropriated	409,458	409,458	409,458	-
Fund equity, beginning of year	182,337	182,337	182,337	-
Fund equity, end of year	\$ 76,069	\$ 81,160	\$ 313,263	\$ 232,103

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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services and sales	\$ 10,332,000	\$ 10,332,000	\$ 10,454,281	\$ 122,281
Expenses:				
Sewer:				
Salaries	1,890,817	1,890,817	1,794,886	95,931
Benefits	793,359	737,458	692,747	44,711
Materials and supplies	902,762	902,762	698,619	204,143
Contractual services	2,667,468	2,667,468	1,972,619	694,849
Capital outlay	1,314,466	1,314,466	1,039,710	274,756
Total expenses	<u>7,568,872</u>	<u>7,512,971</u>	<u>6,198,581</u>	<u>1,314,390</u>
Excess (deficiency) of revenues over expenses	2,763,128	2,819,029	4,255,700	1,436,671
Other financing sources (uses):				
Refunds	(2,000)	(2,000)	(818)	1,182
Proceeds from sale of assets	-	-	4,661	4,661
Transfers - out	<u>(3,913,078)</u>	<u>(3,913,078)</u>	<u>(3,852,692)</u>	<u>60,386</u>
Total other financing sources (uses)	<u>(3,915,078)</u>	<u>(3,915,078)</u>	<u>(3,848,849)</u>	<u>66,229</u>
Net change in fund equity	(1,151,950)	(1,096,049)	406,851	1,502,900
Prior year encumbrances appropriated	461,231	461,231	461,231	-
Fund equity, beginning of year	<u>13,114,689</u>	<u>13,114,689</u>	<u>13,114,689</u>	<u>-</u>
Fund equity, end of year	<u>\$ 12,423,970</u>	<u>\$ 12,479,871</u>	<u>\$ 13,982,771</u>	<u>\$ 1,502,900</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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services and sales	\$ 3,900,000	\$ 3,619,982	\$ 3,483,232	\$ (136,750)
Expenses:				
Contractual services	4,730,000	4,730,000	3,359,956	1,370,044
Net change in fund equity	(830,000)	(1,110,018)	123,276	1,233,294
Fund equity, beginning of year	3,244,014	3,244,014	3,244,014	-
Fund equity, end of year	\$ 2,414,014	\$ 2,133,996	\$ 3,367,290	\$ 1,233,294

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, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services and sales	\$ 254,305	\$ 2,377	\$ 58	\$ (2,319)
Expenses:				
Contractual Services	359,182	359,182	198,854	160,328
Net change in fund equity	(104,877)	(356,805)	(198,796)	158,009
Prior year encumbrances appropriated	2,182	2,182	2,182	-
Fund equity, beginning of year	1,446,310	1,446,310	1,446,310	-
Fund equity, end of year	\$ 1,343,615	\$ 1,091,687	\$ 1,249,696	\$ 158,009

City of North Olmsted, Ohio

Fund Description

For the Year Ended December 31, 2020

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.

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, 2020

	<u>Mayor's Court</u>	<u>Mayor's Court Bond</u>	<u>Total Custodial Funds</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ <u>103,439</u>	\$ <u>2,150</u>	\$ <u>105,589</u>
Liabilities:			
Accounts payable	75	-	75
Deposits held and due to others	<u>103,364</u>	<u>975</u>	<u>104,339</u>
Total current liabilities	<u>103,439</u>	<u>975</u>	<u>104,414</u>
Net position:			
Restricted for others	<u>-</u>	<u>1,175</u>	<u>1,175</u>
Total net position	\$ <u><u>-</u></u>	\$ <u><u>1,175</u></u>	\$ <u><u>1,175</u></u>

City of North Olmsted, Ohio

Combining Statement of Change in Fiduciary Net Position Fiduciary Funds

For the Year Ended December 31, 2020

	<u>Mayor's Court</u>	<u>Mayor's Court Bond</u>	<u>Total Custodial Funds</u>
Additions:			
Court deposits	\$ 979,300	\$ 3,975	\$ 983,275
Deductions:			
Court disbursements	<u>1,000,633</u>	<u>2,830</u>	<u>1,003,463</u>
Change in net position	(21,333)	1,145	(20,188)
Net position, beginning of year, restated (Note 3)	<u>21,333</u>	<u>30</u>	<u>21,363</u>
Net position, end of year	\$ <u><u>-</u></u>	\$ <u><u>1,175</u></u>	\$ <u><u>1,175</u></u>

City of North Olmsted, Ohio

Statistical Section

This part of the City’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	S2-S9
Revenue Capacity 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
Debt Capacity These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	S15-S19
Economic and Demographic Information 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
Operating Information 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 comprehensive annual financial reports for the relevant year.

City of North Olmsted, Ohio

Net Position by Component Accrual Basis of Accounting

Last Ten Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental activities:										
Net investment in capital assets	\$ 34,655,527	\$ 31,226,859	\$ 28,803,658	\$ 28,401,591	\$ 28,628,989	\$ 27,813,444	\$ 29,341,888	\$ 31,940,364	\$ 35,550,385	\$ 36,787,582
Restricted for:										
Debt service	10,654,661	10,643,195	9,929,253	9,360,400	8,442,223	7,889,330	7,384,896	6,851,903	6,094,752	5,196,104
Capital projects	3,607,650	4,701,550	5,084,730	4,699,150	4,977,260	4,693,516	1,138,817	762,911	623,236	797,848
Community development	-	-	-	-	-	-	73,955	60,633	42,307	49,644
Highways and streets	4,574,340	4,231,232	3,395,990	2,829,310	2,455,507	2,081,713	4,723,437	4,353,921	3,328,866	4,224,951
Public safety	1,064,799	750,142	493,398	562,154	148,194	182,360	509,197	736,249	825,663	615,805
Recreation	421,169	-	-	-	-	4,588	86,380	222,472	215,836	88,177
Solid waste and recycling	2,034,428	2,263,332	2,036,908	1,861,445	1,603,317	1,313,809	1,136,124	965,775	577,462	509,787
Federal and other grants	388,951	417,029	427,285	575,606	432,021	454,162	535,346	524,945	530,871	655,170
Unrestricted	<u>(28,687,390)</u>	<u>(26,274,122)</u>	<u>(38,091,498)</u>	<u>(34,963,857)</u>	<u>(13,255,530)</u>	<u>(11,683,065)</u>	<u>(12,213,118)</u>	<u>7,178,951</u>	<u>6,779,505</u>	<u>6,476,551</u>
Total net position – governmental activities	<u>28,714,135</u>	<u>27,959,217</u>	<u>12,079,724</u>	<u>13,325,799</u>	<u>33,431,981</u>	<u>32,749,857</u>	<u>32,716,922</u>	<u>53,598,124</u>	<u>54,568,883</u>	<u>55,401,619</u>
Business-type activities:										
Net investment in capital assets	17,954,236	17,036,222	15,530,540	14,882,798	14,329,123	14,995,099	14,085,646	15,645,038	13,838,058	13,329,367
Unrestricted	<u>3,592,123</u>	<u>3,717,927</u>	<u>4,401,047</u>	<u>3,538,916</u>	<u>3,717,562</u>	<u>4,450,639</u>	<u>3,409,913</u>	<u>917,874</u>	<u>1,573,485</u>	<u>948,996</u>
Total net position – business-type activities	<u>21,546,359</u>	<u>20,754,149</u>	<u>19,931,587</u>	<u>18,421,714</u>	<u>18,046,685</u>	<u>19,445,738</u>	<u>17,495,559</u>	<u>16,562,912</u>	<u>15,411,543</u>	<u>14,278,363</u>
Primary government:										
Net investment in capital assets	52,609,763	48,263,081	44,334,198	43,284,389	42,958,112	42,808,543	43,427,534	47,585,402	49,388,443	50,116,949
Restricted	22,745,998	23,006,480	21,367,564	19,888,065	18,058,522	16,619,478	15,588,152	14,478,809	12,238,993	12,137,486
Unrestricted	<u>(25,095,267)</u>	<u>(22,556,195)</u>	<u>(33,690,451)</u>	<u>(31,424,941)</u>	<u>(9,537,968)</u>	<u>(7,232,426)</u>	<u>(8,803,205)</u>	<u>8,096,825</u>	<u>8,352,990</u>	<u>7,425,547</u>
Total net position – primary government	\$ <u>50,260,494</u>	\$ <u>48,713,366</u>	\$ <u>32,011,311</u>	\$ <u>31,747,513</u>	\$ <u>51,478,666</u>	\$ <u>52,195,595</u>	\$ <u>50,212,481</u>	\$ <u>70,161,036</u>	\$ <u>69,980,426</u>	\$ <u>69,679,982</u>

- (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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental activities:										
Charges for services and sales:										
General government	\$ 2,282,518	\$ 2,630,330	\$ 2,599,478	\$ 2,361,850	\$ 2,816,339	\$ 2,298,332	\$ 2,030,517	\$ 2,109,396	\$ 1,528,928	\$ 1,599,848
Security of persons and property	1,240,872	1,485,528	1,777,970	1,446,643	1,511,930	1,436,003	1,341,069	1,253,737	1,287,158	1,206,279
Public health and welfare	3,105	10,202	8,494	7,923	9,016	8,926	7,446	10,698	17,015	20,989
Transportation	118,894	161,126	211,072	159,121	120,094	210,341	241,171	235,112	283,571	257,183
Leisure time activities	802,285	1,883,979	1,927,823	1,973,255	1,971,094	1,838,790	1,570,024	1,523,574	1,413,519	1,282,907
Economic development	17,425	13,214	19,028	11,177	12,524	17,618	18,608	25,663	19,421	21,206
Total charges for services and sales	<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>	<u>5,158,180</u>	<u>4,549,612</u>	<u>4,388,412</u>
Operating grants and contributions:										
General government	3,091	779	3,560	10	1,555	30,939	55,726	37,500	41,442	11,260
Security of persons and property	205,968	206,289	300,643	149,160	160,833	411,329	129,368	342,433	415,442	26,322
Public health and welfare	76,709	72,204	53,055	73,571	61,731	61,366	60,909	64,031	63,112	60,327
Transportation	2,035,567	2,114,982	1,586,738	1,624,759	1,542,246	1,526,293	1,545,273	1,632,366	1,510,295	1,381,255
Basic utility services	2,900	5,000	5,000	5,000	5,500	5,000	5,000	12,441	-	3,282
Leisure time activities	-	20	-	-	-	1,940	55	12,185	9,500	62,491
Economic development	-	67,377	1,650	-	-	-	-	-	-	65,000
Total operating grants and contributions	<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>	<u>2,100,956</u>	<u>2,039,791</u>	<u>1,609,937</u>
Capital grants and contributions:										
General government	232,858	200,000	-	32,765	-	34,654	-	32,877	67,419	134,839
Security of persons and property	8,182	747	5,397	3,808	3,518	7,793	-	-	-	288,228
Public health and welfare	-	-	149,670	-	-	-	-	115,000	-	105,000
Transportation	-	250,000	-	-	-	-	-	270,295	299,061	246,967
Total capital grants and contributions	<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>	<u>418,172</u>	<u>366,480</u>	<u>775,034</u>
Total governmental activities program revenues	<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>	<u>7,677,308</u>	<u>6,955,883</u>	<u>6,773,383</u>

(Continued)

City of North Olmsted, Ohio

Changes in Net Position Accrual Basis of Accounting (Continued)

Last Ten Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Business-type activities:										
Charges for services and sales:										
Springvale Golf Course and Ballroom	1,212,293	1,710,443	1,666,414	1,704,829	1,739,923	1,694,648	1,655,305	1,524,267	1,476,024	1,166,214
Sewer	<u>10,417,017</u>	<u>10,448,403</u>	<u>10,364,252</u>	<u>11,059,171</u>	<u>10,039,509</u>	<u>9,181,973</u>	<u>8,738,033</u>	<u>7,770,214</u>	<u>7,327,028</u>	<u>6,673,982</u>
Total charges for services and sales	<u>11,629,310</u>	<u>12,158,846</u>	<u>12,030,666</u>	<u>12,764,000</u>	<u>11,779,432</u>	<u>10,876,621</u>	<u>10,393,338</u>	<u>9,294,481</u>	<u>8,803,052</u>	<u>7,840,196</u>
Capital grants and contributions:										
Sewer	<u>61,937</u>	<u>64,970</u>	<u>105,103</u>	<u>63,424</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,676</u>	<u>62,299</u>	<u>187,887</u>
Total business-type activities program revenues	<u>11,691,247</u>	<u>12,223,816</u>	<u>12,135,769</u>	<u>12,827,424</u>	<u>11,779,432</u>	<u>10,876,621</u>	<u>10,393,338</u>	<u>9,326,157</u>	<u>8,865,351</u>	<u>8,028,083</u>
Total primary government program revenues	<u>18,721,621</u>	<u>21,325,593</u>	<u>20,785,347</u>	<u>20,676,466</u>	<u>19,995,812</u>	<u>18,765,945</u>	<u>17,398,504</u>	<u>17,003,465</u>	<u>15,821,234</u>	<u>14,801,466</u>
Expenses:										
Governmental activities:										
General government	6,838,897	6,179,418	5,375,605	5,512,075	5,299,633	4,516,867	4,200,635	4,612,689	4,096,769	3,582,339
Security of persons and property	16,496,198	2,958,665	17,388,852	15,348,078	15,959,086	14,205,425	12,948,527	12,974,261	12,847,883	11,367,748
Public health services	605,662	664,427	686,988	692,738	631,709	551,565	529,304	504,219	527,602	489,183
Transportation	6,664,108	7,761,803	8,093,205	8,240,799	7,352,641	8,416,485	9,608,806	10,161,662	10,314,338	10,125,472
Basic utility services	2,513,654	2,271,866	2,142,175	2,192,149	2,063,026	1,929,636	1,920,086	1,700,564	2,100,931	2,306,879
Leisure time activities	2,108,986	3,481,815	3,083,618	3,171,864	3,191,927	3,136,618	2,850,349	2,583,952	2,472,946	2,414,279
Economic development	504,106	517,720	494,603	376,806	271,870	275,635	328,696	339,198	476,253	432,497
Interest and fiscal charges	<u>560,489</u>	<u>540,558</u>	<u>514,478</u>	<u>669,103</u>	<u>668,492</u>	<u>1,049,394</u>	<u>941,826</u>	<u>1,371,593</u>	<u>1,197,352</u>	<u>1,370,320</u>
Total governmental activities expenses	<u>36,292,100</u>	<u>24,376,272</u>	<u>37,779,524</u>	<u>36,203,612</u>	<u>35,438,384</u>	<u>34,081,625</u>	<u>33,328,229</u>	<u>34,248,138</u>	<u>34,034,074</u>	<u>32,088,717</u>

(Continued)

City of North Olmsted, Ohio

Changes in Net Position Accrual Basis of Accounting (Continued)

Last Ten Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Business-type activities:										
Springvale Golf Course and Ballroom	1,599,374	1,800,252	1,823,985	2,019,106	1,665,971	1,557,162	1,547,407	1,598,902	1,561,234	1,393,346
Sewer revenue	<u>9,238,957</u>	<u>9,580,212</u>	<u>8,749,271</u>	<u>8,857,451</u>	<u>8,005,368</u>	<u>7,408,132</u>	<u>6,311,785</u>	<u>6,562,518</u>	<u>5,959,665</u>	<u>5,950,651</u>
Total business-type activities expenses	<u>10,838,331</u>	<u>11,380,464</u>	<u>10,573,256</u>	<u>10,876,557</u>	<u>9,671,339</u>	<u>8,965,294</u>	<u>7,859,192</u>	<u>8,161,420</u>	<u>7,520,899</u>	<u>7,343,997</u>
Total primary government expenses	<u>47,130,431</u>	<u>35,756,736</u>	<u>48,352,780</u>	<u>47,080,169</u>	<u>45,109,723</u>	<u>43,046,919</u>	<u>41,187,421</u>	<u>42,409,558</u>	<u>41,554,973</u>	<u>39,432,714</u>
Net (expense) revenue:										
Governmental activities	(29,261,726)	(15,274,495)	(29,129,946)	(28,354,570)	(27,222,004)	(26,192,301)	(26,323,063)	(26,570,830)	(27,078,191)	(25,315,334)
Business-type activities	<u>852,916</u>	<u>843,352</u>	<u>1,562,513</u>	<u>1,950,867</u>	<u>2,108,093</u>	<u>1,911,327</u>	<u>2,534,146</u>	<u>1,164,737</u>	<u>1,344,452</u>	<u>684,086</u>
Total primary government net expense	<u>(28,408,810)</u>	<u>(14,431,143)</u>	<u>(27,567,433)</u>	<u>(26,403,703)</u>	<u>(25,113,911)</u>	<u>(24,280,974)</u>	<u>(23,788,917)</u>	<u>(25,406,093)</u>	<u>(25,733,739)</u>	<u>(24,631,248)</u>
General revenues and other changes in net position:										
Governmental activities:										
Property taxes and other local taxes	9,603,241	10,873,713	9,781,544	9,813,776	9,622,781	9,558,074	9,183,826	9,525,254	9,743,908	9,782,378
Municipal income taxes	15,162,859	16,544,287	15,357,622	16,311,456	15,531,341	14,039,569	13,926,264	13,815,005	13,286,957	12,197,549
Grants and entitlements	4,530,927	2,679,464	2,006,231	2,363,717	2,569,538	2,554,370	2,201,218	2,147,473	2,919,512	3,736,906
Investment earnings	578,682	957,900	629,054	194,422	64,238	36,912	39,775	61,556	40,217	37,499
Gain on sale of capital assets	-	-	-	-	-	-	-	-	9,086	-
Other	80,229	122,834	56,780	61,591	63,590	75,163	63,894	37,415	34,503	35,478
Transfers	60,706	20,790	52,640	52,640	52,640	(38,852)	40,223	13,368	211,272	62,651
Special item – sale of capital assets	-	-	-	-	-	-	-	-	-	156,930
Total governmental activities general revenues and other changes in net position	<u>30,016,644</u>	<u>31,198,988</u>	<u>27,883,871</u>	<u>28,797,602</u>	<u>27,904,128</u>	<u>26,225,236</u>	<u>25,455,200</u>	<u>25,600,071</u>	<u>26,245,455</u>	<u>26,009,391</u>

(Continued)

City of North Olmsted, Ohio

Changes in Net Position Accrual Basis of Accounting (Continued)

Last Ten Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Business-type activities:										
Transfers	(60,706)	(20,790)	(52,640)	(52,640)	(52,640)	-	(40,223)	(13,368)	(211,272)	(62,651)
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	<u>(60,706)</u>	<u>(20,790)</u>	<u>(52,640)</u>	<u>(52,640)</u>	<u>(3,507,146)</u>	<u>38,852</u>	<u>(40,223)</u>	<u>(13,368)</u>	<u>(211,272)</u>	<u>(62,651)</u>
Total primary government general revenues and other changes in net position	<u>29,955,938</u>	<u>31,178,198</u>	<u>27,831,231</u>	<u>28,744,962</u>	<u>24,396,982</u>	<u>26,264,088</u>	<u>25,414,977</u>	<u>25,586,703</u>	<u>26,034,183</u>	<u>25,946,740</u>
Change in net position:										
Governmental activities	754,918	15,924,493	(1,246,075)	443,032	682,124	32,935	(867,863)	(970,759)	(832,736)	694,057
Business-type activities	<u>792,210</u>	<u>822,562</u>	<u>1,509,873</u>	<u>1,898,227</u>	<u>(1,399,053)</u>	<u>1,950,179</u>	<u>2,493,923</u>	<u>1,151,369</u>	<u>1,133,180</u>	<u>621,435</u>
Total primary government change in net position	\$ <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>	\$ <u>180,610</u>	\$ <u>300,444</u>	\$ <u>1,315,492</u>

Information from 2011 through 2014 uses GASB Statement No. 27 to measure pension expense.

Information in 2015 uses GASB Statement No. 68 to measure pension expense.

Information from 2010 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

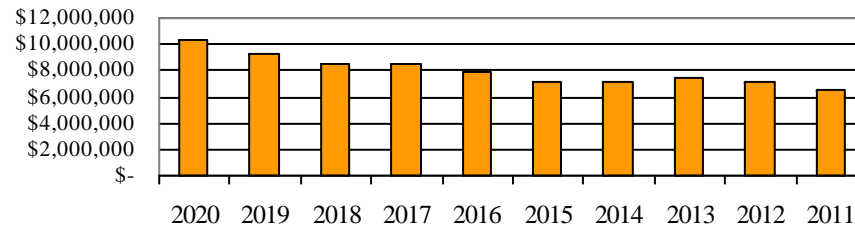
Last Ten Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General Fund										
Nonspendable	\$ 1,665,861	\$ 1,542,670	\$ 1,477,689	\$ 1,377,161	\$ 1,283,563	\$ 1,173,952	\$ 1,180,719	\$ 1,077,862	\$ 988,055	\$ 910,466
Committed	77,253	22,724	101,884	114,747	62,454	42,000	-	-	-	-
Assigned	5,918,866	4,899,174	4,433,189	4,941,368	4,684,994	4,237,354	4,714,841	4,860,515	1,799,392	875,618
Unassigned	<u>2,615,897</u>	<u>2,871,912</u>	<u>2,569,478</u>	<u>2,097,203</u>	<u>1,938,143</u>	<u>1,729,097</u>	<u>1,270,324</u>	<u>1,433,619</u>	<u>4,338,011</u>	<u>4,752,859</u>
Total General Fund	<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>	<u>7,371,996</u>	<u>7,125,458</u>	<u>6,538,943</u>
All other governmental funds										
Nonspendable	143,511	122,182	146,064	64,079	103,105	124,839	75,935	20,717	17,671	16,322
Restricted	21,739,918	23,344,844	20,669,583	18,407,748	16,601,938	10,447,657	13,617,900	12,319,432	10,089,351	10,071,569
Committed	526,512	679,334	421,320	269,040	252,989	5,152,340	477,523	738,571	699,742	568,849
Unassigned	<u>(87,419)</u>	<u>-</u>	<u>-</u>	<u>(130,659)</u>	<u>(5,516)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(55,939)</u>	<u>(56,562)</u>
Total all other governmental funds	<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>	<u>13,078,720</u>	<u>10,750,825</u>	<u>10,600,178</u>
Total governmental funds	\$ <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>	\$ <u>20,450,716</u>	\$ <u>17,876,283</u>	\$ <u>17,139,121</u>

In 2011, the City implemented GASB 54.

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues:										
Property taxes	\$ 9,617,754	\$ 10,725,717	\$ 9,730,635	\$ 9,816,294	\$ 9,565,720	\$ 9,653,946	\$ 9,291,474	\$ 9,503,797	\$ 9,799,407	\$ 9,924,695
Income taxes	15,256,916	16,070,820	16,008,308	15,890,897	15,283,047	14,252,984	14,317,492	13,435,417	12,655,722	12,346,450
Payment in lieu of taxes	424,500	346,180	598,242	287,273	530,152	501,075	-	-	-	-
Charges for services and sales	2,614,932	4,188,437	4,148,407	3,817,020	3,790,286	3,209,751	2,750,607	2,751,882	2,552,793	2,384,556
Fines, licenses and permits	1,730,650	2,050,085	2,033,943	1,922,317	2,451,773	1,876,649	1,681,117	1,654,123	1,628,181	1,670,972
Intergovernmental	6,711,752	4,941,924	4,042,030	3,863,185	3,939,110	4,183,068	4,131,025	4,889,076	5,770,274	6,409,008
Special assessments	33,697	-	-	-	-	-	-	-	-	-
Interest	583,853	952,243	610,034	194,422	64,238	36,912	39,775	61,556	40,217	37,499
Miscellaneous	79,370	71,964	88,636	101,233	108,250	717,963	662,055	615,578	176,983	181,063
Total revenues	<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>	<u>32,911,429</u>	<u>32,623,577</u>	<u>32,954,243</u>
Expenditures:										
Current:										
General government	6,195,317	4,660,721	4,548,826	4,633,871	4,603,782	4,192,227	4,190,529	4,108,722	3,662,591	3,646,056
Security of persons and property	15,965,937	15,307,520	15,438,843	14,234,086	13,840,984	14,106,951	13,194,930	13,176,566	12,436,324	11,513,761
Public health and welfare	554,598	667,671	643,619	1,675,311	547,434	590,039	522,122	640,545	513,659	628,225
Transportation	8,419,985	7,249,823	6,590,232	7,002,141	5,651,644	6,070,558	5,249,876	5,105,094	5,990,651	5,163,746
Basic utility services	2,513,654	2,270,111	2,144,646	2,193,395	2,056,094	1,933,777	1,923,981	1,700,564	2,100,931	2,306,879
Leisure time activities	2,252,570	2,779,684	2,679,376	2,891,054	2,863,912	2,796,243	2,620,445	2,881,644	2,198,920	2,287,806
Economic development	492,991	506,484	510,988	473,494	328,076	272,427	321,058	435,643	738,357	468,200
Capital outlay	2,865,068	1,864,836	135,554	503,137	421,515	714,701	1,746,234	132,499	833,444	376,161
Debt Service:										
Principal	7,910,955	4,746,264	3,075,506	4,494,145	4,343,608	11,542,007	3,872,081	5,877,646	4,770,492	4,002,500
Interest and fiscal charge	552,257	542,678	578,786	634,587	729,247	844,228	974,312	1,119,953	1,183,155	1,368,647
Note issuance costs	-	-	-	-	-	-	-	-	23,250	17,426
Bond issuance costs	62,157	37,550	22,111	148,689	17,048	233,131	28,056	133,477	-	-
Total expenditures	<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>	<u>35,312,353</u>	<u>34,451,774</u>	<u>31,779,407</u>
Excess (deficiency) of revenues over expenditures	<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>	<u>(2,400,924)</u>	<u>(1,828,197)</u>	<u>1,174,836</u>

(Continued)

City of North Olmsted, Ohio

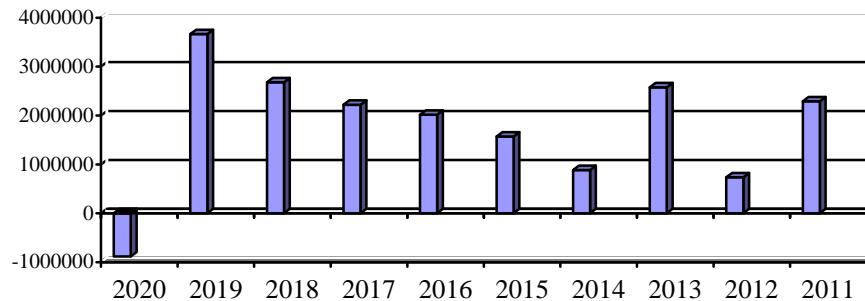
Changes in Fund Balances, Governmental Funds Modified Accrual Basis of Accounting (Continued)

Last Ten Years

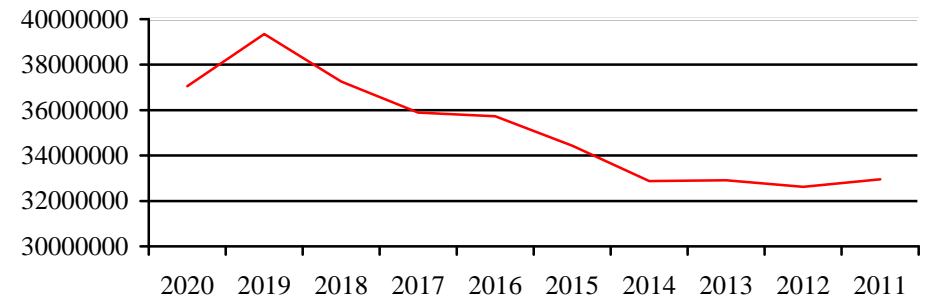
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Other financing sources (uses):										
Issuance of notes	9,730,000	4,835,000	1,720,000	-	1,605,000	5,095,000	2,425,000	-	2,468,700	880,000
Inception of capital leases	-	-	-	-	-	60,299	176,472	-	-	-
Proceeds from issuance of bonds	-	-	-	8,371,000	-	8,380,000	-	4,770,000	-	-
Premium on issuance of bonds	83,191	73,102	13,632	464,139	7,383	518,568	11,510	120,394	-	-
Payment to bond escrow agent	-	-	-	(3,689,134)	-	3,593,275	-	-	-	-
Sale of capital assets	5,793	20,713	500	11,641	20,176	16,033	3,400	55,130	12,300	171,334
Transfers - in	1,605,331	1,924,563	1,970,156	1,615,615	1,697,609	1,603,124	1,595,893	1,756,925	2,382,025	3,147,873
Transfers - out	(1,574,691)	(1,903,773)	(1,917,516)	(1,562,972)	(1,644,969)	(1,645,811)	(1,555,670)	(1,727,092)	(2,297,666)	(3,085,222)
Total other financing sources (uses)	9,849,624	4,949,605	1,786,772	5,210,286	1,685,199	10,433,938	2,656,605	4,975,357	2,565,359	1,113,985
Net change in fund balance	\$ (882,441)	\$ 3,663,633	\$ 2,678,520	\$ 2,219,017	\$ 2,014,431	\$ 1,569,997	\$ 886,526	\$ 2,574,433	\$ 737,162	\$ 2,288,821
Debt service as a percentage of noncapital expenditures	21.92%	14.89%	10.99%	15.16%	15.43%	30.43%	15.31%	21.68%	19.21%	18.33%

Source: City financial records

Net Change in Fund Balance, Governmental Funds



Governmental Funds Revenues



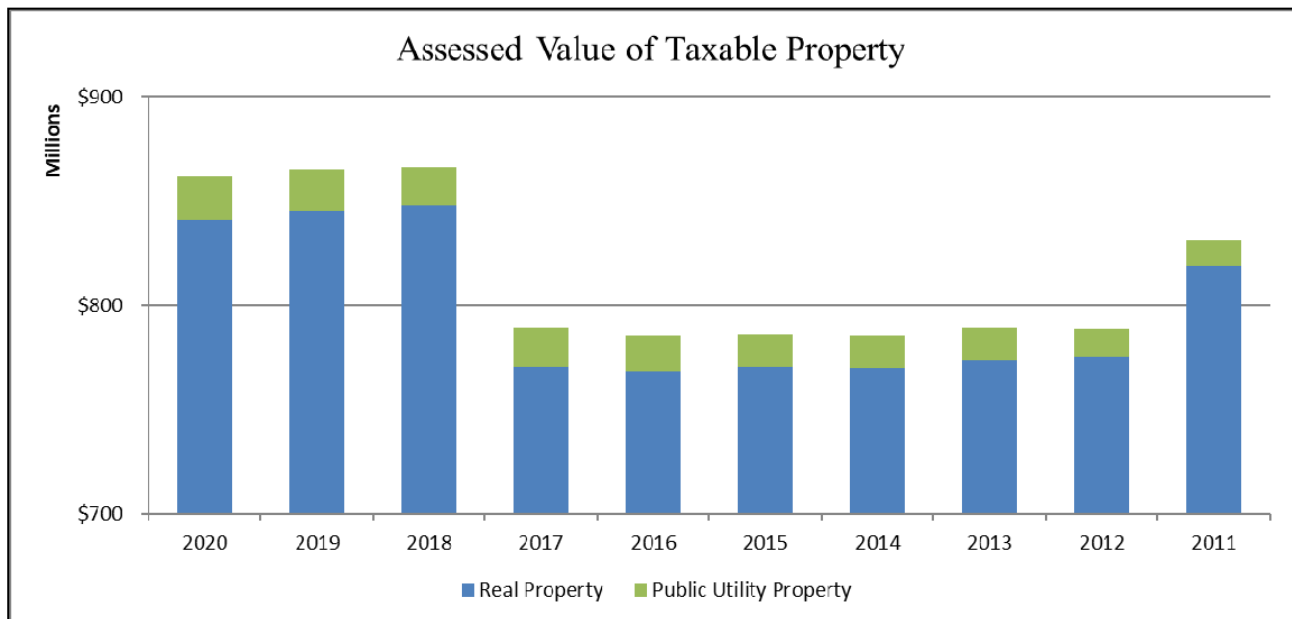
City of North Olmsted, Ohio

Assessed Valuations and Estimated Actual Values of Taxable Property

Last Ten Years

Tax Year	Real Property	Public Utility Property	Total	Estimated True Values of Taxable Property	Total Direct Tax Rate	Ratio
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
2013	773,675,680	15,046,860	788,722,540	2,234,341,473	13.30	35.3
2012	775,022,110	13,514,220	788,536,330	2,233,813,966	13.30	35.3
2011	818,595,110	12,549,000	831,144,110	2,353,103,398	13.30	35.3

Source: Cuyahoga County Fiscal Officer, based upon tax year valuations



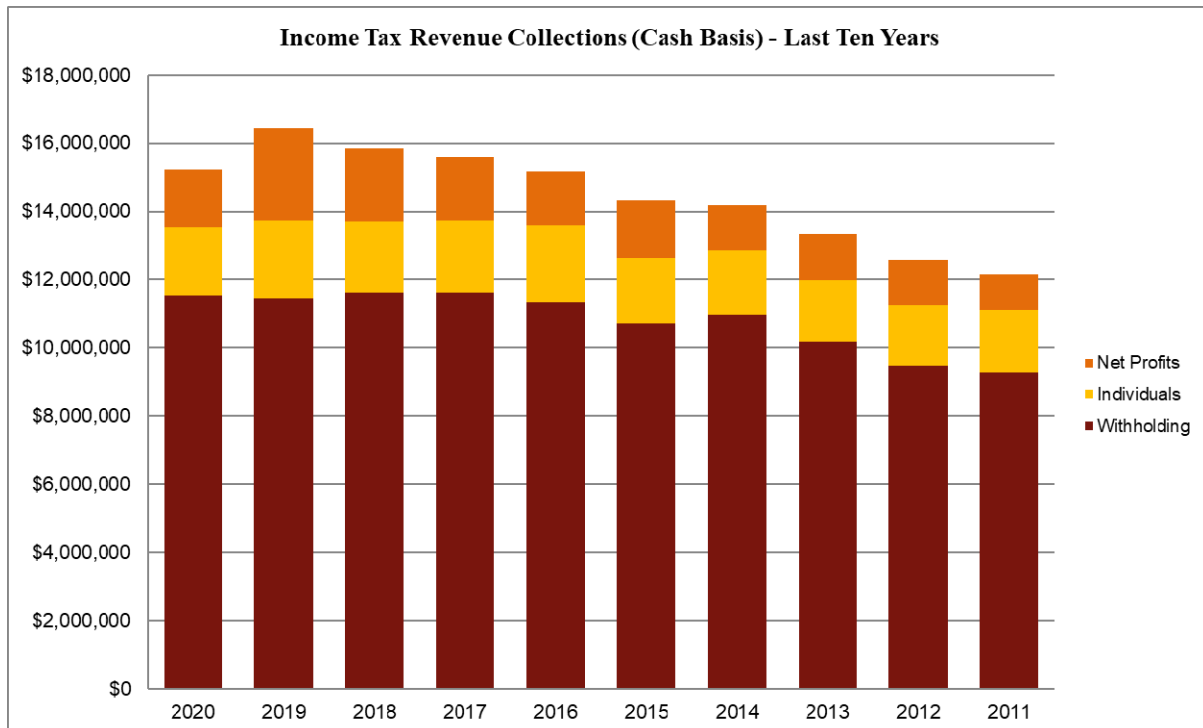
City of North Olmsted, Ohio

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
2020	2.00%	\$ 15,210,872	\$ 11,544,801	75.9%	\$ 2,005,563	13.2%	\$ 1,660,508	10.9%
2019	2.00	16,421,072	11,459,249	69.8	2,268,061	13.8	2,693,762	16.4
2018	2.00	15,864,176	11,608,492	73.2	2,090,585	13.2	2,165,099	13.6
2017	2.00	15,608,623	11,613,989	74.4	2,119,234	13.6	1,875,400	12.0
2016	2.00	15,160,112	11,334,047	74.8	2,263,281	14.9	1,562,784	10.3
2015	2.00	14,326,364	10,691,137	74.6	1,934,541	13.5	1,700,686	11.9
2014	2.00	14,170,871	10,955,677	77.3	1,890,416	13.3	1,324,778	9.4
2013	2.00	13,314,563	10,163,612	76.3	1,815,366	13.6	1,335,585	10.1
2012	2.00	12,577,000	9,479,691	75.4	1,744,443	13.9	1,352,866	10.7
2011	2.00	12,162,050	9,275,836	76.3	1,814,680	14.9	1,071,534	8.8

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						
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	
2013	6.70	4.80	1.20	0.60	13.30	91.40	22.53	2.40	129.63	
2012	6.70	4.80	1.20	0.60	13.30	91.40	20.80	2.40	127.90	
2011	6.70	4.80	1.20	0.60	13.30	91.40	20.80	2.40	127.90	

(a) Includes Metroparks and Library Millage

Source: Cuyahoga County Fiscal Officer

City of North Olmsted, Ohio

Real Property Tax Levies, and Collections

Last Ten Years

<u>Collection Year</u>	<u>Total Tax Levy</u>	<u>Current Collections</u>	<u>Percentage of Current Collections to Tax Levy</u>	<u>Delinquent Collections</u>	<u>Total Collections(1)</u>	<u>Percentage of Total Collections to Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes</u>	<u>Delinquent Taxes to Total Tax Levy</u>
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
2013	10,512,763	10,171,318	96.75	213,429	10,384,747	98.78	408,726	3.9
2012	11,066,789	10,627,072	96.03	263,342	10,890,414	98.41	384,324	3.5
2011	11,146,571	10,756,740	96.50	251,889	11,008,629	98.76	440,506	4.0

Source: 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

2020 and 2011

Name of Taxpayer	December 31, 2020	
	Assessed Value (1)	Percent of Total Assessed Value
Star-West Great Northern Mall LLC	\$ 36,616,810	4.25%
BRE DDR Great Northern LLC	19,692,140	2.29
Cleveland Electric Illuminating Company	14,589,230	1.69
PWA Great Northern Corporate Center	8,283,310	0.96
B&G Properties LTD Partnership	6,883,010	0.80
B-Nut LLC	6,238,400	0.72
GGF1 North Olmsted LLC	5,547,550	0.64
DDR MDT Great Northern LLC	5,294,810	0.62
Moen Inc	4,779,460	0.56
Ganley Real Estate Co	4,763,740	0.55
Total	\$ <u>112,688,460</u>	<u>13.08%</u>
Total assessed valuation	\$ <u>861,600,240</u>	

Name of Taxpayer	December 31, 2011	
	Assessed Value (1)	Percent of Total Assessed Value
Great Northern Partnership	\$ 29,579,140	3.56%
DDR MDT Great Northern	22,867,310	2.75
Cleveland Electric Illuminating Company	10,069,260	1.21
Duke Realty Ohio	8,465,210	1.02
B&G Properties LTD Partnership	6,107,700	0.73
JVM Butternut Apartments LLC	5,985,000	0.72
Moen, Inc.	5,654,680	0.68
Water Tower Square LTD Partnership	4,638,730	0.56
Wal Mart	4,200,010	0.51
Higbee Company	3,850,010	0.46
Total	\$ <u>101,417,050</u>	<u>12.20%</u>
Total assessed valuation	\$ <u>831,144,110</u>	

Source: Cuyahoga County Fiscal Officer

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

City of North Olmsted, Ohio

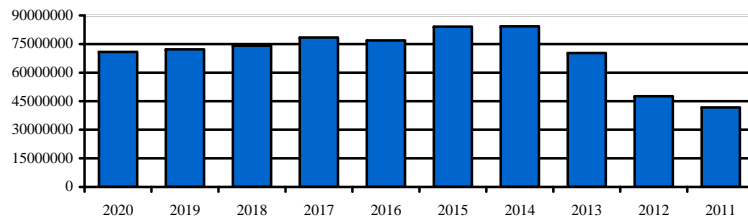
Ratio of Outstanding Debt to Total Personal Income and Debt per Capita

Last Ten Years

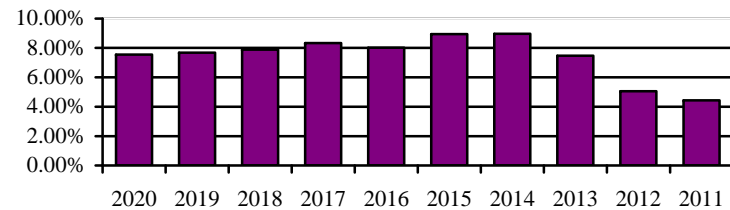
Year	Governmental Activities				Business-Type Activities					Total Debt	Percentage of Personal Income	Per Capita
	General Obligation Bonds	OPWC Loans	Long-Term Notes	Capital Leases	General Obligation Bonds	Long-Term Notes	Capital Leases	OWDA Loans	OPWC Loans			
2020	\$ 10,314,016	\$ -	\$ 9,730,000	\$ -	\$ 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
2013	24,664,457	-	-	14,124	8,221,294	-	980	37,086,769	260,667	70,248,291	7.47	2,147
2012	22,895,878	20,418	2,468,700	27,443	9,255,248	421,300	1,838	11,896,042	456,167	47,443,034	5.04	1,450
2011	26,786,843	27,224	880,000	40,052	10,765,047	485,000	2,653	2,114,162	521,335	41,622,316	4.42	1,272

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

<u>Tax Year</u>	<u>Population (1)</u>		<u>Assessed (2)</u> <u>Value</u>		<u>Gross (3)</u> <u>Bonded</u> <u>Debt</u>		<u>Debt Service</u> <u>Monies Available</u>
2020	32,718	(a)	\$ 861,600,240	\$	14,673,831	\$	10,494,282
2019	32,718	(a)	865,015,510		18,577,475		10,485,105
2018	32,718	(a)	866,136,220		22,416,125		9,694,135
2017	32,718	(a)	788,992,320		26,284,779		9,079,502
2016	32,718	(a)	785,288,450		20,734,028		8,093,533
2015	32,718	(a)	786,089,110		27,037,059		7,582,319
2014	32,718	(a)	785,432,790		27,213,808		7,035,079
2013	32,718	(a)	788,722,540		32,885,751		6,478,501
2012	32,718	(a)	788,536,330		32,151,126		5,657,199
2011	32,718	(a)	831,144,110		37,551,890		4,698,520

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

(a) 2010 Federal Census

(2) Source: Cuyahoga County Fiscal Officer, valuations based upon the tax year

(3) Includes all general obligation bonded debt

	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Valuation</u>	<u>Net Bonded Debt Per Capita</u>
\$	4,179,549	0.49%	\$ 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
	26,407,250	3.35	807
	26,493,927	3.36	810
	32,853,370	3.95	1,004

City of North Olmsted, Ohio

Computation of Direct and Overlapping Debt

December 31, 2020

	<u>Debt Outstanding</u>	<u>Percentage Applicable to City (1)</u>	<u>Amount Applicable to City of North Olmsted</u>
Jurisdiction:			
Direct:			
City of North Olmsted			
General obligation bonds	\$ 10,314,012	100.00%	\$ 10,314,012
Long-term notes	<u>9,730,000</u>	100.00%	<u>9,730,000</u>
Total direct debt	<u>20,044,012</u>		<u>20,044,012</u>
Overlapping:			
North Olmsted School District	68,658,668	100.00%	68,658,668
North Olmsted/Olmsted Falls School District	30,449,960	1.49%	452,537
Cuyahoga County	266,975,000	2.80%	7,474,726
Cuyahoga Community College	<u>201,500,000</u>	2.80%	<u>5,641,567</u>
Total overlapping debt	<u>567,583,628</u>		<u>82,227,498</u>
Total	\$ <u><u>587,627,640</u></u>		\$ <u><u>102,271,510</u></u>

Source: Cuyahoga County Fiscal Officer

(1) Percentages 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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Assessed valuation	\$ <u>861,600,240</u>	\$ <u>865,015,510</u>	\$ <u>866,136,220</u>	\$ <u>788,992,320</u>	\$ <u>785,288,450</u>	\$ <u>786,089,110</u>	\$ <u>785,432,790</u>	\$ <u>788,722,540</u>	\$ <u>788,536,330</u>	\$ <u>831,144,110</u>
Overall debt limitation – 10 1/2 % of assessed valuation	\$ 90,468,025	\$ 90,826,629	\$ 90,944,303	\$ 82,844,194	\$ 82,455,287	\$ 82,539,357	\$ 82,470,443	\$ 82,815,867	\$ 82,796,315	\$ 87,270,132
Outstanding debt:										
General obligation debt	14,673,831	18,577,475	22,416,125	26,284,779	20,734,028	27,038,015	27,213,808	32,885,751	32,151,126	37,551,890
General obligation bond anticipation notes	11,210,000	6,095,000	1,720,000	-	1,605,000	-	2,575,000	-	2,890,000	1,365,000
Less: Amount available in debt service fund	<u>(10,494,282)</u>	<u>(10,485,105)</u>	<u>(9,694,135)</u>	<u>(9,079,502)</u>	<u>(8,093,533)</u>	<u>(7,582,319)</u>	<u>(7,035,079)</u>	<u>(6,478,501)</u>	<u>(5,657,199)</u>	<u>(4,698,520)</u>
Total outstanding debt	<u>15,389,549</u>	<u>14,187,370</u>	<u>14,441,990</u>	<u>17,205,277</u>	<u>14,245,495</u>	<u>19,455,696</u>	<u>22,753,729</u>	<u>26,407,250</u>	<u>29,383,927</u>	<u>34,218,370</u>
Less exemptions:										
General obligation bonds and notes that are considered self supporting	-	-	-	-	261,000	1,660,000	3,051,000	4,368,000	5,625,000	6,823,000
Securities issued to pay final judgments and settlements	-	-	-	-	-	-	-	-	-	16,000
Securities to extent authorizing legislation contains covenants to appropriate, levy and collect municipal income taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>627,000</u>	<u>1,217,000</u>	<u>1,777,000</u>	<u>2,312,000</u>	<u>3,617,000</u>
Total exemptions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>261,000</u>	<u>2,287,000</u>	<u>4,268,000</u>	<u>6,145,000</u>	<u>7,937,000</u>	<u>10,456,000</u>
Net debt within 10 1/2% Limitation	<u>15,389,549</u>	<u>14,187,370</u>	<u>14,441,990</u>	<u>17,205,277</u>	<u>13,984,495</u>	<u>17,168,696</u>	<u>18,485,729</u>	<u>20,262,250</u>	<u>21,446,927</u>	<u>23,762,370</u>
Overall debt margin	\$ <u>75,078,476</u>	\$ <u>76,639,259</u>	\$ <u>76,502,313</u>	\$ <u>65,638,917</u>	\$ <u>68,470,792</u>	\$ <u>65,370,661</u>	\$ <u>63,984,714</u>	\$ <u>62,553,617</u>	\$ <u>61,349,388</u>	\$ <u>63,507,762</u>
Unvoted debt limitation 5 1/2 of assessed value	\$ 47,388,013	\$ 47,575,853	\$ 47,637,492	\$ 43,394,578	\$ 43,190,865	\$ 43,234,901	\$ 43,198,803	\$ 43,379,740	\$ 43,369,498	\$ 45,712,926
Amount of principal of unvoted bonds and notes subject to 5 1/2%	<u>14,059,549</u>	<u>8,872,369</u>	<u>9,126,990</u>	<u>11,890,277</u>	<u>8,669,495</u>	<u>10,963,696</u>	<u>11,435,729</u>	<u>12,412,250</u>	<u>12,096,927</u>	<u>14,412,370</u>
Unvoted debt margin	\$ <u>33,328,464</u>	\$ <u>38,703,484</u>	\$ <u>38,510,502</u>	\$ <u>31,504,301</u>	\$ <u>34,521,370</u>	\$ <u>32,271,205</u>	\$ <u>31,763,074</u>	\$ <u>30,967,490</u>	\$ <u>31,272,571</u>	\$ <u>31,300,556</u>

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

2020		2019		2018			
Employer	Percent of Total Income Taxes	Employer	Percent of Total Income Taxes	Employer	Percent of Total Income Taxes		
FB Global Plumbing Group LLC	7.27%	FB Global Plumbing Group LLC	5.53%	Moen Incorporated	9.74%		
North Olmsted School District	5.28	North Olmsted School District	4.36	North Olmsted School District	4.49		
Moen Incorporated	4.54	Moen Incorporated	3.79	The City of North Olmsted	2.14		
The City of North Olmsted	2.24	The City of North Olmsted	2.10	Bernie Moreno Companies	1.64		
Factory Mutual Insurance Company	1.82	Champlain Enterprises LLC	1.37	Champlain Enterprises LLC	1.32		
Ganley Westside Imports	1.45	Factory Mutual Insurance Company	1.36	Factory Mutual Insurance Company	1.25		
Champlain Enterprises LLC	1.40	Ganley Westside Imports	1.25	Palmer Holland, Inc.	1.25		
Palmer Holland, Inc.	1.17	Palmer Holland, Inc.	1.14	Wal Mart Associates, Inc.	1.23		
The Cleveland Clinic Foundation	1.12	Wal Mart Associates, Inc.	1.07	Ganley Westside Imports	1.18		
Wal Mart Associates, Inc.	<u>1.10</u>	Riser Foods Company	<u>0.85</u>	The Cleveland Clinic Foundation	<u>0.84</u>		
	<u>27.39%</u>		<u>22.82%</u>		<u>25.08%</u>		
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		Riser Foods Company			
Palmer Holland, Inc.		Cargill, Inc.		Cargill, Inc			
2014		2013		2012		2011	
Moen Incorporated		Moen Incorporated		Moen Incorporated		Moen Incorporated	
North Olmsted School District		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		The City of North Olmsted	
Factory Mutual Insurance Company		Factory Mutual Insurance Company		Factory Mutual Insurance Company		Factory Mutual Insurance Company	
Bernie Moreno Companies		Bernie Moreno Companies		Bernie Moreno Companies		Advanstar Communications, Inc.	
Wal Mart Associates, Inc.		Wal Mart Associates, Inc.		Advanstar Communications, Inc.		United Transportation	
Ganley Westside Imports		Ganley Westside Imports		United Transportation		Heartland Payment Systems, Inc.	
Palmer Holland, Inc.		Palmer Holland, Inc.		Riser Foods Company		Bernie Moreno Companies	
Riser Foods Company		Riser Foods Company		Ganley Westside Imports		Heartland Employment Services, Inc.	
Advanstar Communications		Advanstar Communications		Wal Mart Associates, Inc		Cargill, Inc.	

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					
2020	32,718 (a)	531,193	10.4%	8.2%	8.1%	3,595	665 \$	164,400 \$	940,773,372	\$ 28,754 (a)
2019	32,718 (a)	588,925	4.2	4.1	3.7	3,748	612	151,100	940,773,372	28,754 (a)
2018	32,718 (a)	612,200	5.2	4.6	3.9	3,789	597	143,000	940,773,372	28,754 (a)
2017	32,718 (a)	575,100	5.9	5.0	4.4	3,794	571	142,273	940,773,372	28,754 (a)
2016	32,718 (a)	577,200	5.4	4.9	4.9	3,814	540	127,441	940,773,372	28,754 (a)
2015	32,718 (a)	579,500	5.0	4.9	5.3	3,856	499	126,838	940,773,372	28,754 (a)
2014	32,718 (a)	584,400	6.4	6.2	5.7	3,876	452	119,802	940,773,372	28,754 (a)
2013	32,718 (a)	572,600	7.7	7.4	7.4	4,040	468	120,619	940,773,372	28,754 (a)
2012	32,718 (a)	579,600	7.3	7.2	8.1	4,107	368	111,541	940,773,372	28,754 (a)
2011	32,718 (a)	593,400	8.0	8.6	8.9	4,117	202	126,710	940,773,372	28,754 (a)

(1) Source: U.S. Census, Census of population

(a) 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 Officer

(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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Function/program:										
General government:										
Council	1	1	1	1	1	1	1	1	1	1
Mayor	2	2	2.5	2	2	2	2	2	2	2
Mayor's court	2	2	1.5	1	1	2	2	1	1	0
General clerical	1	1	1	1	1	1	1	1	1	1
Boards and commissions	0	0	0	0	0	1	1	1	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	1	0	0	1	2	1	2
Human resources	4	4	4	4	4	4	4	4	3	3
Building	10	11	11	11	10	9	8	8	9	9
Engineering	1	1	1	1	1	0	0	0	0	0
Total	29	30	30	28	26	26	26	26	25	25
Security of persons and property:										
Safety director	1	2	2	2	2	2	2	1	2	2
Fire	42	42	41	41	42	41	40	41	42	42
Dispatch	9	8	8	8	8	8	8	8	8	8
Corrections	1	1	1	1	1	1	1	1	1	1
Police	47	48	48	45	45	44	45	42	43	44
Youth Services (see Public health and welfare)	1	1	1	1	1	1	1	1	1	1
Fire clerk	1.5	1.5	1	1	1	1	1	1	1	2
Police clerk	4.5	5.5	5	5	5	5	4	5	5	5
Total	107	109	107	104	105	103	102	100	103	105
Leisure time activities:										
Senior center	4	4	4	4	4	4	3	3	3	3
Recreation	11	11	11	11	11	11	11	9	9	8
Springvale	4	3	4	3	4	3	4	4	4	4
Total	19	18	19	18	19	18	18	16	16	15
Transportation:										
Service director	1	1	1	1	1	1	1	1	1	1
Public service and properties										
Public works administrative	0	0	0	0	0	0	0	0	0	0
Animal warden	0	0	0	0	0	0	0	0	0	1
Building maintenance	1	1	1	1	1	1	1	2	2	2
Road	7	10	9	9	9	10	9	8	8	7
Forestry	6.5	6.5	8	7	7	6	6	7	7	6.5
Storm	8.5	7.5	9	9	9	7	6	6	6	7.5
Subtotal	23	25	27	26	26	24	22	23	23	24
Fleet	7	5	6	6	6	6	6	6	7	7
Bus	0	0	0	0	0	0	0	0	0	0
Total	31	31	34	32	32	31	29	30	31	32
Economic development										
Planning	2	3	3	3	3	2	2	2	2	2
Basic utility services:										
Wastewater treatment plant	27	25	26	26	26	25	25	26	29	29
Total	215	216	219	212	212	205	202	200	206	208

Source: City payroll records

City of North Olmsted, Ohio

Operating Indicators by Function/Program

Last Ten Years

Function/Program:	2020 (i)	2019	2018	2017	2016	2015	2014	2013	2012	2011
General government:										
<i>Council and clerk</i>										
Number of ordinances and resolutions submitted	158	122	142	92	142	111	100	116	133	143
Number of ordinances and resolutions passed	150	119	140	91	140	108	97	114	131	143
<i>Mayor's Court (b)</i>										
Number of traffic cases	5,598	10,522	9,961	6,842	7,705	9,927	7,602	7,345	N/A	N/A
Number of OVI cases	43	50	42	40	45	54	62	59	N/A	N/A
Number of criminal cases	178	352	315	307	258	255	260	273	N/A	N/A
Number of parking cases	226	290	290	190	246	303	225	261	N/A	N/A
Number of cases transferred	127	225	212	159	172	122	105	116	N/A	N/A
Number of cases waived, total	5,047	9,155	8,471	5,859	6,952	7,932	6,513	6,063	N/A	N/A
Number of cases waived, online	3,870	6,065	5,467	3,581	3,924	4,406	3,396	3,380	N/A	N/A
<i>Finance</i>										
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
<i>Law</i>										
Real property complaints filed	37	175	151	168	81	34	45	45	59	39
Real property fines collected	\$ 8,805	\$ 5,445	\$ 7,759	\$ 4,877	\$ 7,445	\$ 6,282	\$ 4,050	\$ 5,410	\$ 23,655	\$ 575
Criminal cases prosecuted	784	1,009	895	808	1,048	959	1,049	700(c)	1,088	873
Traffic cases prosecuted	781	1,080	610	614	615	559	388	505(c)	1,274	1,536
<i>Building</i>										
Estimated valuation of permits issued	\$ 26,013,878	\$ 46,362,390	\$ 30,452,071	\$ 35,115,507	\$ 98,619,912	\$ 29,338,654	\$ 22,923,368	\$ 71,039,906(a)	\$ 39,405,961	\$ 48,029,378
Number of permits issued	1,663	1,831	1,539	1,663	1,593	1,409	1,315	1,450	1,605	1,744

(Continued)

City of North Olmsted, Ohio

Operating Indicators by Function/Program (Continued)

Last Ten Years

	2020 (i)	2019	2018	2017	2016	2015	2014	2013	2012	2011
Security of persons and property:										
Police										
Number of criminal arrests	1,179	1,805	1,773	1,345	1,534	1,710	1,739	2,435	2,431	2,010
Number of DUI arrests	115	116	81	82	91	115	103	59	81	110
Number of motor vehicle accidents	582	786	835	849	827	915	857	814	867	791
Number of prisoners confined	863	1,299	1,267	1,062	1,220	1,335	1,329	1,254	1,468	1,349
Number of traffic citations issued	6,118	11,443	10,836	7,527	8,175	9,875	8,090	8,034	8,549	7,916
Number of parking citations issued	1,407	1,674	1,961	1,314	1,669	1,588	1,849	1,749	1,730	1,976
Fire										
Number of fire responses	719	678	711	681	642	686	689	718	728	801
Number of squad responses	3,717	3,764	3,780	3,730	3,626	3,655	3,297	3,175	3,128	3,111
Total number of emergency responses	4,471	4,483	4,491	4,411	4,268	4,341	3,986	3,893	3,856	3,912
Number of runs per day	12.0	12.0	12.0	12.1	12.0	11.9	10.9	10.7	10.5	10.7
Public health and welfare:										
Youth and family services										
Food cupboard distributions	1,703	1,745	1,808	1,800	1,735	1,787	1,833	1,618	1,413	1,213
Holiday adopt-a-family	36	39	43	48	48	47	54	56	62	64
Senior center (g)										
Hot lunch program – meals served	1,155	6,405	5,082	5,242	5,806	6,021	5,998	6,106	6,583	7,234
Meals on wheels clients served	53	46	53	40	30	38	62	60	63	74
Senior transportation connection medical trips	284	977	895	960	912	1,002	1,893	1,955	1,939	2,322
Senior transportation connection other trips	644	2,460	2,641	1,904	2,662	2,988	3,172	3,636	4,270	5,524
Leisure time activities:										
Senior center										
Cabin rentals	77	117	137	125 (f)	137	172	185	185	190	185
Activity participants except hot lunch program	3,880	12,991	14,764	20,776	21,520	22,683	23,665	23,652	23,219	24,222
Springvale Golf Course and Ballroom										
Number of golf rounds	39,767	32,472	22,148	25,013	25,274	26,542	22,715	21,731	22,625	15,723
Number of golf outings	1	40	36	33	42	42	37	39	41	34
Number of ballroom rentals	9	62	58	47	50	45	53	50	62	64
Recreation										
Skate programs and events participants	380	5,417	5,381	5,008	5,572	5,423	4,567(d)	5,005	5,041	5,033
Pool programs	357	1,326	1,355	1,394	1,366	1,229	928(d)	1,031	1,055	481
Summer camp participants	0	222	217	228	265	220	200(d)	220	222	220
Fitness pass visits	67,693	121,618	115,321	101,036	87,511	55,919(e)	N/A	N/A	N/A	N/A
Prime and Silver Sneaker Pass Visits	12,017	26,710	25,012	23,429	21,053	11,645(e)	N/A	N/A	N/A	N/A

(Continued)

City of North Olmsted, Ohio

Operating Indicators by Function/Program (Continued)

Last Ten Years

	2020 (i)	2019	2018	2017	2016	2015	2014	2013	2012	2011
Transportation:										
Snowfall in inches	52.0	33.0	42.0	45.0	42.0	32.8	65.9	44.0	33.80	57.15
Street salting and plowing – number of hours	2,059	2,548	2,430	2,472	3,270	1,261	2,660	2,483	1,010	2,229
Street asphalt and concrete repair – number of hours	5,699	11,550	10,500	10,713	10,401	6,622	5,089	5,815	5,006	N/A
Tree planting and maintenance – number of hours	2,623	2,905	2,820	2,693	2,155	2,906	2,768	3,127	1,264	2,698
Vehicle maintenance and repair – number of hours	6,733	5,143	6,664	6,579	6,961	6,572	6,673	7,262	8,445	8,098
Street improvements - asphalt overlay/recycling - square feet	530,114	602,064	420,786	413,721	440,730	443,394	146,146	507,619	395,239	437,693
Cost of road salt purchased	\$ 191,865	\$ 311,231	\$ 166,706	\$ 248,932	\$ 168,175	\$ 447,634	\$ 405,950	\$ 168,120	\$ 108,432	\$ 268,423
Cost of unleaded and diesel fuel used	\$ 278,090	\$ 406,038	\$ 414,601	\$ 315,092	\$ 353,216	\$ 341,499	\$ 567,864	\$ 555,348	\$ 538,795	\$ 527,070
Wastewater:										
Sanitary sewer rate per 1,000 cubic ft.	\$ 86.06	\$ 86.06	\$ 83.56	\$ 94.10	\$ 81.46	\$ 74.07	\$ 67.98	\$ 64.75	\$ 58.18	\$ 52.27
Total 1,000 cubic feet billed	114,999	112,604	118,132	117,881	118,592	118,525	121,268	122,844	129,072	136,367
Total flow of wastewater treatment plant (billions of gallons)	2,557	2,288	2,660	2,106	1,958	2,033	2,467	2,293	2,150	2,510
Average daily flow (millions of gallons per day)	6,985	6,474	7,287	5,782	5,364	5,570	6,759	6,286	5,870	6,874
Tons of wet sludge removed	5,113	4,981	5,465	5,857	5,201	6,106	4,793	5,295	5,048	5,644
Solid waste (h):										
Tons recycled	2,571	2,682	2,939	3,360	3,226	2,971	2,960	N/A	N/A	N/A
Tons composted	4,182	5,131	6,092	4,912	5,756	N/A	N/A	N/A	N/A	N/A
Tons landfilled	13,234	10,746	7,869	7,964	8,282	5,412	6,812	N/A	N/A	N/A

N/A: Not available

Source: Various City Divisions

- (a) 2013 Assessed Valuation of Improvements includes \$38,000,000 Wastewater Treatment Plant Improvement Project
- (b) The City began operating a Mayor's Court in 2013. Prior to 2013, all cases were handled by the Rocky River Municipal Court.
- (c) These figures represent only the cases that were prosecuted by the City through Rocky River Municipal Court. It does not include cases that were waived.
- (d) The Recreation Center was under construction during 2014 and some of the programs were limited.
- (e) The Recreation Center fitness area began operation in 2015.
- (f) The Community Cabin was closed for three months due to renovation in 2017.
- (g) The Senior Transportation Connection along with the City has changed the policies for dialysis and medical trips, which are combined on this report.
- (h) Statistics are provided by Cuyahoga County Solid Waste District.
- (i) Some statistics may not be typical due to the effects of the COVID-19 pandemic and its impact on the City operations.

City of North Olmsted, Ohio

Capital Assets Statistics by Function/Program

Last Ten Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General government:										
Number of administrative vehicles	12	12	10	10	9	7	8	8	8	8
Security of persons and property:										
Fire:										
Number of stations	2	2	2	2	2	2	2	2	2	2
Number of vehicles	18	17	17	16	16	15	14	14	14	12
Police:										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of vehicles	36	33	32	31	29	28	26	28	25	25
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	7	7	7	7	6	5	8
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	2	1	1	1	1	1	1	1	2
Senior center:										
Senior center facility	1	1	1	1	1	1	1	1	1	1
Number of vehicles	2	2	1	1	1	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	53	54	50	52	49	50	48	55	51
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	25	25	24	24	26	23	23	20	21	17

City of North Olmsted, Ohio

Capital Assets by Function

Last Ten Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental activities:										
General government:										
Non-depreciable										
Land and art	\$ 4,338,482	\$ 4,338,482	\$ 4,284,592	\$ 4,284,592	\$ 4,119,592	\$ 4,119,592	\$ 4,119,592	\$ 4,119,592	\$ 4,119,592	\$ 3,728,055
CIP	1,673,019	709,545	24,075	345,587	-	60,299	-	-	-	-
Other capital assets										
Cost	16,124,249	15,699,251	15,544,553	15,244,608	14,960,300	14,880,955	14,903,823	14,865,654	14,768,258	14,289,159
Net book value	6,607,860	6,661,026	6,968,052	7,120,198	7,227,249	7,568,209	7,987,500	8,377,429	8,717,046	8,802,130
Security of persons and property:										
<i>Fire:</i>										
Non-depreciable										
Land	349,400	349,400	349,400	349,400	349,400	349,400	349,400	349,400	349,400	349,400
Other capital assets										
Cost	11,878,319	10,613,167	10,545,253	10,011,153	9,931,593	9,813,853	10,131,597	10,076,706	10,034,683	9,468,972
Net book value	5,846,070	4,970,993	5,135,225	4,922,582	5,104,932	5,315,192	5,617,704	5,855,145	5,922,426	5,621,875
<i>Police:</i>										
Non-depreciable										
CIP	-	997,949	-	-	333,718	15,000	-	287,610	-	-
Other capital assets										
Cost	5,848,002	4,659,318	4,552,145	4,370,310	3,866,321	3,927,420	3,455,139	2,970,279	2,903,904	2,940,562
Net book value	2,660,973	1,647,954	1,644,132	1,555,410	1,198,839	1,213,570	1,205,287	751,412	762,733	833,760
Public health and welfare:										
<i>Youth and family:</i>										
Other capital assets										
Cost	227,268	200,253	200,253	200,253	200,253	200,253	165,706	165,706	165,706	165,706
Net book value	144,773	128,492	138,325	148,158	157,991	167,824	142,507	149,135	155,764	162,392
Leisure time activities:										
<i>Recreation:</i>										
Non-depreciable										
CIP	2,242,023	3,815	-	-	-	1,653,610	1,211,618	22,478	-	-
Other capital assets										
Cost	13,846,884	12,298,521	12,267,589	12,260,724	11,865,850	10,204,381	10,182,522	9,942,010	9,968,018	9,927,018
Net book value	3,740,895	3,033,719	3,173,833	3,358,448	3,067,390	1,566,174	1,682,392	1,657,819	1,333,282	1,563,183

(Continued)

City of North Olmsted, Ohio

Capital Assets by Function (Continued)

Last Ten Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<i>Senior center:</i>										
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	855,852	696,496	696,496
Net book value	-	836,407	887,834	558,568	573,679	573,878	484,586	513,103	383,564	402,082
<i>Transportation:</i>										
Non-depreciable CIP	3,745,917	3,070,411	3,442,835	2,837,499	522,532	751,070	267,707	58,798	253,095	39,185
Other capital assets										
Cost	5,887,440	5,501,749	5,490,031	5,179,007	4,921,255	4,695,385	4,740,585	4,432,139	4,405,211	3,857,118
Net book value	2,129,548	1,972,204	1,853,868	1,642,389	1,473,524	1,279,369	1,309,219	1,153,149	1,243,141	788,365
Infrastructure										
Cost	154,017,359	151,058,739	148,141,857	147,134,364	146,269,502	144,433,404	143,179,372	142,664,860	141,635,998	140,178,515
Net book value	20,562,969	19,188,814	18,659,624	20,847,006	23,606,741	25,071,185	28,005,185	32,938,273	37,722,781	42,231,274
<i>Economic development:</i>										
Other capital assets										
Cost	106,491	106,490	106,490	106,491	106,491	122,673	122,673	122,673	-	-
Net book value	74,544	78,804	83,064	87,323	91,582	99,309	105,881	112,452	-	-
<i>Totals:</i>										
Non-depreciable										
Land and art	4,687,882	4,687,882	4,633,992	4,633,992	4,468,992	4,468,992	4,468,992	4,468,992	4,468,992	4,077,455
CIP	7,660,959	4,781,720	3,466,910	3,183,086	856,250	2,479,979	1,590,295	368,886	253,095	39,185
Other capital assets										
Cost	53,918,653	50,505,778	50,100,840	48,395,664	46,858,155	44,819,158	44,557,897	43,431,019	42,942,276	41,345,031
Net book value	21,204,663	19,329,599	19,884,333	19,393,076	15,895,186	17,783,525	18,535,076	18,569,644	18,517,956	18,173,787
Infrastructure										
Cost	154,017,359	151,058,739	148,141,857	147,134,364	146,269,502	144,433,404	143,179,372	142,664,860	141,635,998	140,178,515
Net book value	<u>20,562,969</u>	<u>19,188,814</u>	<u>18,659,624</u>	<u>20,847,006</u>	<u>23,606,741</u>	<u>25,071,185</u>	<u>28,005,185</u>	<u>32,938,273</u>	<u>37,722,781</u>	<u>42,231,274</u>
Total governmental activities-cost	\$ <u>220,284,853</u>	\$ <u>211,034,119</u>	\$ <u>206,343,599</u>	\$ <u>203,347,106</u>	\$ <u>198,452,899</u>	\$ <u>196,201,533</u>	\$ <u>193,796,556</u>	\$ <u>190,933,757</u>	\$ <u>189,300,361</u>	\$ <u>185,640,186</u>
Total governmental activities-net book value	\$ <u>54,116,473</u>	\$ <u>47,988,015</u>	\$ <u>46,644,859</u>	\$ <u>48,057,160</u>	\$ <u>47,827,169</u>	\$ <u>49,803,681</u>	\$ <u>52,599,548</u>	\$ <u>56,345,795</u>	\$ <u>60,962,824</u>	\$ <u>64,521,701</u>

(Continued)

City of North Olmsted, Ohio

Capital Assets by Function (Continued)

Last Ten Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Business-type activities:										
Springvale Golf Course and Ballroom:										
Cost	\$ 13,274,870	\$ 13,061,728	\$ 11,163,275	\$ 9,492,696	\$ 7,978,527	\$ 7,823,515	\$ 7,589,715	\$ 7,461,986	\$ 7,401,729	\$ 7,386,087
Net book value	9,321,212	9,391,110	7,735,689	6,295,678	4,992,251	5,065,202	4,951,925	5,031,022	5,161,855	5,351,051
Sewer revenue:										
Cost	99,116,049	98,870,645	97,801,719	97,247,792	96,167,396	123,128,118	122,092,107	112,208,937	81,116,335	70,628,454
Net book value	59,457,142	61,761,859	63,413,790	65,544,822	66,716,782	71,686,671	72,363,287	64,146,307	30,706,798	21,474,976
NOMBL:										
Cost	-	-	-	-	-	-	-	-	-	564,130
Net book value	-	-	-	-	-	-	-	-	-	391,537
Total business-type activities cost	\$ <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>	\$ <u>119,670,923</u>	\$ <u>88,518,064</u>	\$ <u>78,578,671</u>
Total business-type activities net book value	\$ <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>	\$ <u>69,177,329</u>	\$ <u>35,868,653</u>	\$ <u>27,217,564</u>

Source: City Finance Department – capital asset 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 7/13/2021

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

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