

**CITY OF BEREA  
CUYAHOGA COUNTY, OHIO**

**REGULAR AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2023**



[www.reacpa.com](http://www.reacpa.com)



OHIO AUDITOR OF STATE  
KEITH FABER



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Columbus, Ohio 43215  
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Members of Council  
City of Berea  
11 Berea Commons  
Berea, Ohio 44017

We have reviewed the *Independent Auditor's Report* of the City of Berea, Cuyahoga County, prepared by Rea & Associates, Inc., for the audit period January 1, 2023 through December 31, 2023. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Berea is responsible for compliance with these laws and regulations.

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

Keith Faber  
Auditor of State  
Columbus, Ohio

**July 25, 2024**

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**City of Berea**  
**Cuyahoga County, Ohio**  
*Table of Contents*  
*December 31, 2023*

	<i>Page</i>
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards .....	1

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*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 Berea, Cuyahoga County, Ohio (the City) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 25, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

City of Berea  
Independent Auditor's Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards*  
Page 2 of 2

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Rea & Associates, Inc.*

Rea & Associates, Inc.  
Medina, Ohio  
June 25, 2024



# CITY OF BEREA, OHIO



**MAYOR CYRIL M. KLEEM**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2023**



# **CITY OF BEREA, OHIO**

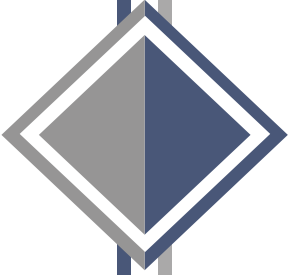
## **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2023**

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

Andrew S. Palcheff, CPA  
Chief Budget Officer





# INTRODUCTORY SECTION



**City of Berea**  
**Cuyahoga County, Ohio**  
*Annual Comprehensive Financial Report*  
*For the Year Ended December 31, 2023*

Table of Contents

<b>Introductory Section</b>	<b>Page</b>
Table of Contents .....	i
Letter of Transmittal .....	v
List of Principal Officials.....	xiv
Organizational Chart.....	xv
Certificate of Achievement for Excellence in Financial Reporting .....	xvi
<b>Financial Section</b>	
Independent Auditor’s Report.....	1
Management’s Discussion and Analysis.....	5
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position.....	15
Statement of Activities .....	16
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	18
Reconciliation of Total Governmental Fund Balances to	
Net Position of Governmental Activities .....	19
Statement of Revenues, Expenditures and Changes in	
Fund Balances – Governmental Funds .....	20
Reconciliation of the Statement of Revenues, Expenditures and	
Changes in Fund Balances of Governmental Funds	
to the Statement of Activities .....	21
Statement of Revenues, Expenditures and Changes in Fund Balance –	
Budget (Non-GAAP Basis) and Actual – General Fund .....	22
Statement of Revenues, Expenditures and Changes in Fund Balance –	
Budget (Non-GAAP Basis) and Actual – American Rescue Plan Act Fund .....	23
Statement of Fund Net Position – Proprietary Funds .....	24
Statement of Revenues, Expenses and Changes in Fund	
Net Position – Proprietary Funds .....	25
Statement of Cash Flows – Proprietary Funds .....	26
Statement of Fiduciary Net Position – Fiduciary Funds .....	27
Statement of Changes in Fiduciary Net Position – Fiduciary Funds .....	28
Notes to the Basic Financial Statements .....	29
Required Supplementary Information:	
Schedule of the City’s Proportionate Share of the Net Pension Liability.....	86
Schedule of the City’s Contributions - Pension .....	88
Schedule of the City’s Proportionate Share of the Net OPEB Liability(Asset).....	90

**City of Berea**  
**Cuyahoga County, Ohio**  
*Annual Comprehensive Financial Report*  
*For the Year Ended December 31, 2023*

Table of Contents (continued)

Schedule of the City’s Contributions - OPEB .....	92
Notes to the Required Supplementary Information .....	94
Combining Statements and Individual Fund Schedules:	
Combining Statements - Nonmajor Funds:	
Description of Funds .....	98
Combining Balance Sheet – Nonmajor Governmental Funds .....	102
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds .....	103
Combining Balance Sheet – Nonmajor Special Revenue Funds .....	104
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds .....	110
Combining Balance Sheet – Nonmajor Capital Projects Funds .....	116
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds .....	117
Governmental Funds Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual .....	118
Combining Statements – Internal Service Funds:	
Description of Funds .....	157
Combining Statement of Fund Net Position –Internal Service Funds .....	158
Combining Statement of Revenues, Expenses and Changes in Fund Net Position –Internal Service Funds .....	159
Combining Statement of Cash Flows –Internal Service Funds .....	160
Combining Statements - Fiduciary Funds:	
Description of Funds .....	161
Combining Statement of Fiduciary Net Position - Custodial Funds .....	162
Combining Statement of Change in Fiduciary Net Position – Custodial Funds .....	164
Supplemental Information:	
Background .....	168
Schedule of Net Position – Including GASB 68 and GASB 75 .....	170
Schedule of Net Position – Excluding GASB 68 and GASB 75 .....	171
Schedule of Activities – Including GASB 68 and GASB 75 .....	172
Schedule of Activities – Excluding GASB 68 and GASB 75 .....	173



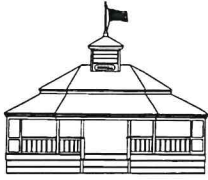
**City of Berea**  
**Cuyahoga County, Ohio**  
*Annual Comprehensive Financial Report*  
*For the Year Ended December 31, 2023*

Table of Contents (continued)

**Statistical Section**

Net Position by Component – Last Ten Years (Accrual Basis of Accounting) .....	S-2
Changes in Net Position - Last Ten Years (Accrual Basis of Accounting) .....	S-4
Fund Balances, Governmental Funds Last Ten Years (Modified Accrual Basis of Accounting) .....	S-8
Changes in Fund Balances of Governmental Funds	
Last Ten Years (Modified Accrual Basis of Accounting) .....	S-10
Property Tax Rates – Direct and Overlapping	
Governments (Per \$1,000 of Assessed Valuation) – Last Ten Years.....	S-12
Assessed Valuation and Estimated Actual Values of Taxable Property - Last Ten Years .....	S-14
Property Tax Levies and Collections - Last Ten Years .....	S-16
Principal Taxpayers - Real Estate Tax – 2023 and 2014 .....	S-17
Principal Taxpayers - Municipal Tax – 2023 and 2014.....	S-18
Principal Employers – 2023 and 2014 .....	S-19
Income Tax Revenue Base and Collections – Last Ten Years .....	S-20
Ratio of Outstanding Debt to Total Personal Income and Debt	
Per Capita – Last Ten Years .....	S-22
Pledged Revenue Coverage Water and Sewer OPWC and OWDA Loans – Last Ten Years .....	S-24
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded	
Debt per Capita – Last Ten Years .....	S-25
Computation of Direct and Overlapping Governmental Activities Debt.....	S-27
Legal Debt Margin – Last Ten Years.....	S-28
Demographic and Economic Statistics – Last Ten Years .....	S-30
Full-Time Equivalent City Government Employees by Function/Program – Last Ten Years .....	S-32
Operating Indicators by Function/Program – Last Ten Years .....	S-34
Capital Assets Statistics by Function/Program – Last Ten Years .....	S-38

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# CITY OF BERE A

*"The Grindstone City"*

**Cyril M. Kleem**  
*Mayor*

**Andrea Morris**  
**Director of Finance**

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Berea, Ohio 44017

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June 25, 2024

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

I am pleased to submit the Annual Comprehensive Financial Report (ACFR) for the City of Berea, Ohio for the year ended December 31, 2023.

The Ohio Revised Code requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for 2023.

Management assumes full responsibility for both the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Rea and Associates, Inc. has issued an unmodified ("clean") opinion on the City of Berea's financial statements for the year ended December 31, 2023. The independent auditor's report is located at the front of the financial section of this report.

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

## **History of Berea**

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

## **General Information**

Situated in the southwest portion of Cuyahoga County, Berea is ten miles from downtown Cleveland. The City’s population from the 2020 Federal Census was 18,545 residents. Total land area is approximately 6.5 square miles.

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

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

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

## Form of Government

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

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

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

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

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

The **Fire Department** provides fire suppression, emergency medical services, Hazmat response, extrication, and search and rescue, placing a strong emphasis on fire prevention, community involvement and education. The Director of Public Safety oversees the Chief of Fire who leads the department. The department has 2 fully equipped advanced-life-support rescue squads, two pumpers and a 107-foot Aerial Ladder Tower. The Fire Department is a member of the Southwest Council of Governments' Southwest Emergency Response Team (SERT). The SERT team is made up of 18 member communities, the Cleveland Metroparks, and the Northeast Ohio Regional Sewer District to provide money and manpower for equipment and operations for a hazardous response team, specialized water and land based rescue teams, a fire investigation unit and a tactical EMS team.

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

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

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

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

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

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

## **Economic Condition and Outlook**

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

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

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

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

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

**Current Year Projects:** In 2022, the City received \$1,572,348 under the American Rescue Plan Act (ARPA). During 2023 the City held the ARPA funding for projected capital projects slated to begin in 2024.

The City completed the reconstruction of Barberrly, Woodlawn, Maple and Fourth Streets. The project consisted of replacing the existing waterline, reconstructing the pavement, rehabilitating the existing sanitary sewer and storm sewer systems, and relacing the sidewalks, aprons and ADA curb ramps as needed at a cost of \$4,900,000. The City has received a \$2,465,000 grant and loan of \$493,000 from the Ohio Public Works Commission.

The City completed a road resurfacing project on Emerson Avenue in 2023, at a cost of \$400,000. The City was awarded a \$150,000 Community Development Block Grant and a \$50,000 Community Development Supplemental Grant.



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

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

In 2024, construction will begin on a secondary Water Storage Tank at the Berea Water Treatment Plant. \$974,656 of ARPA funds and \$1,000,000 of a state grant will defray the \$2.0 million costs. This second tank will provide redundancy and additional water storage mandated by the Environmental Protection Agency.

For 2024, the City is planning the North End Sewer Flow Connection at a cost of \$850,000. This project will be fully funded by the Northeast Ohio Regional Sewer District. The project includes a new flow connection to offload flows to the Northeast Ohio Regional Sewer District's interceptor sewer.

In 2024, construction will begin on the Kiwanis Treehouse at Coe Lake. The project has a budgeted cost of \$700,000. The City received \$590,000 from the Cuyahoga County Council, a \$50,000 Community Development Supplemental Grant, and a \$30,000 donation from the Berea Kiwanis for naming rights.

For 2024, The City is planning the State Route 237 (Prospect Street) Project. The project has an expected budget of \$1,500,000. The City was awarded \$750,000 in federal funds through the Northeast Ohio Areawide Coordination Agency. The project will resurface State Route 237 (Prospect Street) from Bagley Road to Baker Street.

For 2024, The City is planning the Front Street Resurfacing Project. This project has an estimated cost of \$750,000. The City was awarded \$250,000 in local resurfacing funds through Cuyahoga County. Front Street will be resurfaced from Bagley Road to Church Street through the downtown area.

In 2024, construction will begin on the Barrett Road Pipe Bridge. The project has a budgeted cost of \$400,000. An existing pipe bridge that carries a gravity sanitary sewer line over a "valley" will be replaced.

The City implemented improved exterior maintenance plans. This has resulted in encouraging residents to make exterior improvements throughout the City and has assisted the City in offsetting

some of the effects from the decline in countywide property values due to the depressed economy. The City has also initiated several grant programs to assist seniors and low-income residents to make the necessary improvements to their homes.

### **Future Projects:**

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

For 2025, the City is planning the Adrian, Anne, Pattie, and Girard Improvement Project at a cost of \$6.7 million. This project will be a replacement of the existing water line and complete pavement reconstruction. The City has received an Ohio Public Works Commission grant and loan to cover 60 percent of the cost.

For 2026, the City is planning to resurface Bagley Road at a cost of \$7,000,000. The City was awarded \$4,100,000 in federal funds and is partnering with Cuyahoga Count for the local share.

## **Long-Term Financial Planning**

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

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

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

## Other Information

**GFOA Certificate of Achievement Award:** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Berea, Ohio for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended December 31, 2022. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report, whose content conforms to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

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

Respectfully submitted,



Andrea Morris,  
Director of Finance

**CITY OF BERA, OHIO  
PRINCIPAL OFFICIALS  
DECEMBER 31, 2023**

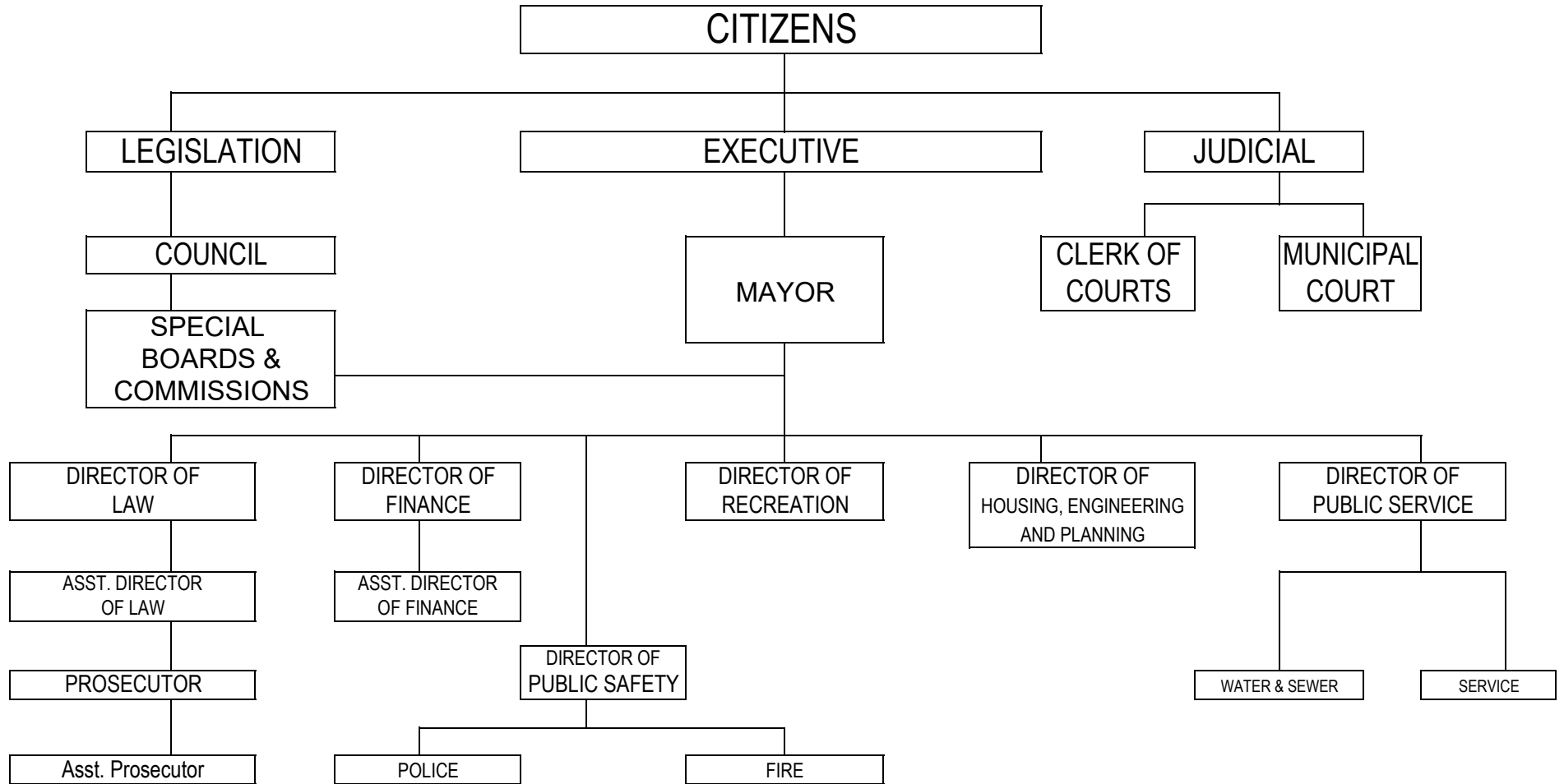
**ELECTED OFFICIALS**

Mayor	Cyril M. Kleem
President of Council	James Maxwell
Council Member-at-Large	Mary K. Brown
Council Member-at-Large	Eugene Zacharayz
Council Member - Ward 1	Leon R. Dozier Sr.
Council Member - Ward 2	Christopher McManis
Council Member - Ward 3	Lisa Weaver
Council Member - Ward 4	Erika Coble
Council Member - Ward 5	Richard Skoczen

**APPOINTED OFFICIALS**

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

CITY OF BEREA, OHIO  
ORGANIZATIONAL CHART



XX



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

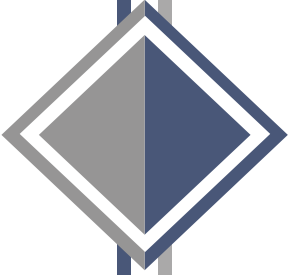
**City of Berea  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2022

*Christopher P. Morrill*

Executive Director/CEO



# FINANCIAL SECTION





## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Berea, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and American Rescue Plan Act funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

#### *Responsibilities of Management for the Financial Statements*

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

***Required Supplementary Information***

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

***Supplementary Information***

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

***Other Information***

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

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

*Rea & Associates, Inc.*

Rea & Associates, Inc.  
Medina, Ohio  
June 25, 2024

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**City of Berea**  
**Cuyahoga County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2023*  
*(Unaudited)*

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

***Financial Highlights***

Key financial highlights for 2023 are as follows:

- In total, net position increased \$0.8 million from 2022. Net position of governmental activities increased \$0.8 million. Net position of business-type activities increased \$34,698.
- Total capital assets increased slightly under \$15,000 during 2023. Capital assets of governmental activities decreased \$0.5 million and capital assets of business-type activities increased \$0.5 million.
- During the year, the City issued \$7.3 million in General Obligation Bonds to retire outstanding Bond Anticipation Notes and finance improvement projects.

***Using this Annual Financial Report***

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

The Statement of Net Position and the Statement of Activities provide information from a summary perspective showing the effects of the operations for the year 2023 and how they affected the operations of the City as a whole.

***Reporting the City as a Whole***

*Statement of Net Position and the Statement of Activities*

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column. In the case of the City of Berea, the general fund is by far the most significant fund. Business-type funds consist of the water and sewer revenue funds.

A question typically asked about the City's finances is "How did we do financially during 2023?" The Statement of Net Position and the Statement of Activities answer this question. These statements include *all assets and deferred outflows of resources and liabilities and deferred inflows of resources* using the *accrual basis of accounting* similar to the accounting method used by most private-sector companies. This

**City of Berea**  
**Cuyahoga County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2023*  
*(Unaudited)*

---

basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

### ***Reporting the City's Most Significant Funds***

#### ***Fund Financial Statements***

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

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

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

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2023*  
*(Unaudited)*

**The City as a Whole**

Recall that the Statement of Net Position provides the perspective of the City as a whole. Table 1 provides a summary of the City's net position for 2023 compared to 2022:

**Table 1**  
**Net Position**

	Governmental Activities			Business-Type Activities		
	2023	2022	Change	2023	2022	Change
<b>Assets</b>						
Current & Other Assets	\$ 27,189,377	\$ 25,012,965	\$ 2,176,412	\$ 3,350,202	\$ 3,798,213	\$ (448,011)
Net OPEB Asset	-	1,101,700	(1,101,700)	-	241,837	(241,837)
Capital Assets, Net	83,411,236	83,858,023	(446,787)	37,833,895	37,372,442	461,453
<i>Total Assets</i>	110,600,613	109,972,688	627,925	41,184,097	41,412,492	(228,395)
<b>Deferred Outflows of Resources</b>						
Pension & OPEB	11,951,031	6,584,416	5,366,615	1,021,147	319,657	701,490
<i>Total Deferred Outflows of Resources</i>	11,951,031	6,584,416	5,366,615	1,021,147	319,657	701,490
<b>Liabilities</b>						
Current & Other Liabilities	4,184,901	4,376,534	(191,633)	271,964	249,519	22,445
Long-Term Liabilities:						
Due Within One Year	2,226,951	9,109,020	(6,882,069)	975,123	852,494	122,629
Due In More Than One Year:						
Net Pension Liability	29,742,699	15,868,701	13,873,998	2,178,058	704,106	1,473,952
Net OPEB Liability	1,648,241	2,221,342	(573,101)	44,243	-	44,243
Other Amounts	21,960,805	16,723,615	5,237,190	9,574,762	9,747,401	(172,639)
<i>Total Liabilities</i>	59,763,597	48,299,212	11,464,385	13,044,150	11,553,520	1,490,630
<b>Deferred Inflows of Resources</b>						
Property Taxes	5,098,961	4,403,508	695,453	505,112	438,635	66,477
Leases	922,174	-	922,174	-	-	-
Pension & OPEB	2,990,226	10,831,231	(7,841,005)	91,046	1,209,756	(1,118,710)
<i>Total Deferred Inflows of Resources</i>	9,011,361	15,234,739	(6,223,378)	596,158	1,648,391	(1,052,233)
Net Investment in Capital Assets	61,855,208	60,572,291	1,282,917	28,366,622	27,908,924	457,698
Restricted	5,312,719	5,048,792	263,927	-	-	-
Unrestricted	(13,391,241)	(12,597,930)	(793,311)	198,314	621,314	(423,000)
<i>Total Net Position</i>	\$ 53,776,686	\$ 53,023,153	\$ 753,533	\$ 28,564,936	\$ 28,530,238	\$ 34,698

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2023 and is reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27*. In a prior year, the City adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revised accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting net OPEB asset and deferred outflows related to pension and OPEB.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2023*  
*(Unaudited)*

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

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

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

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

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

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



**City of Berea**  
**Cuyahoga County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2023*  
*(Unaudited)*

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

Capital assets include land, intangibles, land improvements, buildings, building improvements, machinery and equipment, furniture and fixtures, vehicles, infrastructure and construction in progress. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

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

Cash in business-type activities decreased from prior year partially due to costs for the completion of the Barberrry sewer and water project. In addition, a decrease in water meter fee accounts receivable contributed to the decrease in current and other assets.

Capital assets showed a decrease in governmental activities due to depreciation exceeding additions while the addition of a leased vehicle and completion of the Barberrry project accounts for an increase in business-type activities capital assets.

The City issued a Various Purpose Bond to retire the short term Bond Anticipation Note and finance improvement projects, which mainly accounts for the increase in other long term liabilities.

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

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**City of Berea**  
**Cuyahoga County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2023*  
*(Unaudited)*

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2023 and 2022.

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

	Governmental Activities			Business-Type Activities		
	2023	2022	Change	2023	2022	Change
<b>Revenues</b>						
<i>Program Revenues</i>						
Charges for Services	\$ 5,485,650	\$ 5,048,071	\$ 437,579	\$ 2,869,276	\$ 3,192,247	\$ (322,971)
Operating Grants	1,883,027	1,483,254	399,773	59,264	58,977	287
Capital Grants	4,031,880	9,669,483	(5,637,603)	1,165,133	1,061,133	104,000
<i>Total Program Revenues</i>	<u>11,400,557</u>	<u>16,200,808</u>	<u>(4,800,251)</u>	<u>4,093,673</u>	<u>4,312,357</u>	<u>(218,684)</u>
<b>General Revenues</b>						
Property Taxes	4,905,303	4,573,917	331,386	494,181	459,359	34,822
Income Taxes	19,618,278	18,084,206	1,534,072	-	-	-
Grants & Entitlements	1,231,771	1,264,542	(32,771)	-	-	-
Other Taxes	200,525	228,448	(27,923)	-	-	-
Other	858,279	609,991	248,288	-	-	-
<i>Total General Revenues</i>	<u>26,814,156</u>	<u>24,761,104</u>	<u>2,053,052</u>	<u>494,181</u>	<u>459,359</u>	<u>34,822</u>
<i>Total Revenues</i>	<u>38,214,713</u>	<u>40,961,912</u>	<u>(2,747,199)</u>	<u>4,587,854</u>	<u>4,771,716</u>	<u>(183,862)</u>
<b>Program Expenses</b>						
General Government	12,474,089	9,652,364	2,821,725	-	-	-
Security of Persons and Property	10,821,674	9,172,216	1,649,458	-	-	-
Public Health	221,996	103,970	118,026	-	-	-
Leisure Time Activities	5,280,807	3,922,701	1,358,106	-	-	-
Community Development	404,419	145,497	258,922	-	-	-
Public Works	1,457,057	1,542,014	(84,957)	-	-	-
Transportation	5,341,190	5,377,321	(36,131)	-	-	-
Interest Expense	704,948	379,829	325,119	-	-	-
Enterprise Operations						
Water	-	-	-	3,749,229	2,828,962	920,267
Sewer	-	-	-	1,558,927	1,240,495	318,432
<i>Total Expenses</i>	<u>36,706,180</u>	<u>30,295,912</u>	<u>6,410,268</u>	<u>5,308,156</u>	<u>4,069,457</u>	<u>1,238,699</u>
<i>Increase (Decrease) in Net Position</i>	1,508,533	10,666,000	(9,157,467)	(720,302)	702,259	(1,422,561)
Transfers	(755,000)	(930,000)	175,000	755,000	930,000	(175,000)
<i>Change in Net Position</i>	753,533	9,736,000	(8,982,467)	34,698	1,632,259	(1,597,561)
<i>Net Position Beginning of Year</i>	<u>53,023,153</u>	<u>43,287,153</u>	<u>9,736,000</u>	<u>28,530,238</u>	<u>26,897,979</u>	<u>1,632,259</u>
<i>Net Position End of Year</i>	<u>\$ 53,776,686</u>	<u>\$ 53,023,153</u>	<u>\$ 753,533</u>	<u>\$ 28,564,936</u>	<u>\$ 28,530,238</u>	<u>\$ 34,698</u>

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2023*  
*(Unaudited)*

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**Governmental Activities**

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

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

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

Donations for the Browns facility renovations decreased from the prior year mainly accounting for the decrease in capital grants. Income tax revenue increased due to various factors, but can primarily be attributed to economic growth and wage increases coupled with an increase in investment earnings from fluctuations in market conditions, accounting for the increase in general revenues.

The increases in expenses can be attributed to pension and OPEB which were primarily caused by market conditions of investments. Both retirement systems experienced a net loss from investing activity during the most current measurement period while in the prior measurement period, investing activity resulted in a gain. This was the most significant contributing factor to the increase in unfunded liability for both retirement plans and caused the OPERS' net OPEB asset to revert back to a net OPEB liability. These fluctuations are passed through to the City relative to their proportionate share of contributions of all members, which remained relatively constant from prior year for both retirement plans.

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

**Business-Type Activities**

Business-type activities include water and sewer operations. The revenues are generated primarily from charges for services.

OPWC grants in both the water and sewer funds account for the increase in capital grants over the prior year. Increases in expense for both the sewer and water funds can be partially attributed to the change in pension and OPEB obligations as previously discussed.

***The City's Funds***

***Governmental Funds***

As noted earlier, the City's governmental funds are accounted for using the modified accrual method of accounting. The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing

**City of Berea**  
**Cuyahoga County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2023*  
*(Unaudited)*

requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of the fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City's Council.

	Fund Balance <u>12/31/2023</u>	Fund Balance <u>12/31/2022</u>	Increase <u>(Decrease)</u>
General Fund	\$ 7,526,503	\$ 7,370,890	\$ 155,613
General Bond Retirement Fund	1,129,343	1,459,037	(329,694)
General Capital Improvement Fund	1,375,392	1,337,456	37,936

The general fund is the chief operating fund of the City. Fund balance increased over prior year due, in part, to an increase in income tax collections exceeding expenditures and transfers out.

The American Rescue Plan Act fund had no change in fund balance.

The decrease in fund balance in the general bond retirement fund is partially due debt service payments exceeding bond proceeds and property tax revenue.

The increase in the fund balance of the general capital improvement fund is mainly due to timing of grant proceeds coupled with transfers, compared to capital outlay expenditures and debt service payments.

***Proprietary Funds***

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

	Net Position <u>12/31/2023</u>	Net Position <u>12/31/2022</u>	Increase <u>(Decrease)</u>
Water Revenue	\$ 9,261,432	\$ 9,586,160	\$ (324,728)
Sewer Revenue	19,303,504	18,944,078	359,426

As previously discussed, decreases in cash and accounts receivable, increases in capital grants and changes in pension obligations affecting expenses contributed to the increase in net position in the sewer fund and the decrease in the water fund over prior year.

***General Fund Budgeting Highlights***

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund.

During the course of 2023, the City amended its general fund budget on various occasions. All recommendations for appropriation changes come to Council from the City Finance Director. The Finance Committee of Council reviews them, and they make their recommendation to the Council as a whole.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2023*  
*(Unaudited)*

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

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

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

### ***Capital Assets and Debt Administration***

#### **Capital Assets**

The City's governmental capital assets decreased from prior year, due to depreciation exceeding acquisitions. Major acquisitions consisted of:

- Road Improvements
- Renovations to the Cleveland Browns campus
- Barberry, Woodlawn, Maple, Fourth Improvements

Completed projects and additional construction in progress offset the majority of the depreciation and amortization in business-type activities accounting for the increase in capital assets. In addition to sewer and water improvements, the City leased a Vector Truck during the year.

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

#### **Debt**

Governmental activities issued a various purpose general obligation bond which was used to retire the Bond Anticipation Note, coupled with scheduled principal payments contributed to the decrease in in debt. Principal payments, exceeding new OPWC loans, account for the decrease in debt of business-type activities.

See Note 12 for additional details.

#### **Contacting the City's Finance Department**

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

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**City of Berea**  
**Cuyahoga County, Ohio**  
*Statement of Net Position*  
*December 31, 2023*

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 11,862,871	\$ 935,646	\$ 12,798,517
Cash and Cash Equivalents in Segregated Accounts	261,673	-	261,673
Accounts Receivable	210,175	1,306,235	1,516,410
Intergovernmental Receivable	1,217,716	430,942	1,648,658
Taxes Receivable	10,471,146	530,326	11,001,472
Leases Receivable	922,174	-	922,174
Special Assessments Receivable	851,624	-	851,624
Loans Receivable	805,029	-	805,029
Prepaid Items	191,793	-	191,793
Materials and Supplies Inventory	255,176	147,053	402,229
Assets Held for Resale	140,000	-	140,000
Capital Assets not Being Depreciated/Amortized	14,897,187	1,455,732	16,352,919
Capital Assets Being Depreciated/Amortized	68,514,049	36,378,163	104,892,212
<i>Total Assets</i>	<u>110,600,613</u>	<u>41,184,097</u>	<u>151,784,710</u>
<b>Deferred Outflows of Resources</b>			
Pension	10,291,431	889,058	11,180,489
OPEB	1,659,600	132,089	1,791,689
<i>Total Deferred Outflows of Resources</i>	<u>11,951,031</u>	<u>1,021,147</u>	<u>12,972,178</u>
<b>Liabilities</b>			
Accounts Payable	1,013,211	41,320	1,054,531
Accrued Wages	432,036	36,877	468,913
Contracts Payable	9,751	48,402	58,153
Intergovernmental Payable	283,812	19,276	303,088
Accrued Interest Payable	41,589	126,089	167,678
Claims Payable	144,647	-	144,647
Matured Compensated Absences Payable	12,788	-	12,788
Unearned Revenue	2,247,067	-	2,247,067
Long-Term Liabilities:			
Due Within One Year	2,226,951	975,123	3,202,074
Due In More Than One Year:			
Net Pension Liability	29,742,699	2,178,058	31,920,757
Net OPEB Liability	1,648,241	44,243	1,692,484
Other Amounts Due in More Than One Year	21,960,805	9,574,762	31,535,567
<i>Total Liabilities</i>	<u>59,763,597</u>	<u>13,044,150</u>	<u>72,807,747</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Next Year	5,098,961	505,112	5,604,073
Leases	922,174	-	922,174
Pension	1,239,013	76,003	1,315,016
OPEB	1,751,213	15,043	1,766,256
<i>Total Deferred Inflows of Resources</i>	<u>9,011,361</u>	<u>596,158</u>	<u>9,607,519</u>
<b>Net Position</b>			
Net Investment in Capital Assets	61,855,208	28,366,622	90,221,830
Restricted for:			
Debt Service	1,307,928	-	1,307,928
Street Lighting	1,405,954	-	1,405,954
Street Maintenance and Repair	810,704	-	810,704
Court Operations and Capital Outlay	517,698	-	517,698
Security Operations	486,848	-	486,848
Drug and Alcohol Programs	31,856	-	31,856
Other Purposes	751,731	-	751,731
Unrestricted	(13,391,241)	198,314	(13,192,927)
<i>Total Net Position</i>	<u>\$ 53,776,686</u>	<u>\$ 28,564,936</u>	<u>\$ 82,341,622</u>

See accompanying notes to the basic financial statements.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2023

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions
<b>Governmental Activities</b>				
General Government	\$ 12,474,089	\$ 2,835,668	\$ 850	\$ -
Security of Persons and Property	10,821,674	1,547,149	304,212	23,679
Public Health	221,996	-	132,387	-
Leisure Time Activities	5,280,807	916,157	180,498	3,439,986
Community Development	404,419	29,314	224,211	-
Public Works	1,457,057	-	-	-
Transportation	5,341,190	157,362	1,040,869	568,215
Interest Expense	704,948	-	-	-
<i>Total Governmental Activities</i>	<u>36,706,180</u>	<u>5,485,650</u>	<u>1,883,027</u>	<u>4,031,880</u>
<b>Business-Type Activities</b>				
Water Revenue	3,749,229	2,121,910	59,264	414,442
Sewer Revenue	1,558,927	747,366	-	750,691
<i>Total Business-Type Activities</i>	<u>5,308,156</u>	<u>2,869,276</u>	<u>59,264</u>	<u>1,165,133</u>
<i>Total</i>	<u>\$ 42,014,336</u>	<u>\$ 8,354,926</u>	<u>\$ 1,942,291</u>	<u>\$ 5,197,013</u>

**General Revenues**

Property Taxes Levied for:

General Purposes

Police and Fire Pension

Community Hospital

Debt Service

Water Improvements

Income Taxes Levied for:

General Purposes

Grants and Entitlements not Restricted to Specific Programs

Other Taxes

Investment Earnings

Miscellaneous

*Total General Revenues*

Transfers

*Total General Revenues and Transfers*

*Change in Net Position*

*Net Position Beginning of Year*

*Net Position End of Year*

See accompanying notes to the basic financial statements.



Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
\$ (9,637,571)	\$ -	\$ (9,637,571)
(8,946,634)	-	(8,946,634)
(89,609)	-	(89,609)
(744,166)	-	(744,166)
(150,894)	-	(150,894)
(1,457,057)	-	(1,457,057)
(3,574,744)	-	(3,574,744)
(704,948)	-	(704,948)
<u>(25,305,623)</u>	<u>-</u>	<u>(25,305,623)</u>
-	(1,153,613)	(1,153,613)
-	(60,870)	(60,870)
<u>-</u>	<u>(1,214,483)</u>	<u>(1,214,483)</u>
<u>(25,305,623)</u>	<u>(1,214,483)</u>	<u>(26,520,106)</u>
2,061,508	-	2,061,508
860,944	-	860,944
98,562	-	98,562
1,884,289	-	1,884,289
-	494,181	494,181
19,618,278	-	19,618,278
1,231,771	-	1,231,771
200,525	-	200,525
593,705	-	593,705
264,574	-	264,574
<u>26,814,156</u>	<u>494,181</u>	<u>27,308,337</u>
<u>(755,000)</u>	<u>755,000</u>	<u>-</u>
<u>26,059,156</u>	<u>1,249,181</u>	<u>27,308,337</u>
753,533	34,698	788,231
<u>53,023,153</u>	<u>28,530,238</u>	<u>81,553,391</u>
<u>\$ 53,776,686</u>	<u>\$ 28,564,936</u>	<u>\$ 82,341,622</u>

See accompanying notes to the basic financial statements.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Balance Sheet*  
*Governmental Funds*  
*December 31, 2023*

	General	American Rescue Plan Act	General Bond Retirement	General Capital Improvement	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Equity in Pooled Cash and Investments	\$ 4,873,537	\$ 2,247,067	\$ 1,129,343	\$ 399,997	\$ 3,112,742	\$ 11,762,686
Accounts Receivable	132,464	-	-	-	77,711	210,175
Intergovernmental Receivable	421,564	-	120,979	6,155	669,018	1,217,716
Taxes Receivable	7,344,270	-	2,086,366	-	1,040,510	10,471,146
Special Assessments Receivable	28,809	-	-	-	822,815	851,624
Loans Receivable	-	-	-	805,029	-	805,029
Leases Receivable	922,174	-	-	-	-	922,174
Materials and Supplies Inventory	-	-	-	-	255,176	255,176
Assets Held for Resale	-	-	-	140,000	-	140,000
Due from Other Funds	-	-	-	24,211	-	24,211
<i>Total Assets</i>	<u>\$ 13,722,818</u>	<u>\$ 2,247,067</u>	<u>\$ 3,336,688</u>	<u>\$ 1,375,392</u>	<u>\$ 5,977,972</u>	<u>\$ 26,659,937</u>
<b>Liabilities</b>						
Accounts Payable	\$ 910,292	\$ -	\$ -	\$ -	\$ 102,919	\$ 1,013,211
Accrued Wages	375,351	-	-	-	56,685	432,036
Contracts Payable	-	-	-	-	9,751	9,751
Intergovernmental Payable	155,951	-	-	-	127,861	283,812
Due to Other Funds	-	-	-	-	24,211	24,211
Matured Compensated Absences Payable	12,788	-	-	-	-	12,788
Unearned Revenue	-	2,247,067	-	-	-	2,247,067
<i>Total Liabilities</i>	<u>1,454,382</u>	<u>2,247,067</u>	<u>-</u>	<u>-</u>	<u>321,427</u>	<u>4,022,876</u>
<b>Deferred Inflows of Resources</b>						
Property Taxes Levied for the Next Year	2,120,750	-	1,987,171	-	991,040	5,098,961
Delinquent Property Taxes	105,863	-	99,195	-	49,470	254,528
Unavailable Revenue - Income Tax	1,231,630	-	-	-	-	1,231,630
Unavailable Revenue - Other	361,516	-	120,979	-	1,303,130	1,785,625
Leases	922,174	-	-	-	-	922,174
<i>Total Deferred Inflows of Resources</i>	<u>4,741,933</u>	<u>-</u>	<u>2,207,345</u>	<u>-</u>	<u>2,343,640</u>	<u>9,292,918</u>
<b>Fund Balances</b>						
Nonspendable	56,007	-	-	-	255,176	311,183
Restricted	-	-	1,129,343	-	2,541,395	3,670,738
Committed	1,812,760	-	-	1,375,392	516,334	3,704,486
Assigned	455,627	-	-	-	-	455,627
Unassigned	5,202,109	-	-	-	-	5,202,109
<i>Total Fund Balance</i>	<u>7,526,503</u>	<u>-</u>	<u>1,129,343</u>	<u>1,375,392</u>	<u>3,312,905</u>	<u>13,344,143</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 13,722,818</u>	<u>\$ 2,247,067</u>	<u>\$ 3,336,688</u>	<u>\$ 1,375,392</u>	<u>\$ 5,977,972</u>	<u>\$ 26,659,937</u>

See accompanying notes to the basic financial statements.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Reconciliation of Total Governmental Fund Balances to*  
*Net Position of Governmental Activities*  
*December 31, 2023*

<b>Total Governmental Fund Balances</b>		\$ 13,344,143
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		83,411,236
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Delinquent Property Taxes	\$ 254,528	
Income Tax	1,231,630	
Intergovernmental	934,001	
Special Assessments	851,624	3,271,783
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		409,004
Accrued interest payable is not due and payable in the current period and therefore not reported in the funds.		(41,589)
The net pension liability and net OPEB liability are not due and payable in the current period, therefore, the liability/net OPEB asset and related deferred inflows/outflows are not reported in governmental funds.		
Deferred Outflows - Pension	10,291,431	
Deferred Outflows - OPEB	1,659,600	
Net Pension Liability	(29,742,699)	
Net OPEB Liability	(1,648,241)	
Deferred Inflows - Pension	(1,239,013)	
Deferred Inflows - OPEB	(1,751,213)	(22,430,135)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(15,315,000)	
OPWC Loans	(2,464,937)	
Revenue Bonds	(4,555,000)	
Unamortized Bond Premium	(190,562)	
Police and Fire Pension	(133,082)	
Direct Financing	(171,068)	
Compensated Absences	(1,358,107)	(24,187,756)
<i>Net Position of Governmental Activities</i>		<b>\$ 53,776,686</b>

See accompanying notes to the basic financial statements.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balance*  
*Governmental Funds*  
*For the Year Ended December 31, 2023*

	General	American Rescue Plan Act	General Bond Retirement	General Capital Improvement	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Property Taxes	\$ 2,110,389	\$ -	\$ 1,929,265	\$ -	\$ 982,199	\$ 5,021,853
Income Taxes	19,433,906	-	-	-	-	19,433,906
Other Local Taxes	189,953	-	-	-	-	189,953
Special Assessments	12,200	-	-	-	845,009	857,209
Charges for Services	67,900	-	-	36,258	1,464,431	1,568,589
Licenses and Permits	299,306	-	-	50,000	29,314	378,620
Fines and Forfeitures	1,768,021	-	-	-	772,107	2,540,128
Intergovernmental	1,028,696	222,027	242,607	568,215	1,599,057	3,660,602
Interest	593,705	-	-	-	10,622	604,327
Rent	-	-	-	71,104	-	71,104
Contributions and Donations	850	-	-	-	70,471	71,321
Miscellaneous	99,173	-	-	-	165,401	264,574
<i>Total Revenues</i>	<u>25,604,099</u>	<u>222,027</u>	<u>2,171,872</u>	<u>725,577</u>	<u>5,938,611</u>	<u>34,662,186</u>
<b>Expenditures</b>						
Current:						
General Government	10,389,870	-	83,848	-	819,754	11,293,472
Security of Persons and Property	7,093,780	-	-	-	2,064,314	9,158,094
Public Health	-	112,000	-	-	109,996	221,996
Leisure Time Activities	123,083	-	-	-	2,341,033	2,464,116
Community Development	365,167	-	-	-	24,211	389,378
Public Works	1,453,044	-	-	-	-	1,453,044
Transportation	-	-	-	-	1,305,654	1,305,654
Capital Outlay	-	110,027	-	2,968,724	1,674,600	4,753,351
Debt Service:						
Principal Retirement	4,948	-	8,965,000	183,043	77,756	9,230,747
Interest and Fiscal Charges	152	-	777,718	1,336	12,419	791,625
<i>Total Expenditures</i>	<u>19,430,044</u>	<u>222,027</u>	<u>9,826,566</u>	<u>3,153,103</u>	<u>8,429,737</u>	<u>41,061,477</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>6,174,055</u>	<u>-</u>	<u>(7,654,694)</u>	<u>(2,427,526)</u>	<u>(2,491,126)</u>	<u>(6,399,291)</u>
<b>Other Financing Sources (Uses)</b>						
Proceeds from Sale of Assets	1,558	-	-	47,317	-	48,875
Issuance of General Obligation Bonds	-	-	7,330,000	-	-	7,330,000
Issuance of OPWC Loans	-	-	-	213,145	-	213,145
Transfers In	-	-	-	2,205,000	3,065,000	5,270,000
Transfers Out	(6,020,000)	-	(5,000)	-	-	(6,025,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(6,018,442)</u>	<u>-</u>	<u>7,325,000</u>	<u>2,465,462</u>	<u>3,065,000</u>	<u>6,837,020</u>
<i>Net Change in Fund Balances</i>	155,613	-	(329,694)	37,936	573,874	437,729
<i>Fund Balances Beginning of Year</i>	<u>7,370,890</u>	<u>-</u>	<u>1,459,037</u>	<u>1,337,456</u>	<u>2,739,031</u>	<u>12,906,414</u>
<i>Fund Balances End of Year</i>	<u>\$ 7,526,503</u>	<u>\$ -</u>	<u>\$ 1,129,343</u>	<u>\$ 1,375,392</u>	<u>\$ 3,312,905</u>	<u>\$ 13,344,143</u>

See accompanying notes to the basic financial statements.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2023*

<b>Net Change in Fund Balances - Total Governmental Funds</b>	\$	437,729
 <i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital Asset Additions	\$ 6,942,637	
Current Year Depreciation	<u>(7,389,424)</u>	(446,787)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent Property Taxes	(116,550)	
Income Tax	184,372	
Intergovernmental	75,002	
Special Assessments	<u>67,217</u>	210,041
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
General Obligation Bonds	1,325,000	
OPWC Loans	167,777	
Revenue Bonds	380,000	
Bond Anticipation Notes	7,260,000	
Police and Fire Pension	8,855	
Direct Financing	<u>89,115</u>	9,230,747
Debt proceeds issued in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues.		
General Obligation Bonds	(7,330,000)	
OPWC Loans	<u>(213,145)</u>	(7,543,145)
In the statement of activities, interest is accrued on outstanding bonds, and bond premium and the gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Accrued Interest Payable	69,353	
Amortization of Premium on Bonds	<u>17,324</u>	86,677
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	1,957,411	
OPEB	<u>27,153</u>	1,984,564
Except for amount reported as deferred inflows/outflows, changes in the net pension/OPEB liability/asset are reported as pension/OPEB expense in the statement of activities.		
Pension	(3,629,709)	
OPEB	<u>450,168</u>	(3,179,541)
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		33,295
Some expenses reported in the statement of activities, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated Absences		<u>(60,047)</u>
<i>Change in Net Position of Governmental Activities</i>	<u>\$</u>	<u>753,533</u>

See accompanying notes to the basic financial statements.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Statement of Revenues, Expenditures and Changes in*  
*Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 2,063,060	\$ 2,110,389	\$ 2,110,389	\$ -
Income Taxes	17,778,515	18,828,515	19,233,307	404,792
Other Local Taxes	245,000	245,000	232,327	(12,673)
Special Assessments	20,000	20,000	12,200	(7,800)
Charges for Services	383,100	133,100	68,997	(64,103)
Licenses and Permits	390,001	350,001	299,306	(50,695)
Fines and Forfeitures	87,000	52,000	48,821	(3,179)
Intergovernmental	948,553	1,036,502	1,047,675	11,173
Interest	225,000	475,000	534,865	59,865
Rent	120,000	20,000	-	(20,000)
Contributions and Donations	-	-	850	850
Other	62,500	62,500	63,153	653
<i>Total Revenues</i>	<u>22,322,729</u>	<u>23,333,007</u>	<u>23,651,890</u>	<u>318,883</u>
<b>Expenditures</b>				
Current:				
General Government	8,119,167	8,872,587	8,688,715	183,872
Security of Persons and Property	7,196,770	7,406,770	7,248,477	158,293
Leisure Time Activities	99,071	126,516	116,617	9,899
Community Development	366,218	387,718	369,305	18,413
Public Works	1,529,741	1,565,376	1,545,470	19,906
Debt Service:				
Principal Retirement	4,948	4,948	4,948	-
Interest and Fiscal Charges	152	152	152	-
<i>Total Expenditures</i>	<u>17,316,067</u>	<u>18,364,067</u>	<u>17,973,684</u>	<u>390,383</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>5,006,662</u>	<u>4,968,940</u>	<u>5,678,206</u>	<u>709,266</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Capital Assets	500	500	1,558	1,058
Advances In	170,000	170,000	170,000	-
Transfers In	100,000	150,000	150,000	-
Transfers Out	(5,620,000)	(6,020,000)	(6,020,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(5,349,500)</u>	<u>(5,699,500)</u>	<u>(5,698,442)</u>	<u>1,058</u>
<i>Net Change in Fund Balance</i>	(342,838)	(730,560)	(20,236)	710,324
<i>Fund Balance Beginning of Year</i>	4,662,574	4,662,574	4,662,574	-
Prior Year Encumbrances Appropriated	105,255	105,255	105,255	-
<i>Fund Balance End of Year</i>	<u>\$ 4,424,991</u>	<u>\$ 4,037,269</u>	<u>\$ 4,747,593</u>	<u>\$ 710,324</u>

See accompanying notes to the basic financial statements.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*American Rescue Plan Act Fund*  
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ 112,000	\$ 112,000	\$ -
<i>Total Revenues</i>	<u>-</u>	<u>112,000</u>	<u>112,000</u>	<u>-</u>
<b>Expenditures</b>				
Current:				
Public Health	1,423,856	1,535,856	112,000	1,423,856
Capital Outlay	110,027	110,027	110,027	-
<i>Total Expenditures</i>	<u>1,533,883</u>	<u>1,645,883</u>	<u>222,027</u>	<u>1,423,856</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,533,883)</u>	<u>(1,533,883)</u>	<u>(110,027)</u>	<u>1,423,856</u>
<i>Net Change in Fund Balance</i>	(1,533,883)	(1,533,883)	(110,027)	1,423,856
<i>Fund Balance Beginning of Year</i>	<u>2,357,094</u>	<u>2,357,094</u>	<u>2,357,094</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 823,211</u>	<u>\$ 823,211</u>	<u>\$ 2,247,067</u>	<u>\$ 1,423,856</u>

See accompanying notes to the basic financial statements.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Statement of Fund Net Position*  
*Proprietary Funds*  
*December 31, 2023*

	Enterprise Funds			Governmental Activities
	Water Revenue	Sewer Revenue	Total	Internal Service Funds
<b>Assets</b>				
<i>Current Assets:</i>				
Equity in Pooled Cash and Investments	\$ 326,870	\$ 608,776	\$ 935,646	\$ 100,185
Cash and Cash Equivalents in Segregated Accounts	-	-	-	261,673
Accounts Receivable	894,316	411,919	1,306,235	-
Intergovernmental Receivable	29,660	401,282	430,942	-
Taxes Receivable	530,326	-	530,326	-
Prepaid Items	-	-	-	191,793
Materials and Supplies Inventory	147,053	-	147,053	-
<i>Total Current Assets</i>	<u>1,928,225</u>	<u>1,421,977</u>	<u>3,350,202</u>	<u>553,651</u>
<i>Non-Current Assets:</i>				
Capital Assets not Being Depreciated/Amortized	942,194	513,538	1,455,732	-
Capital Assets Being Depreciated/Amortized	14,626,663	21,751,500	36,378,163	-
<i>Total Non-Current Assets</i>	<u>15,568,857</u>	<u>22,265,038</u>	<u>37,833,895</u>	<u>-</u>
<i>Total Assets</i>	<u>17,497,082</u>	<u>23,687,015</u>	<u>41,184,097</u>	<u>553,651</u>
<b>Deferred Outflows of Resources</b>				
Pension	732,226	156,832	889,058	-
OPEB	108,788	23,301	132,089	-
<i>Total Deferred Outflows of Resources</i>	<u>841,014</u>	<u>180,133</u>	<u>1,021,147</u>	<u>-</u>
<b>Liabilities</b>				
<i>Current Liabilities:</i>				
Accounts Payable	35,245	6,075	41,320	-
Accrued Wages	29,568	7,309	36,877	-
Contracts Payable	-	48,402	48,402	-
Intergovernmental Payable	15,761	3,515	19,276	-
Accrued Interest Payable	92,177	33,912	126,089	-
Claims Payable	-	-	-	144,647
Compensated Absences Payable	18,064	11,478	29,542	-
Leases Payable	-	84,521	84,521	-
Direct Financing Payable	3,779	-	3,779	-
Loans Payable	-	19,404	19,404	-
OPWC Loans Payable	30,592	116,373	146,965	-
OWDA Loans Payable	556,558	129,354	685,912	-
General Obligation Bonds Payable	5,000	-	5,000	-
<i>Total Current Liabilities</i>	<u>786,744</u>	<u>460,343</u>	<u>1,247,087</u>	<u>144,647</u>
<i>Long-Term Liabilities:</i>				
Compensated Absences Payable - Net of Current Portion	41,184	52,589	93,773	-
Leases Payable - Net of Current Portion	-	393,029	393,029	-
Direct Financing Payable - Net of Current Portion	3,887	-	3,887	-
Loans Payable - Net of Current Portion	-	126,119	126,119	-
OPWC Loans Payable - Net of Current Portion	605,257	1,410,415	2,015,672	-
OWDA Loans Payable - Net of Current Portion	5,140,957	1,721,325	6,862,282	-
General Obligation Bonds Payable - Net of Current Portion	80,000	-	80,000	-
Net Pension Liability	1,793,695	384,363	2,178,058	-
Net OPEB Liability	36,435	7,808	44,243	-
<i>Total Long-Term Liabilities</i>	<u>7,701,415</u>	<u>4,095,648</u>	<u>11,797,063</u>	<u>-</u>
<i>Total Liabilities</i>	<u>8,488,159</u>	<u>4,555,991</u>	<u>13,044,150</u>	<u>144,647</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes Levied for the Next Year	505,112	-	505,112	-
Pension	70,956	5,047	76,003	-
OPEB	12,437	2,606	15,043	-
<i>Total Deferred Inflows of Resources</i>	<u>588,505</u>	<u>7,653</u>	<u>596,158</u>	<u>-</u>
<b>Net Position</b>				
Net Investment in Capital Assets	10,150,527	18,216,095	28,366,622	-
Unrestricted	(889,095)	1,087,409	198,314	409,004
<i>Total Net Position</i>	<u>\$ 9,261,432</u>	<u>\$ 19,303,504</u>	<u>\$ 28,564,936</u>	<u>\$ 409,004</u>

See accompanying notes to the basic financial statements.



**City of Berea**  
**Cuyahoga County, Ohio**  
*Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Proprietary Funds*  
*For the Year Ended December 31, 2023*

	Enterprise Funds			Governmental Activities
	Water Revenue	Sewer Revenue	Total	Internal Service Funds
<b>Operating Revenues</b>				
Charges for Services	\$ 2,121,910	\$ 747,366	\$ 2,869,276	\$ 3,704,057
Other	-	-	-	77,844
<i>Total Operating Revenues</i>	<u>2,121,910</u>	<u>747,366</u>	<u>2,869,276</u>	<u>3,781,901</u>
<b>Operating Expenses</b>				
Personal Services	1,444,905	312,005	1,756,910	-
Contractual Services	584,314	266,609	850,923	1,263,026
Materials and Supplies	655,119	18,831	673,950	-
Claims	-	-	-	2,472,776
Depreciation/Amortization	864,321	886,229	1,750,550	-
Other	8,810	7,801	16,611	12,804
<i>Total Operating Expenses</i>	<u>3,557,469</u>	<u>1,491,475</u>	<u>5,048,944</u>	<u>3,748,606</u>
<i>Operating Income (Loss)</i>	<u>(1,435,559)</u>	<u>(744,109)</u>	<u>(2,179,668)</u>	<u>33,295</u>
<b>Non-Operating Revenues (Expenses)</b>				
Intergovernmental	59,264	-	59,264	-
Property Tax	494,181	-	494,181	-
Interest and Fiscal Charges	(191,760)	(67,452)	(259,212)	-
<i>Total Non-Operating Revenues (Expenses)</i>	<u>361,685</u>	<u>(67,452)</u>	<u>294,233</u>	<u>-</u>
<i>Income (Loss) Before Capital Contributions and Transfers</i>	<u>(1,073,874)</u>	<u>(811,561)</u>	<u>(1,885,435)</u>	<u>33,295</u>
Capital Contributions	414,442	750,691	1,165,133	-
Transfers In	355,000	420,296	775,296	-
Transfers Out	(20,296)	-	(20,296)	-
<i>Change in Net Position</i>	<u>(324,728)</u>	<u>359,426</u>	<u>34,698</u>	<u>33,295</u>
<i>Net Position Beginning of Year</i>	<u>9,586,160</u>	<u>18,944,078</u>	<u>28,530,238</u>	<u>375,709</u>
<i>Net Position End of Year</i>	<u>\$ 9,261,432</u>	<u>\$ 19,303,504</u>	<u>\$ 28,564,936</u>	<u>\$ 409,004</u>

See accompanying notes to the basic financial statements.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2023

	Enterprise Funds			Governmental
	Water Revenue	Sewer Revenue	Total	Internal Service Funds
<b>Cash Flows from Operating Activities</b>				
Cash Received from Customers	\$ 2,422,549	\$ 742,780	\$ 3,165,329	\$ 3,704,057
Cash Received from Other Operating Receipts	-	-	-	77,844
Cash Payments to Suppliers for Goods and Services	(750,458)	(15,718)	(766,176)	-
Cash Payments to Employees for Services and Benefits	(1,419,912)	(330,907)	(1,750,819)	-
Cash Payments for Contractual Services	(582,928)	(293,442)	(876,370)	(1,270,405)
Cash Payments for Claims	-	-	-	(2,532,361)
Other Cash Payments	(8,810)	(7,801)	(16,611)	(12,804)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>(339,559)</u>	<u>94,912</u>	<u>(244,647)</u>	<u>(33,669)</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Intergovernmental Revenue	59,479	-	59,479	-
Property Taxes	505,930	-	505,930	-
Transfers In	345,000	400,000	745,000	-
<i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>	<u>910,409</u>	<u>400,000</u>	<u>1,310,409</u>	<u>-</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Capital Grants	414,442	743,892	1,158,334	-
Proceeds of OPWC Loans	125,241	134,220	259,461	-
Acquisition of Capital Assets	(852,731)	(833,320)	(1,686,051)	-
Transfers in for Capital Related Debt Payments	5,000	20,296	25,296	-
Transfers Out for Capital Related Debt Payments	(20,296)	-	(20,296)	-
Principal Payments on Debt	(576,327)	(267,569)	(843,896)	-
Interest Payments on Debt	(195,586)	(67,355)	(262,941)	-
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(1,100,257)</u>	<u>(269,836)</u>	<u>(1,370,093)</u>	<u>-</u>
<i>Net Increase (Decrease) in Cash and Investments</i>	<u>(529,407)</u>	<u>225,076</u>	<u>(304,331)</u>	<u>(33,669)</u>
<i>Cash and Investments Beginning of Year</i>	<u>856,277</u>	<u>383,700</u>	<u>1,239,977</u>	<u>395,527</u>
<i>Cash and Investments End of Year</i>	<u>\$ 326,870</u>	<u>\$ 608,776</u>	<u>\$ 935,646</u>	<u>\$ 361,858</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>				
Operating Income (Loss)	\$ (1,435,559)	\$ (744,109)	\$ (2,179,668)	\$ 33,295
Adjustments:				
Depreciation/Amortization	864,321	886,229	1,750,550	-
(Increase) Decrease in Assets and Deferred Outflows:				
Accounts Receivable	300,639	(4,586)	296,053	-
Prepaid Items	-	-	-	(3,056)
Materials and Supplies Inventory	(91,061)	-	(91,061)	-
Net OPEB Asset	201,531	40,306	241,837	-
Deferred Outflows - Pension/OPEB	(574,653)	(126,837)	(701,490)	-
Increase (Decrease) in Liabilities and Deferred Inflows:				
Accounts Payable	(2,892)	(14,270)	(17,162)	(4,323)
Accrued Wages	4,895	2,665	7,560	-
Intergovernmental Payable	1,246	578	1,824	-
Contracts Payable	-	(9,450)	(9,450)	-
Claims Payable	-	-	-	(59,585)
Compensated Absences Payable	41,728	15,147	56,875	-
Deferred Inflows - Pension/OPEB	(893,129)	(225,581)	(1,118,710)	-
Net Pension Liability	1,206,940	267,012	1,473,952	-
Net OPEB Liability	36,435	7,808	44,243	-
<i>Net Cash Provided by (Used For) Operating Activities</i>	<u>\$ (339,559)</u>	<u>\$ 94,912</u>	<u>\$ (244,647)</u>	<u>\$ (33,669)</u>

**Noncash Capital Financing Activities:**

The City purchased \$48,402 of capital assets on account in 2023 for the sewer fund.  
The City entered into a lease agreement for \$477,550 in 2023 in the sewer fund.

See accompanying notes to the basic financial statements.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Statement of Fiduciary Net Position*  
*Fiduciary Funds*  
*December 31, 2023*

	Custodial
<b>Assets</b>	
Equity in Pooled Cash and Investments	\$ 1,499,079
Cash in Segregated Accounts	287,967
Accounts Receivable	2,460,841
<i>Total Assets</i>	4,247,887
<b>Liabilities</b>	
Accounts Payable	1,443,915
Due to Other Governments	2,803,972
<i>Total Liabilities</i>	4,247,887
<b>Net Position</b>	
<i>Unrestricted</i>	\$ -

See accompanying notes to the basic financial statements.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Statement of Changes in Fiduciary Net Position*  
*Fiduciary Funds*  
*For the Year Ended December 31, 2023*

	Custodial
<b>Additions</b>	
Licenses, Permits & Fees for Other Governments	\$ 3,928
Fines & Forfeitures for Other Governments	2,389,903
Collections for Other Governments	6,051,575
<i>Total Additions</i>	8,445,406
 <b>Deductions</b>	
Licenses, Permits & Fees Distributions to Other Governments	3,928
Fines & Forfeitures Distributions to Other Governments	2,389,903
Distributions to Other Governments	6,051,575
<i>Total Deductions</i>	8,445,406
 <i>Change in Net Position</i>	 -
 <i>Net Position Beginning of Year</i>	 -
 <i>Net Position End of Year</i>	 \$ -

See accompanying notes to the basic financial statements.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**NOTE 1 - DESCRIPTION OF THE CITY AND THE REPORTING ENTITY**

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

**The Reporting Entity**

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

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

**Jointly Governed Organizations**

The City participates in several jointly governed organizations, A jointly governed organization is managed by representatives from each of the governments that create the organization, but there is no ongoing financial interest or responsibility on the part of the participating governments. Those organizations are as follows:

*Southwest Council of Governments*

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

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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EMS. The Council's financial statements may be obtained by contacting the Southwest Council of Governments, Eric Dean, Fiscal Officer, 16099 Foltz Parkway, Strongsville, Ohio 44149.

*Southwest Regional Communications*

The Southwest Regional Communications organization is a jointly-governed organization between the City and seven other communities. Formed as a Regional Council of Governments as permitted under Ohio Revised Code Section 167.01, the intent of the organization is to establish, own, operate, maintain, and administer, a regional communications network for public safety and public service purposes for the mutual benefit of the participating communities. This organization is controlled by a governing body consisting of each participating community's mayor or his/her delegate or representative. The degree of control exercised by any member is limited to its representation on the governing board.

All members agree to contribute the sums of money on a shared basis as agreed per the requirements set forth in the Articles of Understanding. In accordance with GASB Statement No. 14 and amended by GASB Statement No. 61, the City does not have an equity interest in the organization. Financial information may be obtained by contacting Martin S. Healy, 17401 Holland Road, Brook Park, Ohio 44142, or by email at [healyswcc@gmail.com](mailto:healyswcc@gmail.com).

*Southwest General Health Center*

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

The Health Center is governed by a Board of Trustees consisting of the following: one member of the legislative body from each of the political subdivisions, one resident from each of the political subdivisions who is not a member of the legislative body, three persons who are residents of any of the participating political subdivisions, the president and the executive vice president of the corporations, and the president and the vice president of the medical staff. The legislative body of each political subdivision elects their own member to serve on the Board of Trustees of the Health Center. The Board exercises total control over the operation of the Health Center including budgeting, appropriating, contracting and designating management. Each City's control is limited to its representation on the Board. The Southwest General Hospital special revenue fund accounts for property tax resources that are distributed to the Health Center.

*Woodvale Union Cemetery*

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

The Cemetery is governed by a joint council consisting of the council members from both member communities. The joint council elects and appoints the members of the Board of Trustees. The members of the Board of Trustees consist of the following: one elected member of the legislative body from each of

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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the political subdivisions, and one appointed resident from either of the political subdivisions who is not a member of the legislative body.

The joint council exercises control over the operation of the Cemetery through budgeting, appropriating, and contracting. The Board of Trustees control daily operations of the Cemetery. Each city's control is limited to its representation on the Joint Council. In 2023, the City of Berea contributed \$52,398 for operating expenses to the Cemetery.

*Northeast Ohio Public Energy Council*

The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity. NOPEC is currently comprised of over 240 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time ensuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. Financial information can be obtained by contacting Ron McVoy, the Board Chairman, at 175 South Main Street, Akron, Ohio 44308 or at the website [www.nopecinfo.org](http://www.nopecinfo.org).

*Regional Income Tax Agency*

In 1971, 38 municipalities joined together to organize a Regional Council of Governments (RCOG) to administer tax collection and enforcement concerns facing member cities and villages. The first official act of the RCOG was to form the Regional Income Tax Agency (RITA) to administer the income tax ordinances of any Ohio municipality that joins the agency through the RCOG. Today, RITA serves as the income tax collection agency for over 380 municipalities throughout the State of Ohio. Financial information may be obtained by writing to RITA, 10107 Brecksville Road, Brecksville, Ohio 44141.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

The most significant of the City's accounting policies are described below.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Basis of Presentation**

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

***Government-wide Financial Statements*** - The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. Other interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

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

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

**Fund Accounting**

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

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



**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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*General Fund* - The general fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The general fund also accounts for the activities related to the municipal income tax levy collections passed by ordinance in November 1992. One-fourth of income tax revenues are collected in the municipal income tax fund and are designated for water, sewer, recreation, debt and capital expenditures. These funds cannot be spent for any other reason. The allocation (which may exclude any particular purpose mentioned in any one year) to the five areas is designated annually during the budgeting process approved by Council. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the Charter of the City of Berea and/or the general laws of Ohio.

*American Rescue Plan Act Fund* - The American Rescue Plan Act fund is used to provide local and state governments with economic resources to assist in the economic, public health and societal recovery from the COVID-19 pandemic.

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

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

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

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

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

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

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

*Internal Service Funds* - The internal service funds are used to account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis. The City's three internal service funds account for funds reserved to finance a self insurance program for hospitalization benefits and a self insurance program for property and liability losses and to account for the payment of worker's compensation insurance.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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***Fiduciary Funds*** - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City's only fiduciary funds are custodial funds that account for regional sewer collections, collection of fines for the law library, Ohio Board of Building Standards fees, municipal court collections for the Metropark and municipal court collections.

**Measurement Focus**

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

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

Like the government-wide statements, all proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. The statement of revenues, expenses and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows for proprietary funds provide information about how the City finances and meets the cash flow needs of the proprietary activities.

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

**Basis of Accounting**

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

**Deferred Outflows/Inflows of Resources** In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB are explained in Notes 9 and 10.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, leases, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2023, but which were levied to finance 2024 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue may include delinquent property taxes, income taxes, intergovernmental grants, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the reconciliation of governmental fund balances to net position of governmental activities. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position. (See Notes 9 and 10)

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Cash and Investments**

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

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

During 2023, the City invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

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

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution, the Ohio Revised Code and the Berea Municipal Code. Interest in the general fund during 2023 amounted to \$593,705, which includes \$467,844 assigned from other City funds. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements.

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

**Material & Supplies Inventory**

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

**Assets Held for Resale**

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Capital Assets**

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. Intangible assets are recorded at cost. The City maintains a capitalization threshold of \$5,000. The City's infrastructure consists of roads, storm sewers, sanitary sewers, water lines, bridges, traffic signals, and sidewalks and includes infrastructure acquired prior to December 31, 1980. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All capital assets are depreciated except for land, intangibles and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement.

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

	<u>Years</u>
Land Improvements	10 - 50
Buildings	40
Building Improvements	7 - 50
Machinery and Equipment	2 - 20
Furniture and Fixtures	7 - 10
Vehicles	3 - 20
Infrastructure	10 - 50

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

**Interfund Balances**

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Due to/Due from Other Funds."

**Compensated Absences**

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

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

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

**Pensions and Other Postemployment Benefits (OPEB)**

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

**Accrued Liabilities and Long-term Obligations**

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

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

**Fund Balance**

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

*Nonspendable* – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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proceeds from the collection of those receivables or from the sale of those properties is restricted, committed or assigned.

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

*Committed* – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance or resolution, as both are equally binding) of City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance or resolution, as both are equally binding) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the 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 the City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is 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. State statute authorizes the Finance Director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

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

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

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Net Position**

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted for other purposes is primarily made up of restrictions for guarantee deposits and contract retainers. At December 31, 2023, there was no net position restricted by enabling legislation.

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

**Operating Revenues and Expenses**

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

**Contributions of Capital**

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

**Interfund Activity**

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds.

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



**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither of these occurred in 2023.

**Estimates**

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

**Budgetary Data**

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Director of Finance. The amounts reported as the original budgeted amounts on the budgetary statement reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statement reflect the amounts on the final amended certificate of estimated resources issued during 2023.

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

**Implementation of New Accounting Principles**

For the year ended December 31, 2023, the City has implemented GASB Statement No. 93, paragraphs 13 and 14, *Replacement of Interbank Offered Rates*, GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Available Payment Arrangements*, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and certain provisions of GASB Statement No. 99, Omnibus 2022.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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GASB Statement No. 93, paragraphs 13 and 14, provide an exception to the lease modifications guidance in GASB Statement No. 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend. The implementation of GASB Statement No. 93 paragraphs 13 and 14, did not have an effect on the financial statements of the City.

GASB Statement No. 94 improves financial reporting by establishing the definitions of public-private and public-public partnership arrangements and availability payment arrangements as well as provides uniform guidance on accounting and financial reporting for transactions that meet the definitions. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the City.

GASB Statement No. 96 improves financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. The statement also enhances the relevance and reliability of the financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and discloses essential information about the arrangement. The note disclosures also allow the users to understand the scale and important aspects of the SBITA activities and evaluate the obligations and assets resulting from the SBITAs. The implementation of GASB Statement No. 96 did not have an effect on the financial statements of the City.

GASB Statement No. 99 enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of certain provisions of GASB Statement No. 99 that relate to extension of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, and pledges of future revenues by pledging governments, did not have an effect on the financial statements of the City.

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**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

**NOTE 3 – FUND BALANCE**

Fund balance can be classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in governmental funds.

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

	General	American Rescue Plan Act	General Bond Retirement	General Capital Improvement	Other Governmental Funds	Total
<b>Nonspendable for:</b>						
Inventory	\$ -	\$ -	\$ -	\$ -	\$ 255,176	\$ 255,176
Unclaimed Monies	56,007	-	-	-	-	56,007
<b>Total Nonspendable</b>	<b>56,007</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>255,176</b>	<b>311,183</b>
<b>Restricted for:</b>						
Bond Retirement	-	-	1,129,343	-	-	1,129,343
Street Repair and Improvement	-	-	-	-	248,019	248,019
Retainers and Deposits	-	-	-	-	532,444	532,444
Security Operations and Programs	-	-	-	-	50,739	50,739
Street Lighting	-	-	-	-	583,139	583,139
Community Improvement	-	-	-	-	60,885	60,885
Drug and Alcohol Programs	-	-	-	-	500,759	500,759
Court Operations and Capital Outlay	-	-	-	-	565,410	565,410
<b>Total Restricted</b>	<b>-</b>	<b>-</b>	<b>1,129,343</b>	<b>-</b>	<b>2,541,395</b>	<b>3,670,738</b>
<b>Committed for:</b>						
Retirements	1,252,215	-	-	-	-	1,252,215
Income Tax	443,194	-	-	-	-	443,194
Recreational Programs	-	-	-	-	25,939	25,939
Security Operations and Programs	-	-	-	-	59,038	59,038
Court Operations and Capital Outlay	117,351	-	-	-	-	117,351
General Capital Improvement	-	-	-	1,375,392	-	1,375,392
Safety Equipment	-	-	-	-	394,195	394,195
Recreation Capital Improvement	-	-	-	-	15,919	15,919
Neighborhood Capital Improvement	-	-	-	-	21,243	21,243
<b>Total Committed</b>	<b>1,812,760</b>	<b>-</b>	<b>-</b>	<b>1,375,392</b>	<b>516,334</b>	<b>3,704,486</b>
<b>Assigned for:</b>						
General Government	9,910	-	-	-	-	9,910
Public Safety	3,280	-	-	-	-	3,280
Subsequent Year Appropriations	442,437	-	-	-	-	442,437
<b>Total Assigned</b>	<b>455,627</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>455,627</b>
Unassigned	5,202,109	-	-	-	-	5,202,109
<b>Total Fund Balance</b>	<b>\$ 7,526,503</b>	<b>\$ -</b>	<b>\$ 1,129,343</b>	<b>\$ 1,375,392</b>	<b>\$ 3,312,905</b>	<b>\$ 13,344,143</b>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

**NOTE 4 - BUDGETARY BASIS OF ACCOUNTING**

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

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than a restriction, commitment or assignment of fund balance (GAAP).
4. Some funds are included in the general fund (GAAP), but have separate legally adopted budgets (budget).

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

**Net Change in Fund Balance**

	General Fund	American Rescue Plan Act Fund
GAAP Basis	\$ 155,613	\$ -
Net Adjustment for Revenue Accruals	(46,676)	(110,027)
Net Adjustment for Expenditure Accruals	7,724	-
Funds Budgeted Elsewhere **	(26,794)	-
Adjustment for Encumbrances	(110,103)	-
Budget Basis	\$ (20,236)	\$ (110,027)

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**NOTE 5 - DEPOSITS AND INVESTMENTS**

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

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

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

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

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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5. No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
6. The State Treasurer’s investment pool (STAR Ohio);
7. Certain banker’s acceptances and commercial paper notes in an amount not to exceed 40 percent of the interim monies available for investment at any one time and for a period not to exceed one hundred eighty days and two hundred seventy days, respectively; and,
8. Under limited circumstances, corporate note interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

***Cash on Hand*** - At December 31, 2023 the City had \$11,575 in undeposited cash on hand, which is included as part of “Equity in Pooled Cash and Investments.”

***Deposits*** - At year-end, \$2,280,309 of the City’s bank balance of \$3,120,955 was uninsured but collateralized. Although the securities were held by the pledging financial institutions’ trust department in the City’s name and all statutory requirements for the investment of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

***Custodial Credit Risk*** Custodial credit risk for deposits is the risk that in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in possession of an outside party.

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

- Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or
- Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS required the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

**Segregated Cash** - The municipal court bond fund and health insurance accounts are maintained separately from the City’s deposits. The carrying amount of the deposits are reported as “Cash in Segregated Accounts” and “Cash and Cash Equivalents in Segregated Accounts,” respectively.

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

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

S&P Global Ratings	Investment	Measurement Amount	Investment Maturities in Months			% Total
			0-12	13-36	Over 36	
	Net Asset Value (NAV):					
AAAm	STAR Ohio	\$ 8,255,608	\$ 8,255,608	\$ -	\$ -	67.36%
	Fair Value:					
***	Negotiable Certificates of Deposit	4,000,367	1,325,739	1,948,878	725,750	32.64%
		<u>\$ 12,255,975</u>	<u>\$ 9,581,347</u>	<u>\$ 1,948,878</u>	<u>\$ 725,750</u>	<u>100.0%</u>

\*\*\* Fully insured under FDIC

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the City’s recurring fair value measurements as of December 31, 2023. The City’s fair value investments are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data (Level 2 inputs).

**Interest Rate Risk** - As a means of limiting its exposure to fair value of losses caused by rising interest rates, the City’s investment policy requires that operating funds be invested primarily in short-term investments maturing within 5 years from the date of purchase, and that the City’s investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

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

STAR Ohio is an investment pool operated by the Ohio State Treasurer. It is unclassified since it is not evidenced by securities that exist in physical or book entry form. Ohio law requires STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAR Ohio as of December 31, 2023, is 46 days.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

**NOTE 6 – RECEIVABLES**

Receivables at December 31, 2023 consisted of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements and shared revenues, leases, special assessments, loans, due from other funds and accounts (billings for utility service). No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant.

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

**Income Taxes**

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

The City, by ordinance, allocates income tax revenues and expenditures for collecting, administering, and enforcing the tax to the general fund (75 percent) and to the municipal income tax fund (25 percent). The income tax revenues collected in the municipal income tax fund are designated for water, sewer, recreation, debt, and capital expenditures. The funds cannot be spent for any other reason. The allocation to the four areas is designated annually during the budgetary process approved by Council. The municipal income tax fund has been combined with the general fund for GAAP and budgetary-basis for reporting purposes. On the accrual basis, income tax revenue was \$19,618,278 in the governmental activities. At year end, the municipal income tax fund had \$443,194 in committed funds, for financial statement purposes, that will be allocated to other funds as approved by the municipal income tax levy.

**Property Taxes**

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

2023 real property taxes were levied after October 1, 2023 on the assessed value as of January 1, 2023, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2023 real property taxes are collected in and intended to finance 2024.

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.



**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2023 public utility property taxes which became a lien December 31, 2022, are levied after October 1, 2023, and are collected in 2024 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2023, was \$16.80 per \$1,000 of assessed valuation. The assessed values upon which 2023 property tax receipts were based are as follows:

Category	Assessed Value
Real Property	\$ 479,570,390
Public Utilities - Personal	15,978,810
Total	\$ 495,549,200

The County Fiscal Officer collects property taxes on behalf of all taxing districts within the County, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2023, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2023 operations is offset to deferred inflows of resources – property taxes levied for the next year. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

**Loans Receivable**

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

As of December 31, 2023, there is a long-term OPWC loan payable by the City in the amount of \$1,140,539 (See Note 12). A corresponding long-term loan receivable has been reported in the City's financial statements in the amount of \$805,029, which represents the combined amount owed by the City of Middleburg Heights and the City of Brook Park to the City. These loans are classified as loans receivable on the balance sheet, considered collectible in full, and are expected to be collected in more than one year.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

A summary of future payments to be received is as follows:

	Governmental Activities
2024	\$ 73,184
2025	73,184
2026	73,184
2027	73,184
2028	73,184
2029-2033	365,925
2034	73,184
Total	\$ 805,029

**Lease Receivable**

In December 2023, the City entered into an amended lease agreement with T-Mobile Central LLC for permission to use a cell tower at 124 Lincoln Street. The annual rent payable under the lease, per annum, varies with 15 percent increases every five years. The City is reporting a lease receivable in the governmental-type funds. This amount represents the discounted future lease payments. This discount is being amortized using the interest method. Payments are made monthly. Interest revenue for the lease during the year was \$5,815.

A summary of future payments to be received is as follows:

	Governmental Activities	
	Principal	Interest
2024	\$ 10,706	\$ 32,839
2025	11,096	32,450
2026	11,500	32,046
2027	11,918	31,627
2028	12,352	31,194
2029-2033	104,546	145,841
2034-2038	166,069	121,877
2039-2043	245,790	85,347
2044-2048	348,197	32,611
Total	\$ 922,174	\$ 545,832

**NOTE 7 - INTERFUND BALANCES AND TRANSFERS**

**Interfund Balances**

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

**Interfund Receivables/Payables**

The account balances reported in the fund financial statements for “due from other funds” and “due to other funds” as of December 31, 2023 include \$24,211 due to the capital improvement fund from the CDBG fund to reimburse for project costs.

**Interfund Transfers**

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

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

Fund	Amount
Recreation Fund	\$ 1,350,000
General Capital Improvement Fund	1,905,000
Safety Capital Improvement Fund	275,000
Recreation Capital Improvement Fund	80,000
Neighborhood Capital Improvement Fund	785,000
Water Revenue Fund	350,000
Sewer Revenue Fund	400,000
Total	\$ 5,145,000

In addition, the general fund transferred \$175,000 to the street maintenance and repair fund, \$150,000 to the fire pension fund, \$150,000 to the police pension fund, \$300,000 to the capital improvement fund and \$100,000 to the neighborhood improvement fund. The general bond retirement fund transferred \$5,000 to the water revenue fund to pay debt issues relating to water improvements. The City has a voted debt levy that can be used for any type of debt. The water revenue fund transferred \$20,296 to the sewer revenue fund to pay debt issues related to water improvements.

In 2023, the internal transfers between entity-wide activities included cash transfers of \$755,000 from governmental activities to business-type activities.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

**NOTE 8 - CAPITAL ASSETS**

A summary of changes in capital assets during 2023 follows:

	Balance 1/1/23	Additions	Reductions	Balance 12/31/23
<b>Governmental Activities</b>				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$ 12,370,511	\$ 98,702	\$ -	\$ 12,469,213
Intangible Right of Way	2,183,636	-	-	2,183,636
Construction in Progress	1,090,662	1,370,804	(2,217,128)	244,338
<i>Total Capital Assets Not Being Depreciated</i>	<u>15,644,809</u>	<u>1,469,506</u>	<u>(2,217,128)</u>	<u>14,897,187</u>
<i>Capital Assets Being Depreciated</i>				
Land Improvements	22,400,589	314,585	-	22,715,174
Buildings	14,525,873	-	-	14,525,873
Building Improvements	40,063,550	3,221,904	(89,611)	43,195,843
Machinery and Equipment	6,788,494	111,572	(33,276)	6,866,790
Furniture and Fixtures	1,860,208	-	-	1,860,208
Vehicles	4,798,961	584,214	(70,992)	5,312,183
Infrastructure:				
Bridges	11,435,911	-	-	11,435,911
Roads	60,409,768	3,457,984	(730,952)	63,136,800
Sidewalks	1,793,411	-	(29,684)	1,763,727
Traffic Signals	4,238,674	-	-	4,238,674
<i>Total Capital Assets Being Depreciated</i>	<u>168,315,439</u>	<u>7,690,259</u>	<u>(954,515)</u>	<u>175,051,183</u>
<i>Accumulated Depreciation</i>				
Land Improvements	(10,393,375)	(1,110,844)	-	(11,504,219)
Buildings	(11,262,140)	(338,082)	-	(11,600,222)
Building Improvements	(17,553,155)	(1,542,294)	89,611	(19,005,838)
Machinery and Equipment	(6,036,671)	(208,020)	33,276	(6,211,415)
Furniture and Fixtures	(1,781,301)	(26,651)	-	(1,807,952)
Vehicles	(3,110,328)	(436,275)	70,992	(3,475,611)
Infrastructure:				
Bridges	(5,532,133)	(420,898)	-	(5,953,031)
Roads	(41,021,226)	(3,080,541)	730,952	(43,370,815)
Sidewalks	(1,395,231)	(84,530)	29,684	(1,450,077)
Traffic Signals	(2,016,665)	(141,289)	-	(2,157,954)
<i>Total Accumulated Depreciation</i>	<u>(100,102,225)</u>	<u>(7,389,424)</u>	<u>954,515</u>	<u>(106,537,134)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>68,213,214</u>	<u>300,835</u>	<u>-</u>	<u>68,514,049</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$ 83,858,023</u>	<u>\$ 1,770,341</u>	<u>\$ (2,217,128)</u>	<u>\$ 83,411,236</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

	Balance 1/1/23	Additions	Reductions	Balance 12/31/23
<b>Business-Type Activities</b>				
<i>Capital Assets Not Being Depreciated/Amortized</i>				
Land	\$ 93,181	\$ -	\$ -	\$ 93,181
Intangible Right of Way	1,154,237	-	-	1,154,237
Construction in Progress	1,312,414	1,594,800	(2,698,900)	208,314
<i>Total Capital Assets Not Being Depreciated/Amortized</i>	<u>2,559,832</u>	<u>1,594,800</u>	<u>(2,698,900)</u>	<u>1,455,732</u>
<i>Capital Assets Being Depreciated/Amortized</i>				
Land Improvements	995,301	-	-	995,301
Buildings	4,941,378	-	-	4,941,378
Building Improvements	2,382,086	85,514	-	2,467,600
Machinery and Equipment	5,671,216	54,140	(23,920)	5,701,436
Furniture and Fixtures	49,252	-	-	49,252
Vehicles	187,973	-	-	187,973
Infrastructure:				
Water Lines	14,656,258	1,268,442	(260,460)	15,664,240
Storm Sewers	17,530,029	817,183	(12,401)	18,334,811
Sanitary Sewers	14,751,206	613,274	(191,366)	15,173,114
Intangible Right-to-Use Equipment	-	477,550	-	477,550
<i>Total Capital Assets Being Depreciated/Amortized</i>	<u>61,164,699</u>	<u>3,316,103</u>	<u>(488,147)</u>	<u>63,992,655</u>
<i>Accumulated Depreciation/Amortization</i>				
Land Improvements	(973,630)	(2,386)	-	(976,016)
Buildings	(3,248,739)	(120,112)	-	(3,368,851)
Building Improvements	(1,300,278)	(102,631)	-	(1,402,909)
Machinery and Equipment	(4,234,984)	(152,205)	23,920	(4,363,269)
Furniture and Fixtures	(49,252)	-	-	(49,252)
Vehicles	(185,483)	(2,490)	-	(187,973)
Infrastructure:				
Water Lines	(4,767,630)	(500,291)	260,460	(5,007,461)
Storm Sewers	(6,929,297)	(434,490)	12,401	(7,351,386)
Sanitary Sewers	(4,662,796)	(427,986)	191,366	(4,899,416)
Intangible Right-to-Use Equipment	-	(7,959)	-	(7,959)
<i>Total Accumulated Depreciation/Amortization</i>	<u>(26,352,089)</u>	<u>(1,750,550)</u>	<u>488,147</u>	<u>(27,614,492)</u>
<i>Total Capital Assets Being Depreciated/Amortized, Net</i>	<u>34,812,610</u>	<u>1,565,553</u>	<u>-</u>	<u>36,378,163</u>
<b>Business-Type Activities Capital Assets, Net</b>	<u>\$37,372,442</u>	<u>\$ 3,160,353</u>	<u>\$ (2,698,900)</u>	<u>\$37,833,895</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

Depreciation expense was charged to governmental activities as follows:

	<u>Depreciation</u>
Security of Persons and Property	\$ 438,899
Leisure Time Services	2,277,553
Public Works	13,885
Transportation	3,616,263
General Government	1,042,824
Total Depreciation Expense	\$ 7,389,424

**NOTE 9 - DEFINED BENEFIT PENSION PLANS**

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

***Net Pension Liability/Net OPEB Liability (Asset)***

Pensions and OPEB are a component of exchange transactions – between an employer and its employees — of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period.

The net pension/OPEB liability (asset) 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 the liability to annually required payments. The City cannot control benefit terms or the manner in which pensions/OPEB are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including pension and OPEB.

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

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

The remainder of this note includes the pension disclosures. See Note 10 for the OPEB disclosures.

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

Plan Description – City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan. Substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests upon receipt of the initial benefit payment.

When a benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

	<u>State and Local</u>
<b>2023 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee	10.0 %
<b>2023 Actual Contribution Rates</b>	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	<u>0.0</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>



**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$977,571 for 2023. Of this amount, \$112,156 is reported as an intergovernmental payable.

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

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

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

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

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

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

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

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.0 percent or the percentage

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

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

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

	Police	Firefighters
<b>2023 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
 <b>2023 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OP&F was \$1,146,027 for 2023.

In addition to current contributions, the City pays installments on a specific liability the City incurred when the State of Ohio established the statewide pension system for police and fire fighter in 1967. As of December 31, 2023, the specific liability of the City was \$133,082 payable in semi-annual payments through the year 2035.

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

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

	OPERS	OP&F	Total
Proportion of the Net Pension Liability:			
Current Measurement Period	0.043372%	0.2011642%	
Prior Measurement Period	0.044960%	0.2026613%	
Change in Proportion	<u>-0.001588%</u>	<u>-0.0014971%</u>	
Proportionate Share of the Net			
Pension Liability	\$ 12,812,108	\$ 19,108,649	\$ 31,920,757
Pension Expense	\$ 1,610,200	\$ 2,246,540	\$ 3,856,740

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in pension expense beginning in the current period, using a straight line method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five year period. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS	OP&F	Total
<b>Deferred Outflows of Resources</b>			
Net Difference between Projected and Actual			
Earnings on Pension Plan Investments	\$ 3,651,852	\$ 2,781,982	\$ 6,433,834
Differences between Expected and			
Actual Experience	425,565	286,619	712,184
Changes of Assumptions	135,350	1,723,534	1,858,884
Changes in Proportionate Share and			
Differences in Contributions	37,196	14,793	51,989
City Contributions Subsequent			
to the Measurement Date	<u>977,571</u>	<u>1,146,027</u>	<u>2,123,598</u>
Total Deferred Outflows of Resources	<u>\$ 5,227,534</u>	<u>\$ 5,952,955</u>	<u>\$ 11,180,489</u>
<b>Deferred Inflows of Resources</b>			
Differences between Expected and			
Actual Experience	\$ -	\$ 435,352	\$ 435,352
Changes of Assumptions	-	372,614	372,614
Changes in Proportionate Share and			
Differences in Contributions	<u>167,676</u>	<u>339,374</u>	<u>507,050</u>
Total Deferred Inflows of Resources	<u>\$ 167,676</u>	<u>\$ 1,147,340</u>	<u>\$ 1,315,016</u>

\$2,123,598 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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

Year Ending December 31:	OPERS	OP&F	Total
2024	\$ 419,470	\$ 311,831	\$ 731,301
2025	798,966	869,582	1,668,548
2026	1,074,917	988,129	2,063,046
2027	1,788,934	1,544,519	3,333,453
2028	-	(54,473)	(54,473)
Total	<u>\$ 4,082,287</u>	<u>\$ 3,659,588</u>	<u>\$ 7,741,875</u>

***Actuarial Assumptions – OPERS***

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following key actuarial assumptions and methods applied to all periods included in the measurement in accordance with the requirements of GASB 67:

	<u>OPERS Traditional Plan</u>
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.00 percent, simple
Post-January 7, 2013 Retirees	3.00 percent, simple through 2023, then 2.05 percent, simple
Investment Rate of Return	6.90 percent
Actuarial Cost Method	Individual Entry Age

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

The most recent experience study was completed for the five-year period ended December 31, 2020.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 12.10 percent for 2022.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Geometric)</u>
Fixed Income	22.00%	2.62%
Domestic Equities	22.00	4.60
Real Estate	13.00	3.27
Private Equity	15.00	7.53
International Equities	21.00	5.51
Risk Parity	2.00	4.37
Other investments	5.00	3.27
Total	<u>100.00%</u>	

**Discount Rate** The discount rate used to measure the total pension liability for the current year was 6.9 percent. The discount rate for the prior year was 7.2 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net Pension Liability	\$ 19,192,110	\$ 12,812,108	\$ 7,505,091

***Actuarial Assumptions – OP&F***

OP&F's total pension liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered are: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2022, are presented below.

Valuation Date	January 1, 2022, with actuarial liabilities rolled forward to December 31, 2022
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.50 percent
Projected Salary Increases	3.75 percent to 10.50 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of Inflation rate of 2.75 percent plus productivity increase rate of 0.50 percent
Cost of Living Adjustments	2.20 percent simple per year

For 2022, the mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted to 96.20 percent for males and 98.70 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

For 2022, mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

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

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

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

For 2021, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

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

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

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

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	18.60 %	4.80 %
Non-US Equity	12.40	5.50
Private Markets	10.00	7.90
Core Fixed Income *	25.00	2.50
High Yield Fixed Income	7.00	4.40
Private Credit	5.00	5.90
U.S. Inflation Linked Bonds*	15.00	2.00
Midstream Energy Infrastructure	5.00	5.90
Real Assets	8.00	5.90
Gold	5.00	3.60
Private Real Estate	12.00	5.30
Commodities	2.00	3.60
Total	<u>125.00 %</u>	

Note: Assumptions are geometric.

\* levered 2.5x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** The total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return of 7.50 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact, the following table presents the net pension liability calculated using the discount rate of 7.50 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net Pension Liability	\$ 25,207,995	\$ 19,108,649	\$ 14,038,262



**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**NOTE 10 - DEFINED BENEFIT OPEB PLANS**

***Net OPEB Liability***

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

***Ohio Public Employees Retirement System (OPERS)***

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. Substantially all employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care. Medicare-enrolled retirees may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees, and are no longer participating in OPERS provided self-insured group plans.

With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

OPERS members retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

**Medicare Retirees** Medicare-eligible with a minimum of 20 years of qualifying service credit

**Non-Medicare Retirees** Non-Medicare retirees qualify based on the following age-and-service criteria:

***Group A*** 30 years of qualifying service credit at any age;

***Group B*** 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

***Group C*** 32 years of qualifying service credit and minimum age 55; or,

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit.

Retirees who don't meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

Members with a retirement date prior to January 1, 2022, who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022.

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50 percent of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

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

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

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

---

contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members. 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. The City's contractually required contribution was \$0 for 2023.

***Ohio Police & Fire Pension Fund (OP&F)***

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

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

Regardless of a benefit recipient's participation in the health care program, OP&F is required by law to pay eligible recipients of a service pension, disability benefit and spousal survivor benefit for their Medicare Part B insurance premium, up to the statutory maximum provided the benefit recipient is not eligible to receive reimbursement from any other source. Once OP&F receives the necessary documentation, a monthly reimbursement is included as part of the recipient's next benefit payment. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

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

The Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2023, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

The City's contractually required contribution to OP&F was \$27,153 for 2023. Of this amount, \$3,380 is reported as an intergovernmental payable.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2022, and was determined by rolling forward the total OPEB liability as of January 1, 2022, to December 31, 2022. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS	OP&F	Total
Proportion of the Net OPEB Liability:			
Current Measurement Period	0.041276%	0.2011642%	
Prior Measurement Period	0.042895%	0.2026613%	
Change in Proportion	-0.001619%	-0.0014971%	
Proportionate Share of the Net			
OPEB Liability	\$ 260,253	\$ 1,432,231	\$ 1,692,484
OPEB Expense	\$ (612,508)	\$ 41,338	\$ (571,170)

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

	OPERS	OP&F	Total
<b>Deferred Outflows of Resources</b>			
Net Difference between Projected and Actual			
Earnings on OPEB Plan Investments	\$ 516,871	\$ 122,843	\$ 639,714
Differences between Expected and			
Actual Experience	-	85,467	85,467
Changes of Assumptions	254,195	713,748	967,943
Changes in Proportionate Share and			
Differences in Contributions	5,604	65,808	71,412
City Contributions Subsequent			
to the Measurement Date	-	27,153	27,153
Total Deferred Outflows of Resources	<u>\$ 776,670</u>	<u>\$ 1,015,019</u>	<u>\$ 1,791,689</u>
<b>Deferred Inflows of Resources</b>			
Differences between Expected and			
Actual Experience	\$ 64,918	\$ 282,410	\$ 347,328
Changes of Assumptions	20,917	1,171,447	1,192,364
Changes in Proportionate Share and			
Differences in Contributions	1,038	225,526	226,564
Total Deferred Inflows of Resources	<u>\$ 86,873</u>	<u>\$ 1,679,383</u>	<u>\$ 1,766,256</u>

\$27,153 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction/addition of the net OPEB liability in 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2024	\$ 90,298	\$ (97,687)	\$ (7,389)
2025	188,632	(70,950)	117,682
2026	161,176	(65,357)	95,819
2027	249,691	(39,588)	210,103
2028	-	(126,134)	(126,134)
Thereafter	-	(291,801)	(291,801)
Total	<u>\$ 689,797</u>	<u>\$ (691,517)</u>	<u>\$ (1,720)</u>

***Actuarial Assumptions – OPERS***

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

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Wage Inflation	2.75 percent	2.75 percent
Projected Salary Increases,	2.75 to 10.75 percent	2.75 to 10.75 percent
	including wage inflation	including wage inflation
Single Discount Rate	5.22 percent	6.00 percent
Investment Rate of Return	6.00 percent	6.00 percent
Municipal Bond Rate	4.05 percent	1.84 percent
Health Care Cost Trend Rate	5.50 percent, initial	5.50 percent, initial
	3.50 percent, ultimate in 2036	3.50 percent, ultimate in 2034
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

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

The most recent experience study was completed for the five-year period ended December 31, 2020.

During 2022, 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 eligible members. Within the Health Care portfolio, if any contributions are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 15.6 percent for 2022.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00%	2.56%
Domestic Equities	26.00	4.60
Real Estate Investment Trust	7.00	4.70
International Equities	25.00	5.51
Risk Parity	2.00	4.37
Other Investments	6.00	1.84
Total	100.00%	

**Discount Rate** A single discount rate of 5.22 percent was used to measure the OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6 percent. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 4.05 percent (Fidelity Index’s “20-Year Municipal GO AA Index”). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

**Sensitivity of the City’s Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate** The following table presents the City’s proportionate share of the net OPEB liability calculated using the single discount rate of 5.22 percent, as well as what the City’s proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (4.22 percent) or one-percentage-point higher (6.22 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net OPEB Liability (Asset)	\$ 885,783	\$ 260,253	\$ (255,911)

**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 or asset. The following table presents the net liability or asset calculated using the assumed trend rates, and the expected net OPEB liability or asset if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Trend Rate	1% Increase
City's Proportionate Share of the Net OPEB Liability	\$ 243,941	\$ 260,253	\$ 278,613

***Actuarial Assumptions – OP&F***

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

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

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

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



**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

Valuation Date	January 1, 2022, with Actuarial Liabilities Rolled Forward to December 31, 2022
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.50 Percent
Projected Salary Increases	3.75 Percent to 10.50 Percent
Payroll Growth	3.25 Percent
Blended Discount Rate:	
Current Measurement Date	4.27 Percent
Prior Measurement Date	2.84 Percent
Cost of Living Adjustments	2.20 Percent Simple per Year
Projected Depletion Year of OPEB Assets	2036

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

For 2022, mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

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

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

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

For 2021, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

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

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	18.60 %	4.80 %
Non-US Equity	12.40	5.50
Private Markets	10.00	7.90
Core Fixed Income *	25.00	2.50
High Yield Fixed Income	7.00	4.40
Private Credit	5.00	5.90
U.S. Inflation Linked Bonds*	15.00	2.00
Midstream Energy Infrastructure	5.00	5.90
Real Assets	8.00	5.90
Gold	5.00	3.60
Private Real Estate	12.00	5.30
Commodities	2.00	3.60
	<u>125.00 %</u>	

Note: Assumptions are geometric.

\* levered 2.5x

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

**Discount Rate** For 2022, the total OPEB liability was calculated using the discount rate of 4.27 percent. For 2021, the total OPEB liability was calculated using the discount rate of 2.84 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 7.5 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, for 2022, the long-term assumed rate of return on investments of 7.50 percent was applied to periods before December 31, 2035, and the Municipal Bond Index Rate of 3.65 percent was applied to periods on and after December 31, 2035, resulting in a discount rate of 4.27 percent. For 2021, a municipal bond rate of 2.05 percent at

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

December 31, 2021, was blended with the long-term rate of 7.5 which resulted in a blended discount rate of 2.84. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate.

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate*** Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.27 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.27 percent), or one percentage point higher (5.27 percent) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net OPEB Liability	\$ 1,763,658	\$ 1,432,231	\$ 1,152,421

**NOTE 11 - COMPENSATED ABSENCES**

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

For all employees, except for service union laborers and firefighters, sick leave is earned at the rate of four and one sixteenths hours per bi-weekly pay period. Service union laborers and Water Plant union laborers earn sick leave at the rate of five hours per bi-weekly pay period for 40 hour work week employees, and sick leave is earned at the rate of four and thirty-one tenths hours per bi-weekly pay period for 37.5 hour work week employees. Firefighters earn sick leave at the rate of 24 hours, which equals one tour of duty, per month. Each employee with 10 - 20 years of service with the City is paid for one-third of the employee's earned unused sick leave, not to exceed 360 hours, or 17 tours of duty for firefighters, upon separation from the City. Each employee with 20 or more years of service with the City is paid for one-third of the employee's full balance of earned unused sick leave, limited to 63 tours for firefighters, and 1,512 hours for the Fire Chief and Assistant Fire Chief, upon separation from the City. Payments upon retirement for union employees will be paid over three years. The full balance may be transferred to another governmental agency if not taken upon separation.

Firefighters with 20 or more years of service with the City may elect to sell back up to 12 tours of duty of accumulated sick leave in any one calendar year. Firefighters will be paid at their current pay rate multiplied by one-third of the total number sick leave hours sold back. Service union laborers with 20 or more years of service with the City may elect to sell back up to 128 hours of accumulated sick leave in any one calendar year. Service union laborers will be paid at their current pay rate multiplied by one-third of the total number sick leave hours sold back.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

**NOTE 12 - LONG-TERM OBLIGATIONS**

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

	Original Issue Date	Maturity Date	Interest Rate	Original Issue Amount
<b>General Obligation Bonds</b>				
2015 Various Purpose Bonds	2015	2035	2.00%-4.00%	6,870,000
2016 Various Purpose Refunding Bonds	2016	2026	4.00-4.25%	2,875,000
2020 Various Purpose Refunding Bonds	2020	2030	1.32%	1,860,000
2022 Various Purpose Refunding Bonds	2022	2033	1.98%	2,790,000
2023 Various Purpose Improvement Bonds	2023	2037	3.47%	7,330,000
2022 Revenue Bonds	2022	2035	3.58%	4,935,000
<b>OPWC Loans</b>				
Sewer - Rocky River Project	2005	2025	0.00%	370,069
Sewer - North End Pump Station	2007	2027	0.00%	710,000
Sewer - Westbridge Drive	2013	2045	0.00%	600,000
Sewer - Fair Street	2016	2037	0.00%	294,000
Sewer - Fair Street Phase 2	2018	2039	0.00%	161,411
Sewer - Kraft Street	2019	2041	0.00%	354,959
Sewer - Barberry, Woodlawn, Maple & Fourth	2023	2043	0.00%	134,220 *
Water - Beech Street	2011	2031	0.00%	102,500
Water - Fair Street	2016	2037	0.00%	73,500
Water - Fair Street Phase 2	2018	2039	0.00%	80,706
Water - Kraft Street	2019	2041	0.00%	305,265
Water - Barberry, Woodlawn, Maple & Fourth	2023	2043	0.00%	125,241 *
Governmental Activities - Eastland Road	2009	2029	0.00%	1,900,900
Governmental Activities - Westbridge Drive	2012	2032	0.00%	202,650
Governmental Activities - Fair Street	2016	2037	0.00%	367,500
Governmental Activities - West Center Street	2017	2039	0.00%	423,500
Governmental Activities - Fair Street Phase 2	2018	2039	0.00%	142,195
Governmental Activities - Kraft Street	2019	2041	0.00%	705,000
Governmental Activities - Barberry, Woodlawn, Maple & Fourth	2023	2043	0.00%	213,145 *
<b>OWDA Loans</b>				
Sewer - Sanitary Sewers	2004	2034	4.66%	1,200,000
Sewer - South Rocky River Sewers	2005	2036	3.75%	713,940
Sewer - Sewer Improvements	2008	2024	4.28%	345,251
Sewer - Beech Street Sewer	2011	2022	3.49%	123,902
Sewer - Hickory Drive Sewer Phase 2	2015	2035	2.91%	275,963
Sewer - Fair Street Reconstruction Phase 1	2017	2037	2.52%	364,014
Sewer - North End Sewer Rehabilitation	2020		1.93%	*

*(continued)*

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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	Original Issue Date	Maturity Date	Interest Rate	Original Issue Amount
<b>OWDA Loans</b>				
Water - Waterline Replacement	2006	2027	4.42%	\$ 1,156,254
Water - Waterline Replacement	2007	2038	4.17%	1,109,436
Water - WTP Improvement Phase 1	2007	2028	3.25%	1,930,593
Water - Waterline Improvements	2008	2038	4.78%	1,105,020
Water - WTP Improvement Phase 2	2009	2030	3.70%	3,802,756
Water - Water System Improvements	2011	2042	3.49%	915,008
Water - Water Meters	2016	2037	2.46%	1,710,056
Water - Fair Street Reconstruction Phase 1	2017	2037	2.52%	336,013
<b>Direct Financing with Pledged Assets</b>				
Governmental Activities - Equipment/Vehicles	2018	2025	2.84%	167,680
Governmental Activities - Police Cameras and Equipment	2020	2025	3.29%	223,040
Governmental Activities - Lifepak	2020	2024	1.36%	32,406
Governmental Activities - Dodge Ram	2021	2024	3.47%	14,511
Water - Various Equipment/Vehicles	2018	2025	2.84%	25,056

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

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**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

A schedule of changes in long-term obligations of the City during 2023 follows:

	Balance 1/1/23	Additions	Reductions	Balance 12/31/23	Due Within One Year
<b>Governmental Activities</b>					
<i>General Obligation Bonds:</i>					
2015 Various Purpose Bonds	\$ 4,805,000	\$ -	\$ (345,000)	\$ 4,460,000	\$ 355,000
2016 Refunding Bonds	595,000	-	(145,000)	450,000	145,000
2020 Refunding Bonds	1,420,000	-	(230,000)	1,190,000	235,000
2022 Refunding Bonds	2,490,000	-	(280,000)	2,210,000	215,000
2023 Various Purpose Bonds	-	7,330,000	(325,000)	7,005,000	340,000
<i>Total General Obligation Bonds</i>	<u>9,310,000</u>	<u>7,330,000</u>	<u>(1,325,000)</u>	<u>15,315,000</u>	<u>1,290,000</u>
<i>Revenue Bonds:</i>					
2022 Revenue Bonds	4,935,000	-	(380,000)	4,555,000	380,000
<i>Direct Placements:</i>					
<i>Bond Anticipation Notes</i>					
1.15% Various Improvement Notes	7,260,000	-	(7,260,000)	-	-
<i>Direct Borrowing:</i>					
OPWC Loans Payable	2,419,569	213,145	(167,777)	2,464,937	167,777
<i>Direct Financing:</i>					
2018 Equipment and Vehicles	75,898	-	(24,595)	51,303	25,293
2020 Police Cameras and Equipment	164,544	-	(53,082)	111,462	54,829
2020 Lifepak	13,105	-	(6,490)	6,615	6,615
2021 Vehicle	6,636	-	(4,948)	1,688	1,688
<i>Total Direct Financing</i>	<u>260,183</u>	<u>-</u>	<u>(89,115)</u>	<u>171,068</u>	<u>88,425</u>
<i>Other Long Term Obligations:</i>					
Net Pension Liability	15,868,701	13,873,998	-	29,742,699	-
Net OPEB Liability	2,221,342	-	(573,101)	1,648,241	-
Unamortized Bond Premiums	207,886	-	(17,324)	190,562	17,324
Compensated Absences	1,298,060	230,477	(170,430)	1,358,107	274,335
Police and Fire Pension Liability	141,937	-	(8,855)	133,082	9,090
<i>Total Other Long Term Obligations</i>	<u>19,737,926</u>	<u>14,104,475</u>	<u>(769,710)</u>	<u>33,072,691</u>	<u>300,749</u>
<b>Total Governmental Activities</b>	<u>\$ 43,922,678</u>	<u>\$ 21,647,620</u>	<u>\$ (9,991,602)</u>	<u>\$ 55,578,696</u>	<u>\$ 2,226,951</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

	Balance 1/1/2023	Additions	Reductions	Balance 12/31/2023	Due Within One Year
<b>Business-Type Activities</b>					
<i>General Obligation Bonds:</i>					
2015 Various Purpose Bonds	\$ 90,000	\$ -	\$ (5,000)	\$ 85,000	\$ 5,000
<i>Direct Borrowings:</i>					
OWDA Loans	8,217,046	-	(668,852)	7,548,194	685,912
OPWC Loans	2,050,141	259,461	(146,965)	2,162,637	146,965
Loan Payable	164,927	-	(19,404)	145,523	19,404
<i>Total Direct Borrowings</i>	<u>10,432,114</u>	<u>259,461</u>	<u>(835,221)</u>	<u>9,856,354</u>	<u>852,281</u>
<i>Direct Financing:</i>					
2018 Equipment and Vehicles	11,341	-	(3,675)	7,666	3,779
<i>Lease Payable:</i>					
Vehicle	-	477,550	-	477,550	84,521
<i>Other Long Term Obligations:</i>					
Net Pension Liability	704,106	1,473,952	-	2,178,058	-
Net OPEB Liability	-	44,243	-	44,243	-
Compensated Absences	66,440	62,437	(5,562)	123,315	29,542
<i>Total</i>	<u>770,546</u>	<u>1,580,632</u>	<u>(5,562)</u>	<u>2,345,616</u>	<u>29,542</u>
<b>Total Business-Type Activities</b>	<u>\$ 11,304,001</u>	<u>\$ 2,317,643</u>	<u>\$ (849,458)</u>	<u>\$ 12,772,186</u>	<u>\$ 975,123</u>

*General Obligation Bonds* - General obligations bonds are direct obligations of the City for which its full faith and credit are pledged for repayment. The general obligation bonds will be retired from the general bond retirement fund and water revenue fund. The general obligation bonds outstanding as of December 31, 2023 are to be repaid from both voted and unvoted property taxes levied on all taxable property located within the City, municipal income taxes, and transfers from the water revenue fund for exempt properties. Exempt properties include organizations exempt from taxation, such as colleges and churches, as well as property outside the City's jurisdiction who are provided water services from the City. The City assesses these exempt properties through a surcharge on their water bills to pay for the debt.

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

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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On November 12, 2020, the City issued current refunding general obligation bonds. The proceeds of the bonds were used to refund \$1,780,000 of the City's outstanding 2010 Various Purpose Bonds. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$220,711. The issuance resulted in an economic gain of \$210,073. As of December 31, 2023 \$1,180,000 of these bonds are considered defeased, (which mature on December 1, 2023 through December 1, 2030).

On March 16, 2022, the City issued refunding general obligation bonds. The proceeds of the bonds were used to refund \$2,750,000 of the City's outstanding 2013 Various Purpose Bonds. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$161,247. The issuance resulted in an economic gain of \$312,627. As of December 31, 2023 \$2,210,000 of these bonds are considered defeased, (which mature on December 1, 2023 through December 1, 2033).

On January 10, 2023 the City issued \$7,330,000 in Various Purpose General Obligation Bonds at an interest rate of 3.47 percent. These bonds will be used to retire existing bond anticipation notes and finance various improvement projects. The bonds will mature in 2037.

**Revenue Bonds** - On September 8, 2022, the City issued \$4,935,000 in Building Improvement Revenue Bonds with an interest rate of 3.58 percent maturing in 2035. These bonds will be used to retire existing bond anticipation notes and finance building improvements for the Cleveland Brown's organization.

The City has pledged future non-tax revenues to repay bond principal and interest of \$4,555,000 and \$1,059,852, respectively. Net available revenues of \$242,607 are available to repay principal and interest payments due in 2024.

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

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

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

The City has pledged future net customer revenue to repay \$7,548,194 and \$2,162,637 in OWDA and OPWC loans, respectively. Current year principal and interest payments, as a percentage of net customer revenues, on all OWDA and OPWC loans were 124 percent. The percentage is expected to decrease in the future as expansion projects begin operation in years to come. The total principal and interest remaining to be paid on all OWDA and OPWC loans is \$8,887,467 and \$2,162,637, respectively, which includes the principal and interest payments on completed projects. Principal and interest paid for the current year and total net available revenues were \$764,014 and \$327,207, respectively for the water fund and \$315,520 and \$542,120, respectively for the sewer fund.



**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

***Loans Payable*** – During 2008, the City entered into an agreement with the City of Olmsted Falls, Ohio for a joint construction project on Lindberg/Westlawn Road. As part of this agreement, the City agreed to make annual debt service payments to the City of Olmsted Falls to cover annual debt service payments from a loan the City of Olmsted Falls entered into with OPWC in order to provide funding for the project.

***Notes Payable*** - In 2022, the City issued \$7,260,000 in various purpose bond anticipation notes to retire maturing notes, purchase vehicles and equipment for various departments and improvement and construction projects. The notes were paid by the general bond retirement fund in 2023.

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

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

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

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

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**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

<b>Governmental Activities</b>							
Year	General Obligation Bonds		Revenue Bonds		OPWC (1)	Direct Financing	
	Principal	Interest	Principal	Interest	Principal	Principal	Interest
2024	\$ 1,290,000	\$ 474,222	\$ 380,000	\$ 163,206	\$ 167,777	\$ 88,425	\$ 5,261
2025	1,340,000	441,972	380,000	149,590	167,777	82,643	2,601
2026	1,300,000	407,372	380,000	135,975	167,777	-	-
2027	1,160,000	371,488	380,000	122,359	167,777	-	-
2028	1,195,000	337,571	380,000	108,744	167,777	-	-
2029 - 2033	5,815,000	1,134,347	1,900,000	339,489	833,817	-	-
2034 - 2038	3,215,000	266,365	755,000	40,488	493,905	-	-
2039 - 2041	-	-	-	-	85,185	-	-
<b>Total</b>	<b>\$ 15,315,000</b>	<b>\$ 3,433,337</b>	<b>\$ 4,555,000</b>	<b>\$ 1,059,851</b>	<b>\$ 2,251,792</b>	<b>\$ 171,068</b>	<b>\$ 7,862</b>

(1) OPWC loans issued in 2023 have not been fully drawn down, thus there are no amortization schedules available. The net balance of the loans drawn totaling \$213,145 are reported as long term obligations due in more than one year and are not included in the above maturity schedule.

<b>Business-Type Activities</b>								
Year	OWDA (1)		OPWC (2)	Loan	General Obligation Bond		Direct Financing	
	Principal	Interest	Principal	Principal	Principal	Interest	Principal	Interest
2024	\$ 685,912	\$ 261,259	\$ 146,965	\$ 19,404	\$ 5,000	\$ 3,213	\$ 3,779	\$ 218
2025	690,887	231,164	146,961	19,404	5,000	3,063	3,887	110
2026	703,326	205,920	146,961	19,404	5,000	2,900	-	-
2027	694,756	179,998	128,461	19,404	5,000	2,727	-	-
2028	619,045	155,391	128,461	19,404	5,000	2,551	-	-
2029 - 2033	2,243,778	486,991	500,303	48,503	40,000	9,375	-	-
2034 - 2038	1,401,913	150,185	452,222	-	20,000	1,200	-	-
2039 - 2043	168,431	13,492	213,334	-	-	-	-	-
2044 - 2045	-	-	39,508	-	-	-	-	-
<b>Total</b>	<b>\$7,208,048</b>	<b>\$ 1,684,400</b>	<b>\$1,903,176</b>	<b>\$145,523</b>	<b>\$ 85,000</b>	<b>\$ 25,029</b>	<b>\$ 7,666</b>	<b>\$ 328</b>

(1) OWDA loans issued in 2022 have not been fully drawn down, thus there are no amortization schedules available. The net balance of the loans drawn totaling \$340,146 are reported as long term obligations due in more than one year and are not included in the above maturity schedule.

(2) OPWC loans issued in 2023 have not been fully drawn down, thus there are no amortization schedules available. The net balance of the loans drawn totaling \$259,461 are reported as long term obligations due in more than one year and are not included in the above maturity schedule.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

**NOTE 13 – LEASES**

The City entered into a 60 month lease as Lessee for the use of a GapVax Truck. As of December 31, 2023, the value of the lease liability is \$477,550. The City is required to make annual fixed payments of \$113,723. The lease has an interest rate of 5.95 percent. The value of the right-to-use asset as of December 31, 2023, is \$477,550 with accumulated amortization of \$7,959 in the sewer enterprise fund. The City has the option to purchase the truck for \$1.00.

The future lease payments required are as follows:

<b>Business-Type Activities</b>		
Lease Payable		
Year	Principal	Interest
2024	\$ 84,521	\$ 29,202
2025	89,690	24,033
2026	95,174	18,549
2027	100,994	12,730
2028	107,171	6,553
	<u>\$ 477,550</u>	<u>\$ 91,067</u>

**NOTE 14 - RISK MANAGEMENT**

**Property and Liability Insurance**

The City maintains comprehensive insurance coverage with private carriers for real property, building contents, vehicles, and general liability risks including public officials' liability. The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2023, the City contracted with Public Entities Pool of Ohio for claims in excess of coverage provided by the fund for all risk of loss. Under this program, the general liability and property losses are covered to \$10,000 and \$50,000 respectively. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There has not been a significant reduction in coverage from the prior year.

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

The City has no claims liability at December 31, 2023 or 2022.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Medical Benefits**

The City has elected to provide employee medical, surgical, prescription drug, dental, and vision benefits. The City maintains a self-insurance internal services fund to account for this program. The plan provides medical/surgical coverage with certain deductibles, co-pays and maximum benefits as noted in the plan. The dental/vision benefits are also subject to certain deductibles, co-pays and maximum benefits as noted in the plan. The prescription drug plan utilizes a \$10 generic, \$20 preferred brand name, \$35 non-preferred brand name deductible per prescription. The plan is administered by United Healthcare/UMR and overseen by The Fedeli Group. All claims are reviewed by United Healthcare/UMR and the City before claims are paid by the City. All of the above limitations are subject to certain guidelines and restrictions.

The City pays into the self-insurance internal service fund \$1,804.00 for family coverage and \$582 for single coverage per month. The premium is charged to the fund that records the salary expenditure of the covered employee. The premium is based upon historical cost data provided by the insurance carriers. Employees contribute 8 percent of the prior year’s actual costs for health insurance through a payroll deduction. Employees contributed \$177.64 for family coverage or \$72.50 for single coverage for medical, dental and vision.

The claims liability reported in the medical benefits internal service fund at December 31, 2023 is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims cost, including estimates of cost relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include unallocated claim adjustment expenses. Changes in the medical benefits internal service fund’s claims liability amount in 2022 and 2023 were as follows and typically are retired within three months of year end:

	Balance January 1	Current Year Claims	Claim Payments	Balance December 31
2022	\$ 194,584	\$ 2,325,113	\$ 2,315,465	\$ 204,232
2023	\$ 204,232	\$ 2,472,776	\$ 2,532,361	\$ 144,647

**Workers’ Compensation**

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

**NOTE 15 – CONTINGENCIES**

**Litigation**

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Grants**

The disbursement of funds received under federal and state grants generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any potential disallowed claims resulting from such an audit could become a liability of the City. However, City management believes any such disallowed claims would be immaterial on the overall financial position of the City at December 31, 2023.

**Settlement Monies**

Ohio has reached settlement agreements with various distributors of opioids, which are subject to the OneOhio memorandum of understanding. The original settlement was reached in 2021 with annual payments anticipated through 2038. For 2023, distributions of \$11,375 are reflected as intergovernmental revenue in the OneOhio Special Revenue Fund.

**NOTE 16 – COMMITMENTS**

**Encumbrance Commitments**

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed or assigned classifications of fund balance. At year end, the City's commitments for encumbrances in the general, general capital improvement and other governmental funds were \$18,719, \$130,091 and \$107,665, respectively.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net Pension Liability*  
*Last Ten Years*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b><i>Ohio Public Employees' Retirement System (OPERS)</i></b>				
City's Proportion of the Net Pension Liability	0.043372%	0.044960%	0.043912%	0.048847%
City's Proportionate Share of the Net Pension Liability	\$ 12,812,108	\$ 3,911,702	\$ 6,502,411	\$ 9,654,941
City's Covered Payroll	\$ 6,723,150	\$ 6,525,650	\$ 6,184,064	\$ 6,872,686
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	190.57%	59.94%	105.15%	140.48%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.74%	92.62%	86.88%	82.17%
<b><i>Ohio Police and Fire Pension Fund (OPF)</i></b>				
City's Proportion of the Net Pension Liability	0.201164%	0.202661%	0.204052%	0.208932%
City's Proportionate Share of the Net Pension Liability	\$ 19,108,649	\$ 12,661,105	\$ 13,910,415	\$ 14,074,776
City's Covered Payroll	\$ 5,504,869	\$ 5,159,331	\$ 5,051,929	\$ 5,142,188
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	347.12%	245.40%	275.35%	273.71%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.90%	75.03%	70.65%	69.89%

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

<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
0.049841%	0.048450%	0.049453%	0.047988%	0.050309%	0.050309%
\$ 13,650,439	\$ 7,600,919	\$ 11,229,825	\$ 8,312,127	\$ 6,067,828	\$ 5,930,776
\$ 6,731,914	\$ 6,402,750	\$ 6,404,008	\$ 5,972,592	\$ 6,167,933	\$ 5,968,754
202.77%	118.71%	175.36%	139.17%	98.38%	99.36%
74.70%	84.66%	77.25%	81.08%	86.45%	86.36%
0.208528%	0.204259%	0.220524%	0.208076%	0.199826%	0.199826%
\$ 17,021,395	\$ 12,536,313	\$ 13,967,769	\$ 13,385,675	\$ 10,351,794	\$ 9,732,129
\$ 4,705,273	\$ 4,469,975	\$ 4,747,571	\$ 4,246,290	\$ 3,978,838	\$ 3,980,738
361.75%	280.46%	294.21%	315.23%	260.17%	244.48%
63.07%	70.91%	68.36%	66.77%	72.20%	73.00%

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b><i>Ohio Public Employees' Retirement System (OPERS)</i></b>				
Contractually Required Contribution	\$ 977,571	\$ 941,241	\$ 913,591	\$ 865,769
Contributions in Relation to the Contractually Required Contribution	<u>(977,571)</u>	<u>(941,241)</u>	<u>(913,591)</u>	<u>(865,769)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 6,982,650	\$ 6,723,150	\$ 6,525,650	\$ 6,184,064
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%
<b><i>Ohio Police and Fire Pension Fund (OPF)</i></b>				
Contractually Required Contribution	\$ 1,146,027	\$ 1,159,595	\$ 1,088,312	\$ 1,066,623
Contributions in Relation to the Contractually Required Contribution	<u>(1,146,027)</u>	<u>(1,159,595)</u>	<u>(1,088,312)</u>	<u>(1,066,623)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 5,430,691	\$ 5,504,869	\$ 5,159,331	\$ 5,051,929
Contributions as a Percentage of Covered Payroll	21.10%	21.06%	21.09%	21.11%

See accompanying notes to the required supplementary information.



<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 962,176	\$ 942,468	\$ 832,358	\$ 768,481	\$ 716,711	\$ 740,152
<u>(962,176)</u>	<u>(942,468)</u>	<u>(832,358)</u>	<u>(768,481)</u>	<u>(716,711)</u>	<u>(740,152)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 6,872,686	\$ 6,731,914	\$ 6,402,750	\$ 6,404,008	\$ 5,972,592	\$ 6,167,933
14.00%	14.00%	13.00%	12.00%	12.00%	12.00%
\$ 1,085,687	\$ 995,530	\$ 944,340	\$ 1,003,574	\$ 892,732	\$ 836,257
<u>(1,085,687)</u>	<u>(995,530)</u>	<u>(944,340)</u>	<u>(1,003,574)</u>	<u>(892,732)</u>	<u>(836,257)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,142,188	\$ 4,705,273	\$ 4,469,975	\$ 4,747,571	\$ 4,246,290	\$ 3,978,838
21.11%	21.16%	21.13%	21.14%	21.02%	21.02%

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b><i>Ohio Public Employees' Retirement System (OPERS)</i></b>				
City's Proportion of the Net OPEB Liability (Asset)	0.041276%	0.042895%	0.041927%	0.046651%
City's Proportionate Share of the Net OPEB Liability (Asset)	\$ 260,253	\$ (1,343,537)	\$ (746,963)	\$ 6,443,715
City's Covered Payroll	\$ 6,723,150	\$ 6,525,650	\$ 6,184,064	\$ 6,872,686
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	3.87%	-20.59%	-12.08%	93.76%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	94.79%	128.23%	115.57%	47.80%
<b><i>Ohio Police and Fire Pension Fund (OPF)</i></b>				
City's Proportion of the Net OPEB Liability (Asset)	0.201164%	0.202661%	0.204052%	0.208932%
City's Proportionate Share of the Net OPEB Liability (Asset)	\$ 1,432,231	\$ 2,221,342	\$ 2,161,965	\$ 2,063,774
City's Covered Payroll	\$ 5,504,869	\$ 5,159,331	\$ 5,051,929	\$ 5,142,188
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	26.02%	43.05%	42.79%	40.13%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	52.59%	46.86%	45.42%	47.08%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available.

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

See accompanying notes to the required supplementary information.

	<b>2019</b>	<b>2018</b>	<b>2017</b>
	0.047766%	0.046800%	0.047728%
\$	6,227,559	\$ 5,082,150	\$ 4,820,690
\$	6,731,914	\$ 6,402,750	\$ 6,404,008
	92.51%	79.37%	75.28%
	46.33%	54.14%	54.04%
	0.208528%	0.204259%	0.220524%
\$	1,898,968	\$ 11,573,046	\$ 10,467,778
\$	4,705,273	\$ 4,469,975	\$ 4,747,571
	40.36%	258.91%	220.49%
	46.57%	14.13%	15.96%

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b><i>Ohio Public Employees' Retirement System (OPERS)</i></b>				
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Contractually Required Contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll (1)	\$ 6,982,650	\$ 6,723,150	\$ 6,525,650	\$ 6,184,064
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%
<b><i>Ohio Police and Fire Pension Fund (OPF)</i></b>				
Contractually Required Contribution	\$ 27,153	\$ 27,524	\$ 25,797	\$ 25,260
Contributions in Relation to the Contractually Required Contribution	<u>(27,153)</u>	<u>(27,524)</u>	<u>(25,797)</u>	<u>(25,260)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 5,430,691	\$ 5,504,869	\$ 5,159,331	\$ 5,051,929
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%

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

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ -	\$ -	\$ 64,028	\$ 128,080	n/a	n/a
<u>-</u>	<u>-</u>	<u>(64,028)</u>	<u>(128,080)</u>	n/a	n/a
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	n/a	n/a
\$ 6,872,686	\$ 6,731,914	\$ 6,402,750	\$ 6,404,008	n/a	n/a
0.00%	0.00%	1.00%	2.00%	n/a	n/a
\$ 25,711	\$ 23,526	\$ 22,350	\$ 24,139	\$ 20,831	\$ 19,894
<u>(25,711)</u>	<u>(23,526)</u>	<u>(22,350)</u>	<u>(24,139)</u>	<u>(20,831)</u>	<u>(19,894)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,142,188	\$ 4,705,273	\$ 4,469,975	\$ 4,747,571	\$ 4,246,290	\$ 3,978,838
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Year Ended December 31, 2023*

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**NOTE 1 - NET PENSION LIABILITY**

***Changes in Assumptions – OPERS***

Amounts reported beginning in 2022 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in prior years are presented below:

	<u>2022</u>	<u>2019</u>	<u>2018 and 2017</u>	<u>2016 and prior</u>
Wage Inflation	2.75%	3.25%	2.75%	2.75%
Future Salary Increases, including wage inflation	2.75% to 10.75%	3.25% to 10.75%	3.25% to 10.75%	4.25% to 10.05%
COLA or Ad Hoc COLA:				
Pre-January 7, 2013 Retirees	3.00%, simple	3.00%, simple	3.00%, simple	3.00%, simple
Post-January 7, 2013 Retirees	see below	see below	see below	see below
Investment Rate of Return	6.90%	7.20%	7.50%	8.00%
Actuarial Cost Method	Individual	Individual	Individual	Individual
	Entry Age	Entry Age	Entry Age	Entry Age

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

2022	3.00%, simple through 2022, then 2.05%, simple
2021	0.50%, simple through 2021, then 2.15%, simple
2020	1.40%, simple through 2020, then 2.15%, simple
2017 - 2019	3.00%, simple through 2018, then 2.15%, simple
2016 and prior	3.00%, simple through 2018, then 2.80%, simple 5.50% to 5.00%

***Changes in Benefit Terms – OPERS***

There were no significant changes in benefit terms.

***Changes in Assumptions – OP&F***

For 2022, the single discount rate changed from 8.00 percent to 7.50 percent.

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

***Changes in Benefit Terms – OP&F***

There were no significant changes in benefit terms.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Year Ended December 31, 2023*

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**NOTE 2 - NET OPEB LIABILITY (ASSET)**

***Changes in Assumptions - OPERS***

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

<u>Assumption</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Wage Inflation	2.75%	2.75%	3.25%	3.25%	3.25%	3.25%
Discount Rate	5.22%	6.00%	6.00%	3.16%	3.96%	3.85%
Municipal Bond Rate	4.05%	1.84%	2.00%	2.75%	3.71%	3.31%
Health Care Cost Trend Rate	5.50%	5.50%	8.50%	10.50%	10.00%	7.50%

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

***Changes in Benefit Terms – OPERS***

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-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 non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in 2021.

***Changes in Assumptions – OP&F***

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

<u>Assumption</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Blended Discount Rate	4.27%	2.84%	2.96%	3.56%	4.66%	3.24%
Municipal Bond Rate	3.65%	2.05%	2.12%	2.75%	4.13%	3.16%

***Changes in Benefit Terms – OP&F***

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

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**COMBINING STATEMENTS AND  
INDIVIDUAL FUND SCHEDULES**

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

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

**Nonmajor Special Revenue Funds**

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

***Municipal Court Fund***

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

***Recreation Fund***

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

***State Highway Fund***

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

***Street Maintenance Fund***

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

***Contract Retainer Fund***

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

***Guarantee Deposits Fund***

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

***Fire Pension Fund***

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

***Police Pension Fund***

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

***Safe Students Fund***

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

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

**Nonmajor Special Revenue Funds**

***Public Safety Fund***

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

***Safe Passages Fund***

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

***Street Lighting Fund***

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

***Community Hospital Fund***

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

***Community Development Block Grant Fund***

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

***Municipal Vehicle Tax Levy Fund***

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

***OneOhio Opioid Settlement Fund***

To account for revenue and expenditures related to the OneOhio settlement with national opioid distributors.

***Law Enforcement Fund***

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

***Municipal Court Health Insurance Fund***

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

***Probation Services Fund***

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

***Indigent Driver Alcohol Treatment Fund***

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

***DUI Education Fund***

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

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

**Nonmajor Special Revenue Funds**

***Theft Diversion Fund***

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

***Court Computer Fund***

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

***Court Computer Research Fund***

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

***Court Special Projects Fund***

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

***Indigent Defendant Alcohol Monitoring Fund***

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

***Municipal Court Magistrates Fund***

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

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

**Nonmajor Capital Projects Funds**

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

***Safety Capital Improvement Fund***

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

***Recreation Capital Improvement Fund***

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

***Court Capital Improvement Fund***

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

***Neighborhood Improvement Fund***

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2023*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 2,356,250	\$ 756,492	\$ 3,112,742
Accounts Receivable	75,376	2,335	77,711
Intergovernmental Receivable	567,878	101,140	669,018
Taxes Receivable	1,040,510	-	1,040,510
Special Assessments Receivable	822,815	-	822,815
Materials and Supplies Inventory	255,176	-	255,176
<i>Total Assets</i>	<u>\$ 5,118,005</u>	<u>\$ 859,967</u>	<u>\$ 5,977,972</u>
<b>Liabilities</b>			
Accounts Payable	\$ 88,118	\$ 14,801	\$ 102,919
Accrued Wages	42,419	14,266	56,685
Contracts Payable	-	9,751	9,751
Intergovernmental Payable	121,642	6,219	127,861
Due to Other Funds	24,211	-	24,211
<i>Total Liabilities</i>	<u>276,390</u>	<u>45,037</u>	<u>321,427</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Next Year	991,040	-	991,040
Delinquent Property Taxes	49,470	-	49,470
Unavailable Revenue - Other	1,205,630	97,500	1,303,130
<i>Total Deferred Inflows of Resources</i>	<u>2,246,140</u>	<u>97,500</u>	<u>2,343,640</u>
<b>Fund Balances</b>			
Nonspendable	255,176	-	255,176
Restricted	2,255,322	286,073	2,541,395
Committed	84,977	431,357	516,334
<i>Total Fund Balance</i>	<u>2,595,475</u>	<u>717,430</u>	<u>3,312,905</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 5,118,005</u>	<u>\$ 859,967</u>	<u>\$ 5,977,972</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2023*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Property Taxes	\$ 982,199	\$ -	\$ 982,199
Special Assessments	845,009	-	845,009
Charges for Services	913,374	551,057	1,464,431
Licenses and Permits	-	29,314	29,314
Fines and Forfeitures	736,790	35,317	772,107
Intergovernmental	1,575,378	23,679	1,599,057
Investment Income	10,622	-	10,622
Contributions and Donations	70,471	-	70,471
Miscellaneous	163,518	1,883	165,401
<i>Total Revenues</i>	<u>5,297,361</u>	<u>641,250</u>	<u>5,938,611</u>
<b>Expenditures</b>			
Current:			
General Government	819,754	-	819,754
Security of Persons and Property	2,064,314	-	2,064,314
Public Health	109,996	-	109,996
Leisure Time Activities	2,341,033	-	2,341,033
Community and Economic Development	24,211	-	24,211
Transportation	1,305,654	-	1,305,654
Capital Outlay	-	1,674,600	1,674,600
Debt Service			
Principal Retirement	8,855	68,901	77,756
Interest and Fiscal Charges	5,937	6,482	12,419
<i>Total Expenditures</i>	<u>6,679,754</u>	<u>1,749,983</u>	<u>8,429,737</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,382,393)</u>	<u>(1,108,733)</u>	<u>(2,491,126)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	<u>1,825,000</u>	<u>1,240,000</u>	<u>3,065,000</u>
<i>Net Change in Fund Balances</i>	442,607	131,267	573,874
<i>Fund Balances Beginning of Year</i>	<u>2,152,868</u>	<u>586,163</u>	<u>2,739,031</u>
<i>Fund Balances End of Year</i>	<u>\$ 2,595,475</u>	<u>\$ 717,430</u>	<u>\$ 3,312,905</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2023*

	Recreation Fund	State Highway Fund	Street Maintenance Fund	Contract Retainer Fund	Guarantee Deposits Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 70,529	\$ 22,228	\$ 76,441	\$ 223,217	\$ 309,227
Accounts Receivable	20,662	-	-	-	-
Intergovernmental Receivable	-	36,126	445,509	-	-
Taxes Receivable	-	-	-	-	-
Special Assessments Receivable	-	-	-	-	-
Materials and Supplies Inventory	-	-	255,176	-	-
<i>Total Assets</i>	<u>\$ 91,191</u>	<u>\$ 58,354</u>	<u>\$ 777,126</u>	<u>\$ 223,217</u>	<u>\$ 309,227</u>
<b>Liabilities</b>					
Accounts Payable	\$ 27,441	\$ -	\$ 5,220	\$ -	\$ -
Accrued Wages	22,169	-	12,931	-	-
Intergovernmental Payable	12,859	-	7,300	-	-
Due to Other Funds	-	-	-	-	-
<i>Total Liabilities</i>	<u>62,469</u>	<u>-</u>	<u>25,451</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes Levied for the Next Year	-	-	-	-	-
Delinquent Property Taxes	-	-	-	-	-
Unavailable Revenue - Other	2,783	24,084	297,006	-	-
<i>Total Deferred Inflows of Resources</i>	<u>2,783</u>	<u>24,084</u>	<u>297,006</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>					
Nonspendable	-	-	255,176	-	-
Restricted	-	34,270	199,493	223,217	309,227
Committed	25,939	-	-	-	-
<i>Total Fund Balances (Deficit)</i>	<u>25,939</u>	<u>34,270</u>	<u>454,669</u>	<u>223,217</u>	<u>309,227</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 91,191</u>	<u>\$ 58,354</u>	<u>\$ 777,126</u>	<u>\$ 223,217</u>	<u>\$ 309,227</u>

*(continued)*



**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2023*

	Fire Pension Fund	Police Pension Fund	Safe Students Fund	Public Safety Fund	Safe Passages Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 58,222	\$ 49,208	\$ 59,038	\$ 1,136	\$ 6,033
Accounts Receivable	-	-	-	-	-
Intergovernmental Receivable	27,216	27,216	-	-	-
Taxes Receivable	468,846	468,846	-	-	-
Special Assessments Receivable	-	-	-	-	-
Materials and Supplies Inventory	-	-	-	-	-
<i>Total Assets</i>	<u>\$ 554,284</u>	<u>\$ 545,270</u>	<u>\$ 59,038</u>	<u>\$ 1,136</u>	<u>\$ 6,033</u>
<b>Liabilities</b>					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Wages	-	-	-	-	-
Intergovernmental Payable	48,191	48,779	-	-	-
Due to Other Funds	-	-	-	-	-
<i>Total Liabilities</i>	<u>48,191</u>	<u>48,779</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes Levied for the Next Year	446,555	446,555	-	-	-
Delinquent Property Taxes	22,291	22,291	-	-	-
Unavailable Revenue - Other	27,216	27,216	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>496,062</u>	<u>496,062</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>					
Nonspendable	-	-	-	-	-
Restricted	10,031	429	-	1,136	6,033
Committed	-	-	59,038	-	-
<i>Total Fund Balances (Deficit)</i>	<u>10,031</u>	<u>429</u>	<u>59,038</u>	<u>1,136</u>	<u>6,033</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 554,284</u>	<u>\$ 545,270</u>	<u>\$ 59,038</u>	<u>\$ 1,136</u>	<u>\$ 6,033</u>

*(continued)*

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2023*

	Street Lighting Fund	Community Hospital Fund	Community Development Block Grant Fund	Municipal Vehicle Tax Fund	OneOhio Opioid Settlement Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 638,596	\$ -	\$ 60,885	\$ 11,166	\$ 13,911
Accounts Receivable	-	-	-	-	-
Intergovernmental Receivable	-	4,510	24,211	3,090	-
Taxes Receivable	-	102,818	-	-	-
Special Assessments Receivable	822,815	-	-	-	-
Materials and Supplies Inventory	-	-	-	-	-
<i>Total Assets</i>	<u>\$ 1,461,411</u>	<u>\$ 107,328</u>	<u>\$ 85,096</u>	<u>\$ 14,256</u>	<u>\$ 13,911</u>
<b>Liabilities</b>					
Accounts Payable	\$ 55,457	\$ -	\$ -	\$ -	\$ -
Accrued Wages	-	-	-	-	-
Intergovernmental Payable	-	-	-	-	-
Due to Other Funds	-	-	24,211	-	-
<i>Total Liabilities</i>	<u>55,457</u>	<u>-</u>	<u>24,211</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes Levied for the Next Year	-	97,930	-	-	-
Delinquent Property Taxes	-	4,888	-	-	-
Unavailable Revenue - Other	822,815	4,510	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>822,815</u>	<u>107,328</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>					
Nonspendable	-	-	-	-	-
Restricted	583,139	-	60,885	14,256	13,911
Committed	-	-	-	-	-
<i>Total Fund Balances (Deficit)</i>	<u>583,139</u>	<u>-</u>	<u>60,885</u>	<u>14,256</u>	<u>13,911</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 1,461,411</u>	<u>\$ 107,328</u>	<u>\$ 85,096</u>	<u>\$ 14,256</u>	<u>\$ 13,911</u>

*(continued)*

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2023*

	Law Enforcement Fund	Municipal Court Health Insurance Fund	Probation Services Fund	Indigent Driver Alcohol Treatment Fund	DUI Education Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 21,891	\$ 13,790	\$ 1,729	\$ 400,908	\$ 3,768
Accounts Receivable	-	5,578	15,299	1,926	-
Intergovernmental Receivable	-	-	-	-	-
Taxes Receivable	-	-	-	-	-
Special Assessments Receivable	-	-	-	-	-
Materials and Supplies Inventory	-	-	-	-	-
<i>Total Assets</i>	<u>\$ 21,891</u>	<u>\$ 19,368</u>	<u>\$ 17,028</u>	<u>\$ 402,834</u>	<u>\$ 3,768</u>
<b>Liabilities</b>					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Wages	-	-	6,515	-	-
Intergovernmental Payable	-	-	3,058	-	-
Due to Other Funds	-	-	-	-	-
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>	<u>9,573</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes Levied for the Next Year	-	-	-	-	-
Delinquent Property Taxes	-	-	-	-	-
Unavailable Revenue - Other	-	-	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>					
Nonspendable	-	-	-	-	-
Restricted	21,891	19,368	7,455	402,834	3,768
Committed	-	-	-	-	-
<i>Total Fund Balances (Deficit)</i>	<u>21,891</u>	<u>19,368</u>	<u>7,455</u>	<u>402,834</u>	<u>3,768</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 21,891</u>	<u>\$ 19,368</u>	<u>\$ 17,028</u>	<u>\$ 402,834</u>	<u>\$ 3,768</u>

*(continued)*

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2023*

	Theft Diversion Fund	Court Computer Fund	Court Computer Research Fund	Court Special Projects Fund	Indigent Defendant Alcohol Monitoring Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 277	\$ 110,954	\$ 10,069	\$ 71,004	\$ 79,491
Accounts Receivable	3,487	8,650	2,569	9,011	755
Intergovernmental Receivable	-	-	-	-	-
Taxes Receivable	-	-	-	-	-
Special Assessments Receivable	-	-	-	-	-
Materials and Supplies Inventory	-	-	-	-	-
<i>Total Assets</i>	<u>\$ 3,764</u>	<u>\$ 119,604</u>	<u>\$ 12,638</u>	<u>\$ 80,015</u>	<u>\$ 80,246</u>
<b>Liabilities</b>					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Wages	-	-	-	-	-
Intergovernmental Payable	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes Levied for the Next Year	-	-	-	-	-
Delinquent Property Taxes	-	-	-	-	-
Unavailable Revenue - Other	-	-	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>					
Nonspendable	-	-	-	-	-
Restricted	3,764	119,604	12,638	80,015	80,246
Committed	-	-	-	-	-
<i>Total Fund Balances (Deficit)</i>	<u>3,764</u>	<u>119,604</u>	<u>12,638</u>	<u>80,015</u>	<u>80,246</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 3,764</u>	<u>\$ 119,604</u>	<u>\$ 12,638</u>	<u>\$ 80,015</u>	<u>\$ 80,246</u>

*(continued)*

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2023*

	Municipal Court Magistrates Fund	Total Nonmajor Special Revenue Funds
<b>Assets</b>		
Equity in Pooled Cash and Investments	\$ 42,532	\$ 2,356,250
Accounts Receivable	7,439	75,376
Intergovernmental Receivable	-	567,878
Taxes Receivable	-	1,040,510
Special Assessments Receivable	-	822,815
Materials and Supplies Inventory	-	255,176
<i>Total Assets</i>	<u>\$ 49,971</u>	<u>\$ 5,118,005</u>
<b>Liabilities</b>		
Accounts Payable	\$ -	\$ 88,118
Accrued Wages	804	42,419
Intergovernmental Payable	1,455	121,642
Due to Other Funds	-	24,211
<i>Total Liabilities</i>	<u>2,259</u>	<u>276,390</u>
<b>Deferred Inflows of Resources</b>		
Property Taxes Levied for the Next Year	-	991,040
Delinquent Property Taxes	-	49,470
Unavailable Revenue - Other	-	1,205,630
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>2,246,140</u>
<b>Fund Balances</b>		
Nonspendable	-	255,176
Restricted	47,712	2,255,322
Committed	-	84,977
<i>Total Fund Balances (Deficit)</i>	<u>47,712</u>	<u>2,595,475</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 49,971</u>	<u>\$ 5,118,005</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2023*

	Recreation Fund	State Highway Fund	Street Maintenance Fund	Contract Retainer Fund	Guarantee Deposits Fund
<b>Revenues</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-
Charges for Services	913,374	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Intergovernmental	-	73,983	912,445	-	-
Investment Income	-	2,579	8,043	-	-
Contributions and Donations	70,471	-	-	-	-
Miscellaneous	-	-	-	104,761	57,000
<i>Total Revenues</i>	<u>983,845</u>	<u>76,562</u>	<u>920,488</u>	<u>104,761</u>	<u>57,000</u>
<b>Expenditures</b>					
Current:					
General Government	-	-	-	96,432	63,000
Security of Persons and Property	-	-	-	-	-
Public Health	-	-	-	-	-
Leisure Time Activities	2,341,033	-	-	-	-
Community and Economic Development	-	-	-	-	-
Transportation	-	80,000	1,040,654	-	-
Debt Service					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<i>Total Expenditures</i>	<u>2,341,033</u>	<u>80,000</u>	<u>1,040,654</u>	<u>96,432</u>	<u>63,000</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,357,188)</u>	<u>(3,438)</u>	<u>(120,166)</u>	<u>8,329</u>	<u>(6,000)</u>
<b>Other Financing Sources (Uses)</b>					
Transfers In	1,350,000	-	175,000	-	-
<i>Net Change in Fund Balances</i>	(7,188)	(3,438)	54,834	8,329	(6,000)
<i>Fund Balances Beginning of Year</i>	<u>33,127</u>	<u>37,708</u>	<u>399,835</u>	<u>214,888</u>	<u>315,227</u>
<i>Fund Balances End of Year</i>	<u>\$ 25,939</u>	<u>\$ 34,270</u>	<u>\$ 454,669</u>	<u>\$ 223,217</u>	<u>\$ 309,227</u>

*(continued)*

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2023*

	Fire Pension Fund	Police Pension Fund	Safe Students Fund	Public Safety Fund	Safe Passages Fund
<b>Revenues</b>					
Property Taxes	\$ 440,624	\$ 440,624	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Intergovernmental	54,577	54,577	195,408	-	-
Investment Income	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<i>Total Revenues</i>	<u>495,201</u>	<u>495,201</u>	<u>195,408</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>					
Current:					
General Government	-	-	-	-	-
Security of Persons and Property	661,528	637,896	150,000	-	-
Public Health	-	-	-	-	-
Leisure Time Activities	-	-	-	-	-
Community and Economic Development	-	-	-	-	-
Transportation	-	-	-	-	-
Debt Service					
Principal Retirement	2,274	6,581	-	-	-
Interest and Fiscal Charges	1,524	4,413	-	-	-
<i>Total Expenditures</i>	<u>665,326</u>	<u>648,890</u>	<u>150,000</u>	<u>-</u>	<u>-</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(170,125)</u>	<u>(153,689)</u>	<u>45,408</u>	<u>-</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>					
Transfers In	150,000	150,000	-	-	-
<i>Net Change in Fund Balances</i>	(20,125)	(3,689)	45,408	-	-
<i>Fund Balances Beginning of Year</i>	<u>30,156</u>	<u>4,118</u>	<u>13,630</u>	<u>1,136</u>	<u>6,033</u>
<i>Fund Balances End of Year</i>	<u>\$ 10,031</u>	<u>\$ 429</u>	<u>\$ 59,038</u>	<u>\$ 1,136</u>	<u>\$ 6,033</u>

*(continued)*

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2023*

	Street Lighting Fund	Community Hospital Fund	Community Development Block Grant Fund	Municipal Vehicle Tax Fund	OneOhio Opioid Settlement Fund
<b>Revenues</b>					
Property Taxes	\$ -	\$ 100,951	\$ -	\$ -	\$ -
Special Assessments	845,009	-	-	-	-
Charges for Services	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Intergovernmental	-	9,045	224,211	39,757	11,375
Investment Income	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<i>Total Revenues</i>	<u>845,009</u>	<u>109,996</u>	<u>224,211</u>	<u>39,757</u>	<u>11,375</u>
<b>Expenditures</b>					
Current:					
General Government	-	-	-	-	-
Security of Persons and Property	614,716	-	-	-	-
Public Health	-	109,996	-	-	-
Leisure Time Activities	-	-	-	-	-
Community and Economic Development	-	-	24,211	-	-
Transportation	-	-	150,000	35,000	-
Debt Service					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<i>Total Expenditures</i>	<u>614,716</u>	<u>109,996</u>	<u>174,211</u>	<u>35,000</u>	<u>-</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>230,293</u>	<u>-</u>	<u>50,000</u>	<u>4,757</u>	<u>11,375</u>
<b>Other Financing Sources (Uses)</b>					
Transfers In	-	-	-	-	-
<i>Net Change in Fund Balances</i>	230,293	-	50,000	4,757	11,375
<i>Fund Balances Beginning of Year</i>	<u>352,846</u>	<u>-</u>	<u>10,885</u>	<u>9,499</u>	<u>2,536</u>
<i>Fund Balances End of Year</i>	<u>\$ 583,139</u>	<u>\$ -</u>	<u>\$ 60,885</u>	<u>\$ 14,256</u>	<u>\$ 13,911</u>

*(continued)*



**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2023*

	Law Enforcement Fund	Municipal Court Health Insurance Fund	Probation Services Fund	Indigent Driver Alcohol Treatment Fund	DUI Education Fund
<b>Revenues</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines and Forfeitures	-	70,153	192,309	52,798	1,858
Intergovernmental	-	-	-	-	-
Investment Income	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Miscellaneous	1,757	-	-	-	-
<i>Total Revenues</i>	<u>1,757</u>	<u>70,153</u>	<u>192,309</u>	<u>52,798</u>	<u>1,858</u>
<b>Expenditures</b>					
Current:					
General Government	-	58,714	202,902	18,455	-
Security of Persons and Property	174	-	-	-	-
Public Health	-	-	-	-	-
Leisure Time Activities	-	-	-	-	-
Community and Economic Development	-	-	-	-	-
Transportation	-	-	-	-	-
Debt Service					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<i>Total Expenditures</i>	<u>174</u>	<u>58,714</u>	<u>202,902</u>	<u>18,455</u>	<u>-</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,583</u>	<u>11,439</u>	<u>(10,593)</u>	<u>34,343</u>	<u>1,858</u>
<b>Other Financing Sources (Uses)</b>					
Transfers In	-	-	-	-	-
<i>Net Change in Fund Balances</i>	1,583	11,439	(10,593)	34,343	1,858
<i>Fund Balances Beginning of Year</i>	<u>20,308</u>	<u>7,929</u>	<u>18,048</u>	<u>368,491</u>	<u>1,910</u>
<i>Fund Balances End of Year</i>	<u>\$ 21,891</u>	<u>\$ 19,368</u>	<u>\$ 7,455</u>	<u>\$ 402,834</u>	<u>\$ 3,768</u>

*(continued)*

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2023*

	Theft Diversion Fund	Court Computer Fund	Court Computer Research Fund	Court Special Projects Fund	Defendant Alcohol Monitoring Fund
<b>Revenues</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines and Forfeitures	48,748	115,744	34,700	116,382	11,092
Intergovernmental	-	-	-	-	-
Investment Income	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<i>Total Revenues</i>	<u>48,748</u>	<u>115,744</u>	<u>34,700</u>	<u>116,382</u>	<u>11,092</u>
<b>Expenditures</b>					
Current:					
General Government	50,476	132,868	34,176	87,877	3,183
Security of Persons and Property	-	-	-	-	-
Public Health	-	-	-	-	-
Leisure Time Activities	-	-	-	-	-
Community and Economic Development	-	-	-	-	-
Transportation	-	-	-	-	-
Debt Service					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<i>Total Expenditures</i>	<u>50,476</u>	<u>132,868</u>	<u>34,176</u>	<u>87,877</u>	<u>3,183</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,728)</u>	<u>(17,124)</u>	<u>524</u>	<u>28,505</u>	<u>7,909</u>
<b>Other Financing Sources (Uses)</b>					
Transfers In	-	-	-	-	-
<i>Net Change in Fund Balances</i>	(1,728)	(17,124)	524	28,505	7,909
<i>Fund Balances Beginning of Year</i>	<u>5,492</u>	<u>136,728</u>	<u>12,114</u>	<u>51,510</u>	<u>72,337</u>
<i>Fund Balances End of Year</i>	<u>\$ 3,764</u>	<u>\$ 119,604</u>	<u>\$ 12,638</u>	<u>\$ 80,015</u>	<u>\$ 80,246</u>

*(continued)*

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2023*

	Municipal Court Magistrates Fund	Total Nonmajor Special Revenue Funds
<b>Revenues</b>		
Property Taxes	\$ -	\$ 982,199
Special Assessments	-	845,009
Charges for Services	-	913,374
Fines and Forfeitures	93,006	736,790
Intergovernmental	-	1,575,378
Investment Income	-	10,622
Contributions and Donations	-	70,471
Miscellaneous	-	163,518
<i>Total Revenues</i>	<u>93,006</u>	<u>5,297,361</u>
<b>Expenditures</b>		
Current:		
General Government	71,671	819,754
Security of Persons and Property	-	2,064,314
Public Health	-	109,996
Leisure Time Activities	-	2,341,033
Community and Economic Development	-	24,211
Transportation	-	1,305,654
Debt Service		
Principal Retirement	-	8,855
Interest and Fiscal Charges	-	5,937
<i>Total Expenditures</i>	<u>71,671</u>	<u>6,679,754</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>21,335</u>	<u>(1,382,393)</u>
<b>Other Financing Sources (Uses)</b>		
Transfers In	-	1,825,000
<i>Net Change in Fund Balances</i>	21,335	442,607
<i>Fund Balances Beginning of Year</i>	<u>26,377</u>	<u>2,152,868</u>
<i>Fund Balances End of Year</i>	<u>\$ 47,712</u>	<u>\$ 2,595,475</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2023*

	Safety Capital Improvement Fund	Recreation Capital Improvement Fund	Court Capital Improvement Fund	Neighborhood Improvement Fund	Total Nonmajor Capital Projects Funds
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 413,699	\$ 15,919	\$ 283,738	\$ 43,136	\$ 756,492
Accounts Receivable	-	-	2,335	-	2,335
Intergovernmental Receivable	3,640	97,500	-	-	101,140
<i>Total Assets</i>	<u>\$ 417,339</u>	<u>\$ 113,419</u>	<u>\$ 286,073</u>	<u>\$ 43,136</u>	<u>\$ 859,967</u>
<b>Liabilities</b>					
Accounts Payable	\$ 13,393	\$ -	\$ -	\$ 1,408	\$ 14,801
Accrued Wages	-	-	-	14,266	14,266
Contracts Payable	9,751	-	-	-	9,751
Intergovernmental Payable	-	-	-	6,219	6,219
<i>Total Liabilities</i>	<u>23,144</u>	<u>-</u>	<u>-</u>	<u>21,893</u>	<u>45,037</u>
<b>Deferred Inflows of Resources</b>					
Unavailable Revenue - Other	-	97,500	-	-	97,500
<b>Fund Balances</b>					
Restricted	-	-	286,073	-	286,073
Committed	394,195	15,919	-	21,243	431,357
<i>Total Fund Balances (Deficit)</i>	<u>394,195</u>	<u>15,919</u>	<u>286,073</u>	<u>21,243</u>	<u>717,430</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 417,339</u>	<u>\$ 113,419</u>	<u>\$ 286,073</u>	<u>\$ 43,136</u>	<u>\$ 859,967</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2023*

	Safety Capital Improvement Fund	Recreation Capital Improvement Fund	Court Capital Improvement Fund	Neighborhood Improvement Fund	Total Nonmajor Capital Projects Funds
<b>Revenues</b>					
Charges for Services	\$ 551,057	\$ -	\$ -	\$ -	\$ 551,057
Licenses and Permits	-	-	-	29,314	29,314
Fines and Forfeitures	-	-	35,317	-	35,317
Intergovernmental	23,679	-	-	-	23,679
Miscellaneous	-	-	-	1,883	1,883
<i>Total Revenues</i>	<u>574,736</u>	<u>-</u>	<u>35,317</u>	<u>31,197</u>	<u>641,250</u>
<b>Expenditures</b>					
Capital Outlay	469,186	287,758	32,461	885,195	1,674,600
Debt Service					
Principal Retirement	59,572	9,329	-	-	68,901
Interest and Fiscal Charges	5,665	817	-	-	6,482
<i>Total Expenditures</i>	<u>534,423</u>	<u>297,904</u>	<u>32,461</u>	<u>885,195</u>	<u>1,749,983</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>40,313</u>	<u>(297,904)</u>	<u>2,856</u>	<u>(853,998)</u>	<u>(1,108,733)</u>
<b>Other Financing Sources (Uses)</b>					
Transfers In	275,000	80,000	-	885,000	1,240,000
<i>Net Change in Fund Balances</i>	315,313	(217,904)	2,856	31,002	131,267
<i>Fund Balances Beginning of Year</i>	<u>78,882</u>	<u>233,823</u>	<u>283,217</u>	<u>(9,759)</u>	<u>586,163</u>
<i>Fund Balances End of Year</i>	<u>\$ 394,195</u>	<u>\$ 15,919</u>	<u>\$ 286,073</u>	<u>\$ 21,243</u>	<u>\$ 717,430</u>

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Property Taxes	\$ 2,110,389	\$ 2,110,389	\$ -
Income Taxes	18,828,515	19,233,307	404,792
Other Local Taxes	245,000	232,327	(12,673)
Special Assessments	20,000	12,200	(7,800)
Charges for Services	133,100	68,997	(64,103)
Licenses and Permits	350,001	299,306	(50,695)
Fines and Forfeitures	52,000	48,821	(3,179)
Intergovernmental	1,036,502	1,047,675	11,173
Interest	475,000	534,865	59,865
Rent	20,000	-	(20,000)
Contributions and Donations	-	850	850
Other	62,500	63,153	653
<i>Total Revenues</i>	<u>23,333,007</u>	<u>23,651,890</u>	<u>318,883</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Police Department:			
Personal Services	3,556,148	3,481,311	74,837
Other	868,134	822,918	45,216
Total Police Department	<u>4,424,282</u>	<u>4,304,229</u>	<u>120,053</u>
Fire:			
Personal Services	2,815,158	2,802,477	12,681
Other	167,330	141,771	25,559
Total Fire Department	<u>2,982,488</u>	<u>2,944,248</u>	<u>38,240</u>
Total Security of Persons and Property	<u>7,406,770</u>	<u>7,248,477</u>	<u>158,293</u>
Leisure Time Services:			
Municipal Signage:			
Other	14,000	12,850	1,150
Public Grounds:			
Personal Services	18,000	16,986	1,014
Other	94,516	86,781	7,735
Total Public Grounds	<u>112,516</u>	<u>103,767</u>	<u>8,749</u>
Total Leisure Time Services	<u>126,516</u>	<u>116,617</u>	<u>9,899</u>
Community Development:			
Building Department:			
Personal Services	199,667	195,245	4,422
Other	30,826	26,879	3,947
Total Building Department	<u>230,493</u>	<u>222,124</u>	<u>8,369</u>

*(continued)*

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
Engineering Department:			
Personal Services	\$ 138,852	\$ 133,461	\$ 5,391
Other	18,373	13,720	4,653
Total Engineering Department	<u>157,225</u>	<u>147,181</u>	<u>10,044</u>
Total Community Development	<u>387,718</u>	<u>369,305</u>	<u>18,413</u>
Public Works:			
Storm Sewers and Drains:			
Other	1,735	847	888
Refuse Collection and Disposal:			
Personal Services	1,500	1,037	463
Other	1,390,000	1,384,998	5,002
Total Refuse Collections and Disposal	<u>1,391,500</u>	<u>1,386,035</u>	<u>5,465</u>
Leaf Collection:			
Other	22,141	18,616	3,525
Snow Removal:			
Other	150,000	139,972	10,028
Total Snow Removal	<u>150,000</u>	<u>139,972</u>	<u>10,028</u>
Total Public Works	<u>1,565,376</u>	<u>1,545,470</u>	<u>19,906</u>
General Government:			
Council:			
Personal Services	152,485	152,134	351
Other	17,000	8,131	8,869
Total Council	<u>169,485</u>	<u>160,265</u>	<u>9,220</u>
Mayor:			
Personal Services	195,504	195,456	48
Other	4,100	3,610	490
Total Mayor	<u>199,604</u>	<u>199,066</u>	<u>538</u>
Finance:			
Personal Services	323,611	321,307	2,304
Other	6,600	5,999	601
Total Finance	<u>330,211</u>	<u>327,306</u>	<u>2,905</u>
Law:			
Personal Services	304,588	304,336	252
Other	15,750	14,485	1,265
Total Law	<u>320,338</u>	<u>318,821</u>	<u>1,517</u>

*(continued)*



**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
Civil Service Commission:			
Other	\$ 5,000	\$ 4,464	\$ 536
Public Safety:			
Personal Services	42,259	41,825	434
Other	1,250	887	363
Total Public Safety	43,509	42,712	797
Municipal Fleet and Equipment:			
Personal Services	500	259	241
Other	296,200	277,921	18,279
Total Municipal Fleet and Equipment	296,700	278,180	18,520
Municipal Building:			
Personal Services	1,041,611	996,088	45,523
Other	435,580	430,454	5,126
Total Municipal Building	1,477,191	1,426,542	50,649
Service Administration:			
Personal Services	121,915	120,476	1,439
Other	39,237	36,395	2,842
Total Service Administration	161,152	156,871	4,281
Planning and Development:			
Other	11,200	10,753	447
Administration:			
Personal Services	2,687,571	2,641,160	46,411
Other	3,170,626	3,122,575	48,051
Total Administration	5,858,197	5,763,735	94,462
Total General Government	8,872,587	8,688,715	183,872
Debt Service:			
Principal Retirement	4,948	4,948	-
Interest and Fiscal Charges	152	152	-
Total Debt Service	5,100	5,100	-
<i>Total Expenditures</i>	18,364,067	17,973,684	390,383
<i>Excess of Revenues Over (Under) Expenditures</i>	4,968,940	5,678,206	709,266

*(continued)*

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Assets	\$ 500	\$ 1,558	\$ 1,058
Advances In	170,000	170,000	-
Transfers In	150,000	150,000	-
Transfers Out	(6,020,000)	(6,020,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(5,699,500)</u>	<u>(5,698,442)</u>	<u>1,058</u>
<i>Net Change in Fund Balance</i>	(730,560)	(20,236)	710,324
<i>Fund Balance (Deficit) Beginning of Year</i>	4,662,574	4,662,574	-
Prior Year Encumbrances Appropriated	<u>105,255</u>	<u>105,255</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 4,037,269</u>	<u>\$ 4,747,593</u>	<u>\$ 710,324</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Municipal Court Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 1,665,000	\$ 1,711,040	\$ 46,040
Other	75,000	29,423	(45,577)
<i>Total Revenues</i>	<u>1,740,000</u>	<u>1,740,463</u>	<u>463</u>
<b>Expenditures</b>			
Current:			
General Government:			
Municipal Court:			
Personal Services	1,401,426	1,373,477	27,949
Other	177,755	172,000	5,755
<i>Total Expenditures</i>	<u>1,579,181</u>	<u>1,545,477</u>	<u>33,704</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>160,819</u>	<u>194,986</u>	<u>(33,241)</u>
<b>Other Financing Sources (Uses)</b>			
Advances Out	(170,000)	(170,000)	-
<i>Net Change in Fund Balance</i>	(9,181)	24,986	34,167
<i>Fund Balance (Deficit) Beginning of Year</i>	10,313	10,313	-
Prior Year Encumbrances Appropriated	3,624	3,624	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 4,756</u>	<u>\$ 38,923</u>	<u>\$ 34,167</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*American Rescue Plan Act Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 112,000	\$ 112,000	\$ -
<b>Expenditures</b>			
Current:			
Public Health:			
Personal Services	112,000	112,000	-
Other	1,423,856	-	1,423,856
Total Public Health	<u>1,535,856</u>	<u>112,000</u>	<u>1,423,856</u>
Capital Outlay	<u>110,027</u>	<u>110,027</u>	<u>-</u>
<i>Total Expenditures</i>	<u>1,645,883</u>	<u>222,027</u>	<u>1,423,856</u>
<i>Net Change in Fund Balance</i>	(1,533,883)	(110,027)	1,423,856
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>2,357,094</u>	<u>2,357,094</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 823,211</u>	<u>\$ 2,247,067</u>	<u>\$ 1,423,856</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Bond Retirement Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Property Taxes	\$ 1,929,265	\$ 1,929,265	\$ -
Intergovernmental	242,607	242,607	-
<i>Total Revenues</i>	<u>2,171,872</u>	<u>2,171,872</u>	<u>-</u>
<b>Expenditures</b>			
Current:			
General Government:			
Other	160,000	83,848	76,152
Debt Service:			
Principal Retirement	8,970,000	8,970,000	-
Interest and Fiscal Charges	802,461	777,718	24,743
<i>Total Expenditures</i>	<u>9,932,461</u>	<u>9,831,566</u>	<u>100,895</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(7,760,589)</u>	<u>(7,659,694)</u>	<u>100,895</u>
<b>Other Financing Sources (Uses)</b>			
Issuance of General Obligation Bonds	7,330,000	7,330,000	-
<i>Net Change in Fund Balance</i>	(430,589)	(329,694)	100,895
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>1,459,036</u>	<u>1,459,036</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,028,447</u>	<u>\$ 1,129,342</u>	<u>\$ 100,895</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Capital Improvement Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 434,751	\$ 631,279	\$ 196,528
Charges for Services	10,000	36,258	26,258
Fees, Licenses and Permits	50,000	50,000	-
Rent	30,000	71,104	41,104
Other	183,185	192,930	9,745
<i>Total Revenues</i>	<u>707,936</u>	<u>981,571</u>	<u>273,635</u>
<b>Expenditures</b>			
Capital Outlay			
Other	3,644,903	3,278,579	366,324
Debt Service:			
Principal Retirement	183,832	183,043	789
Interest and Fiscal Charges	1,336	1,336	-
<i>Total Expenditures</i>	<u>3,830,071</u>	<u>3,462,958</u>	<u>367,113</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,122,135)</u>	<u>(2,481,387)</u>	<u>640,748</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Assets	130,000	94,447	(35,553)
Proceeds of OPWC Loans	213,145	213,145	-
Transfers In	2,355,000	2,355,000	-
<i>Total Other Financing Sources (Uses)</i>	<u>2,698,145</u>	<u>2,662,592</u>	<u>(35,553)</u>
<i>Net Change in Fund Balance</i>	(423,990)	181,205	605,195
<i>Fund Balance (Deficit) Beginning of Year</i>	7,664	7,664	-
<i>Prior Year Encumbrances Appropriated</i>	<u>81,035</u>	<u>81,035</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ (335,291)</u>	<u>\$ 269,904</u>	<u>\$ 605,195</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recreation Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Charges for Services	\$ 900,000	\$ 917,710	\$ 17,710
Contributions and Donations	85,000	79,759	(5,241)
<i>Total Revenues</i>	<u>985,000</u>	<u>997,469</u>	<u>12,469</u>
<b>Expenditures</b>			
Current:			
Leisure Time Services:			
Personal Services	1,250,108	1,242,924	7,184
Other	1,122,845	1,106,208	16,637
<i>Total Expenditures</i>	<u>2,372,953</u>	<u>2,349,132</u>	<u>23,821</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,387,953)</u>	<u>(1,351,663)</u>	<u>36,290</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	1,350,000	1,350,000	-
<i>Net Change in Fund Balance</i>	(37,953)	(1,663)	36,290
<i>Fund Balance (Deficit) Beginning of Year</i>	49,462	49,462	-
<i>Prior Year Encumbrances Appropriated</i>	6,654	6,654	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 18,163</u>	<u>\$ 54,453</u>	<u>\$ 36,290</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*State Highway Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 74,500	\$ 73,830	\$ (670)
Investment Income	1,000	2,579	1,579
<i>Total Revenues</i>	<u>75,500</u>	<u>76,409</u>	<u>909</u>
<b>Expenditures</b>			
Current:			
Transportation:			
Other	80,000	80,000	-
<i>Net Change in Fund Balance</i>	(4,500)	(3,591)	909
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>25,818</u>	<u>25,818</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 21,318</u>	<u>\$ 22,227</u>	<u>\$ 909</u>



**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Maintenance Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 913,700	\$ 910,567	\$ (3,133)
Investment Income	2,500	8,043	5,543
<i>Total Revenues</i>	<u>916,200</u>	<u>918,610</u>	<u>2,410</u>
<b>Expenditures</b>			
Current:			
Transportation:			
Personal Services	839,372	813,060	26,312
Other	326,626	320,734	5,892
<i>Total Expenditures</i>	<u>1,165,998</u>	<u>1,133,794</u>	<u>32,204</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(249,798)</u>	<u>(215,184)</u>	<u>34,614</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	175,000	175,000	-
<i>Net Change in Fund Balance</i>	(74,798)	(40,184)	34,614
<i>Fund Balance (Deficit) Beginning of Year</i>	114,981	114,981	-
Prior Year Encumbrances Appropriated	1,599	1,599	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 41,782</u>	<u>\$ 76,396</u>	<u>\$ 34,614</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Contract Retainer Fund*  
*For the Year Ended December 31, 2023*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>			
Other	\$ 100,000	\$ 104,761	\$ 4,761
<b>Expenditures</b>			
Current:			
General Government:			
Other	200,000	96,432	103,568
<i>Net Change in Fund Balance</i>	(100,000)	8,329	108,329
<i>Fund Balance (Deficit) Beginning of Year</i>	214,890	214,890	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 114,890</u>	<u>\$ 223,219</u>	<u>\$ 108,329</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Guarantee Deposits Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Other	\$ 52,000	\$ 57,000	\$ 5,000
<b>Expenditures</b>			
Current:			
General Government:			
Other	75,000	63,000	12,000
<i>Net Change in Fund Balance</i>	(23,000)	(6,000)	17,000
<i>Fund Balance (Deficit) Beginning of Year</i>	315,227	315,227	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 292,227</u>	<u>\$ 309,227</u>	<u>\$ 17,000</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Pension Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Property Taxes	\$ 440,624	\$ 440,624	\$ -
Intergovernmental	54,577	54,577	-
<i>Total Revenues</i>	<u>495,201</u>	<u>495,201</u>	<u>-</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Other	666,238	664,926	1,312
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(171,037)</u>	<u>(169,725)</u>	<u>1,312</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	150,000	150,000	-
<i>Net Change in Fund Balance</i>	(21,037)	(19,725)	1,312
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>77,946</u>	<u>77,946</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 56,909</u>	<u>\$ 58,221</u>	<u>\$ 1,312</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police Pension Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Property Taxes	\$ 440,624	\$ 440,624	\$ -
Intergovernmental	54,577	54,577	-
<i>Total Revenues</i>	<u>495,201</u>	<u>495,201</u>	<u>-</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Other	646,661	644,838	1,823
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(151,460)</u>	<u>(149,637)</u>	<u>1,823</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	150,000	150,000	-
<i>Net Change in Fund Balance</i>	(1,460)	363	1,823
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>48,845</u>	<u>48,845</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 47,385</u>	<u>\$ 49,208</u>	<u>\$ 1,823</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Safe Students Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 165,000	\$ 195,408	\$ 30,408
<b>Expenditures</b>	-	-	-
<i>Excess of Revenues Over (Under) Expenditures</i>	165,000	195,408	30,408
<b>Other Financing Sources (Uses)</b>			
Transfers Out	(150,000)	(150,000)	-
<i>Net Change in Fund Balance</i>	15,000	45,408	30,408
<i>Fund Balance (Deficit) Beginning of Year</i>	13,630	13,630	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 28,630</u>	<u>\$ 59,038</u>	<u>\$ 30,408</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public Safety Fund*  
*For the Year Ended December 31, 2023*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>	\$ -	\$ -	\$ -
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Personal Services	<u>1,000</u>	<u>-</u>	<u>1,000</u>
<i>Net Change in Fund Balance</i>	(1,000)	-	1,000
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>1,136</u>	<u>1,136</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 136</u></u>	<u><u>\$ 1,136</u></u>	<u><u>\$ 1,000</u></u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Safe Passages Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>	\$ -	\$ -	\$ -
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Other	6,000	-	6,000
<i>Net Change in Fund Balance</i>	(6,000)	-	6,000
<i>Fund Balance (Deficit) Beginning of Year</i>	6,033	6,033	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 33</u>	<u>\$ 6,033</u>	<u>\$ 6,000</u>



**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Lighting Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Special Assessments	\$ 745,000	\$ 845,009	\$ 100,009
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Personal Services	75,000	-	75,000
Other	756,000	609,874	146,126
<i>Total Expenditures</i>	831,000	609,874	221,126
<i>Net Change in Fund Balance</i>	(86,000)	235,135	321,135
<i>Fund Balance (Deficit) Beginning of Year</i>	395,493	395,493	-
Prior Year Encumbrances Appropriated	4,918	4,918	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 314,411	\$ 635,546	\$ 321,135

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Community Hospital Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Property Taxes	\$ 100,951	\$ 100,951	\$ -
Intergovernmental	9,045	9,045	-
<i>Total Revenues</i>	<u>109,996</u>	<u>109,996</u>	<u>-</u>
<b>Expenditures</b>			
Current:			
Public Health and Welfare:			
Other	109,996	109,996	-
<i>Net Change in Fund Balance</i>	-	-	-
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Community Development Block Grant Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 200,000	\$ 200,000	\$ -
<b>Expenditures</b>	-	-	-
<i>Excess of Revenues Over (Under) Expenditures</i>	200,000	200,000	-
<b>Other Financing Sources (Uses)</b>			
Transfers Out	(150,000)	(150,000)	-
<i>Net Change in Fund Balance</i>	50,000	50,000	-
<i>Fund Balance (Deficit) Beginning of Year</i>	10,885	10,885	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 60,885</u>	<u>\$ 60,885</u>	<u>\$ -</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Municipal Vehicle Tax Levy Fund*  
*For the Year Ended December 31, 2023*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>			
Intergovernmental	\$ 39,000	\$ 39,775	\$ 775
<b>Expenditures</b>			
Current:			
Transportation:			
Other	45,000	35,000	10,000
<i>Net Change in Fund Balance</i>	(6,000)	4,775	10,775
<i>Fund Balance (Deficit) Beginning of Year</i>	6,393	6,393	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 393</u>	<u>\$ 11,168</u>	<u>\$ 10,775</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*OneOhio Opioid Settlement Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 7,000	\$ 11,375	\$ 4,375
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Other	2,500	-	2,500
<i>Net Change in Fund Balance</i>	4,500	11,375	6,875
<i>Fund Balance (Deficit) Beginning of Year</i>	2,536	2,536	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 7,036	\$ 13,911	\$ 6,875

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Law Enforcement Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Other	\$ 1,100	\$ 1,757	\$ 657
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Other	20,000	174	19,826
<i>Net Change in Fund Balance</i>	(18,900)	1,583	20,483
<i>Fund Balance (Deficit) Beginning of Year</i>	20,308	20,308	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 1,408	\$ 21,891	\$ 20,483

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Municipal Court Health Insurance Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 64,000	\$ 69,562	\$ 5,562
<b>Expenditures</b>			
Current:			
General Government:			
Other	64,000	58,714	5,286
<i>Net Change in Fund Balance</i>	-	10,848	10,848
<i>Fund Balance (Deficit) Beginning of Year</i>	2,942	2,942	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 2,942	\$ 13,790	\$ 10,848

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Probation Services Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 194,000	\$ 194,753	\$ 753
<b>Expenditures</b>			
Current:			
General Government:			
Personal Services	197,825	197,294	531
Other	2,281	2,281	-
<i>Total Expenditures</i>	200,106	199,575	531
<i>Net Change in Fund Balance</i>	(6,106)	(4,822)	1,284
<i>Fund Balance (Deficit) Beginning of Year</i>	6,551	6,551	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 445	\$ 1,729	\$ 1,284



**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Indigent Driver Alcohol Treatment Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 50,000	\$ 53,252	\$ 3,252
<b>Expenditures</b>			
Current:			
General Government:			
Other	120,000	34,714	85,286
<i>Net Change in Fund Balance</i>	(70,000)	18,538	88,538
<i>Fund Balance (Deficit) Beginning of Year</i>	349,939	349,939	-
Prior Year Encumbrances Appropriated	16,173	16,173	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 296,112</u>	<u>\$ 384,650</u>	<u>\$ 88,538</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*DUI Education Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 1,024	\$ 1,858	\$ 834
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Other	2,500	-	2,500
<i>Net Change in Fund Balance</i>	(1,476)	1,858	3,334
<i>Fund Balance (Deficit) Beginning of Year</i>	1,909	1,909	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 433	\$ 3,767	\$ 3,334

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Theft Diversion Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 50,200	\$ 50,286	\$ 86
<b>Expenditures</b>			
Current:			
General Government:			
Personal Services	50,535	50,476	59
<i>Net Change in Fund Balance</i>	(335)	(190)	145
<i>Fund Balance (Deficit) Beginning of Year</i>	467	467	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 132	\$ 277	\$ 145

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Court Computer Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 98,000	\$ 115,326	\$ 17,326
<b>Expenditures</b>			
Current:			
General Government:			
Other	145,000	134,357	10,643
<i>Net Change in Fund Balance</i>	(47,000)	(19,031)	27,969
<i>Fund Balance (Deficit) Beginning of Year</i>	121,207	121,207	-
Prior Year Encumbrances Appropriated	7,288	7,288	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 81,495	\$ 109,464	\$ 27,969

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Court Computer Research Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 34,000	\$ 34,581	\$ 581
<b>Expenditures</b>			
Current:			
General Government:			
Other	40,000	34,176	5,824
<i>Net Change in Fund Balance</i>	(6,000)	405	6,405
<i>Fund Balance (Deficit) Beginning of Year</i>	9,541	9,541	-
Prior Year Encumbrances Appropriated	123	123	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 3,664	\$ 10,069	\$ 6,405

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Court Special Projects Fund*  
*For the Year Ended December 31, 2023*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>			
Fines and Forfeitures	\$ 100,000	\$ 115,720	\$ 15,720
<b>Expenditures</b>			
Current:			
General Government:			
Other	<u>125,000</u>	<u>93,997</u>	<u>31,003</u>
<i>Net Change in Fund Balance</i>	(25,000)	21,723	46,723
<i>Fund Balance (Deficit) Beginning of Year</i>	44,180	44,180	-
Prior Year Encumbrances Appropriated	<u>3,157</u>	<u>3,157</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 22,337</u>	<u>\$ 69,060</u>	<u>\$ 46,723</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Indigent Defendant Alcohol Monitoring Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 10,000	\$ 11,473	\$ 1,473
<b>Expenditures</b>			
Current:			
General Government:			
Other	25,000	5,643	19,357
<i>Net Change in Fund Balance</i>	(15,000)	5,830	20,830
<i>Fund Balance (Deficit) Beginning of Year</i>	68,698	68,698	-
Prior Year Encumbrances Appropriated	2,503	2,503	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 56,201	\$ 77,031	\$ 20,830

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Municipal Court Magistrates Fund*  
*For the Year Ended December 31, 2023*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>			
Fines and Forfeitures	\$ 75,500	\$ 92,159	\$ 16,659
<b>Expenditures</b>			
Current:			
General Government:			
Personal Services	79,929	70,698	9,231
<i>Net Change in Fund Balance</i>	(4,429)	21,461	25,890
<i>Fund Balance (Deficit) Beginning of Year</i>	21,071	21,071	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 16,642</u>	<u>\$ 42,532</u>	<u>\$ 25,890</u>



**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Safety Capital Improvement Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 50,000	\$ 20,039	\$ (29,961)
Charges for Services	500,000	551,057	51,057
<i>Total Revenues</i>	<u>550,000</u>	<u>571,096</u>	<u>21,096</u>
<b>Expenditures</b>			
Capital Outlay:			
Other	623,625	543,222	80,403
Debt Service			
Principal Retirement	59,572	59,572	-
Interest and Fiscal Charges	5,665	5,665	-
Total Debt Service	<u>65,237</u>	<u>65,237</u>	<u>-</u>
<i>Total Expenditures</i>	<u>688,862</u>	<u>608,459</u>	<u>80,403</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(138,862)</u>	<u>(37,363)</u>	<u>101,499</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	275,000	275,000	-
<i>Net Change in Fund Balance</i>	136,138	237,637	101,499
<i>Fund Balance (Deficit) Beginning of Year</i>	28,779	28,779	-
<i>Prior Year Encumbrances Appropriated</i>	<u>62,501</u>	<u>62,501</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 227,418</u>	<u>\$ 328,917</u>	<u>\$ 101,499</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recreation Capital Improvement Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Contributions and Donations	\$ 44,527	\$ 44,527	\$ -
<b>Expenditures</b>			
Capital Outlay:			
Other	304,829	291,458	13,371
Debt Service			
Principal Retirement	9,329	9,329	-
Interest and Fiscal Charges	817	817	-
Total Debt Service	10,146	10,146	-
<i>Total Expenditures</i>	314,975	301,604	13,371
<i>Excess of Revenues Over (Under) Expenditures</i>	(270,448)	(257,077)	13,371
<b>Other Financing Sources (Uses)</b>			
Transfers In	80,000	80,000	-
<i>Net Change in Fund Balance</i>	(190,448)	(177,077)	13,371
<i>Fund Balance (Deficit) Beginning of Year</i>	189,295	189,295	-
Prior Year Encumbrances Appropriated	3,700	3,700	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 2,547	\$ 15,918	\$ 13,371

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Court Capital Improvement Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 34,000	\$ 34,704	\$ 704
<b>Expenditures</b>			
Capital Outlay:			
Other	150,000	33,192	116,808
<i>Net Change in Fund Balance</i>	(116,000)	1,512	117,512
<i>Fund Balance (Deficit) Beginning of Year</i>	280,972	280,972	-
Prior Year Encumbrances Appropriated	523	523	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 165,495	\$ 283,007	\$ 117,512

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Neighborhood Improvement Fund*  
*For the Year Ended December 31, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Licenses and Permits	\$ 27,100	\$ 29,314	\$ 2,214
Other	2,400	1,883	(517)
<i>Total Revenues</i>	<u>29,500</u>	<u>31,197</u>	<u>1,697</u>
<b>Expenditures</b>			
Capital Outlay:			
Personal Services	618,476	606,448	12,028
Other	317,361	289,115	28,246
<i>Total Expenditures</i>	<u>935,837</u>	<u>895,563</u>	<u>40,274</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(906,337)</u>	<u>(864,366)</u>	<u>41,971</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	885,000	885,000	-
<i>Net Change in Fund Balance</i>	(21,337)	20,634	41,971
<i>Fund Balance (Deficit) Beginning of Year</i>	17,068	17,068	-
<i>Prior Year Encumbrances Appropriated</i>	5,192	5,192	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 923</u>	<u>\$ 42,894</u>	<u>\$ 41,971</u>

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

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

***Medical Benefits Fund***

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

***Property/Liability Insurance Fund***

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

***Workers Compensation Fund***

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Fund Net Position*  
*Internal Service Funds*  
*December 31, 2023*

	Medical Benefits Fund	Property/Liability Insurance Fund	Workers Compensation Fund	Totals
<b>Assets</b>				
<i>Current Assets:</i>				
Equity in Pooled Cash and Investments	\$ -	\$ 20,154	\$ 80,031	\$ 100,185
Cash and Cash Equivalents in Segregated Accounts	261,673	-	-	261,673
Prepaid Items	-	-	191,793	191,793
<i>Total Current Assets</i>	<u>261,673</u>	<u>20,154</u>	<u>271,824</u>	<u>553,651</u>
<b>Liabilities</b>				
<i>Current Liabilities:</i>				
Claims Payable	144,647	-	-	144,647
<b>Net Position</b>				
Unrestricted	117,026	20,154	271,824	409,004
<b>Total Net Position</b>	<u>\$ 117,026</u>	<u>\$ 20,154</u>	<u>\$ 271,824</u>	<u>\$ 409,004</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Internal Service Funds*  
*For the Year Ended December 31, 2023*

	Medical Benefits Fund	Property/Liability Insurance Fund	Workers Compensation Fund	Totals
<b>Operating Revenues</b>				
Charges for Services	\$ 3,037,408	\$ 429,844	\$ 236,805	\$ 3,704,057
Other	20,470	7,302	50,072	77,844
<i>Total Operating Revenues</i>	<u>3,057,878</u>	<u>437,146</u>	<u>286,877</u>	<u>3,781,901</u>
<b>Operating Expenses</b>				
Contractual Services	604,601	415,219	243,206	1,263,026
Claims	2,467,875	4,901	-	2,472,776
Other	12,804	-	-	12,804
<i>Total Operating Expenses</i>	<u>3,085,280</u>	<u>420,120</u>	<u>243,206</u>	<u>3,748,606</u>
<i>Change in Net Position</i>	(27,402)	17,026	43,671	33,295
<i>Net Position Beginning of Year</i>	<u>144,428</u>	<u>3,128</u>	<u>228,153</u>	<u>375,709</u>
<i>Net Position End of Year</i>	<u>\$ 117,026</u>	<u>\$ 20,154</u>	<u>\$ 271,824</u>	<u>\$ 409,004</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Cash Flow-*  
*Internal Service Funds*  
*For the Year Ended December 31, 2023*

	Medical Benefits Fund	Property/ Liability Insurance Fund	Workers Compensation Fund	Total Internal Service Funds
<b>Cash Flows From Operating Activities</b>				
Cash Received from Customers	\$ 3,037,408	\$ 429,844	\$ 236,805	\$ 3,704,057
Other Cash Receipts	20,470	7,302	50,072	77,844
Cash Payments for Contractual Services	(606,248)	(417,895)	(246,262)	(1,270,405)
Cash Payments for Claims	(2,527,460)	(4,901)	-	(2,532,361)
Other Cash Payments	(12,804)	-	-	(12,804)
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>(88,634)</u>	<u>14,350</u>	<u>40,615</u>	<u>(33,669)</u>
<i>Net Increase (Decrease) in Cash and Investments</i>	(88,634)	14,350	40,615	(33,669)
<i>Cash and Investments Beginning of Year</i>	<u>350,307</u>	<u>5,804</u>	<u>39,416</u>	<u>395,527</u>
<i>Cash and Investments End of Year</i>	<u>\$ 261,673</u>	<u>\$ 20,154</u>	<u>\$ 80,031</u>	<u>\$ 361,858</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities</b>				
Operating Income (Loss)	\$ (27,402)	\$ 17,026	\$ 43,671	\$ 33,295
Adjustments:				
(Increase) Decrease in Assets:				
Prepays	-	-	(3,056)	(3,056)
Increase (Decrease) in Liabilities:				
Accounts Payable	(1,647)	(2,676)	-	(4,323)
Claims Payable	(59,585)	-	-	(59,585)
<i>Total Adjustments</i>	<u>(61,232)</u>	<u>(2,676)</u>	<u>(3,056)</u>	<u>(66,964)</u>
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>\$ (88,634)</u>	<u>\$ 14,350</u>	<u>\$ 40,615</u>	<u>\$ (33,669)</u>



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

***Fiduciary Funds***

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

***Custodial Funds***

***Regional Sewer Fund***

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

***State Highway Patrol Fund***

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

***Ohio Board of Building Standards Fund***

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

***Metroparks Fund***

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

***Municipal Court Fund***

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Fiduciary Net Position*  
*Custodial Funds*  
*December 31, 2023*

	Regional Sewer Fund	State Highway Patrol Fund	Ohio Board of Building Standards Fund	Metroparks Fund
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 1,458,932	\$ 619	\$ 122	\$ 39,406
Cash and Cash Equivalents in Segregated Accounts	-	-	-	-
Accounts Receivable	2,460,841	-	-	-
<i>Total Assets</i>	<u>3,919,773</u>	<u>619</u>	<u>122</u>	<u>39,406</u>
<b>Liabilities</b>				
Accounts Payable	1,443,915	-	-	-
Due to Other Governments	2,475,858	619	122	39,406
<i>Total Liabilities</i>	<u>3,919,773</u>	<u>619</u>	<u>122</u>	<u>39,406</u>
<b>Net Position</b>				
Unrestricted	-	-	-	-
<i>Total Net Position</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Fiduciary Net Position*  
*Custodial Funds*  
*December 31, 2023*

	Municipal Court Fund	Total
<b>Assets</b>		
Equity in Pooled Cash and Investments	\$ -	\$ 1,499,079
Cash and Cash Equivalents in Segregated Accounts	287,967	287,967
Accounts Receivable	-	2,460,841
<i>Total Assets</i>	287,967	4,247,887
 <b>Liabilities</b>		
Accounts Payable	-	1,443,915
Due to Other Governments	287,967	2,803,972
<i>Total Liabilities</i>	287,967	4,247,887
 <b>Net Position</b>		
Unrestricted	-	-
<i>Total Net Position</i>	\$ -	\$ -

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Changes in Fiduciary Net Position*  
*Custodial Funds*  
*For the Year Ended December 31, 2023*

	Regional Sewer Fund	State Highway Patrol Fund	Building Standards Fund	Metroparks Fund
<b>Additions</b>				
Licenses, Permits & Fees for Other Governments	\$ -	\$ -	\$ 3,928	\$ -
Fines & Forfeitures for Other Governments	-	2,397	-	8,222
Collections for Other Governments	6,051,575	-	-	-
<i>Total Additions</i>	<u>6,051,575</u>	<u>2,397</u>	<u>3,928</u>	<u>8,222</u>
<b>Deductions</b>				
Licenses and Permits and Fees Distributions to Other Governments	-	-	3,928	-
Fines and Forfeitures Distributions to Other Governments	-	2,397	-	8,222
Distributions to Other Governments	6,051,575	-	-	-
<i>Total Deductions</i>	<u>6,051,575</u>	<u>2,397</u>	<u>3,928</u>	<u>8,222</u>
<i>Change in Net Position</i>	-	-	-	-
<i>Net Position Beginning of Year</i>	-	-	-	-
<i>Net Position End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Changes in Fiduciary Net Position*  
*Custodial Funds*  
*For the Year Ended December 31, 2023*

	Municipal Court Fund	Total
<b>Additions</b>		
Licenses, Permits & Fees for Other Governments	\$ -	\$ 3,928
Fines & Forfeitures for Other Governments	2,379,284	2,389,903
Collections for Other Governments	-	6,051,575
<i>Total Additions</i>	2,379,284	8,445,406
<b>Deductions</b>		
Licenses and Permits and Fees Distributions to Other Governments	-	3,928
Fines and Forfeitures Distributions to Other Governments	2,379,284	2,389,903
Distributions to Other Governments	-	6,051,575
<i>Total Deductions</i>	2,379,284	8,445,406
<i>Change in Net Position</i>	-	-
<i>Net Position Beginning of Year</i>	-	-
<i>Net Position End of Year</i>	\$ -	\$ -

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

## Background:

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2023 and is reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions—An Amendment of GASB Statement 27*. In a prior year, the City adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revised accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting net OPEB asset and deferred outflows related to pension and OPEB.

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

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

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

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

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



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

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Supplemental Schedule*  
*Schedule of Net Position - Including GASB 68 and GASB 75*  
*December 31, 2023*

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 12,124,544	\$ 935,646	\$ 13,060,190
Accounts Receivable	210,175	1,306,235	1,516,410
Intergovernmental Receivable	1,217,716	430,942	1,648,658
Taxes Receivable	10,471,146	530,326	11,001,472
Leases Receivable	922,174	-	922,174
Special Assessments Receivable	851,624	-	851,624
Loans Receivable	805,029	-	805,029
Prepaid Items	191,793	-	191,793
Materials and Supplies Inventory	255,176	147,053	402,229
Assets Held for Resale	140,000	-	140,000
Non-Depreciable Capital Assets	14,897,187	1,455,732	16,352,919
Depreciable Capital Assets, Net	68,514,049	36,378,163	104,892,212
<i>Total Assets</i>	<u>110,600,613</u>	<u>41,184,097</u>	<u>151,784,710</u>
<b>Deferred Outflows of Resources</b>			
Pension	10,291,431	889,058	11,180,489
OPEB	1,659,600	132,089	1,791,689
<i>Total Deferred Outflows of Resources</i>	<u>11,951,031</u>	<u>1,021,147</u>	<u>12,972,178</u>
<b>Liabilities</b>			
Accounts Payable	1,013,211	41,320	1,054,531
Accrued Wages	432,036	36,877	468,913
Contracts Payable	9,751	48,402	58,153
Intergovernmental Payable	283,812	19,276	303,088
Accrued Interest Payable	41,589	126,089	167,678
Claims Payable	144,647	-	144,647
Matured Compensated Absences Payable	12,788	-	12,788
Unearned Revenue	2,247,067	-	2,247,067
Long-Term Liabilities:			
Due Within One Year	2,226,951	975,123	3,202,074
Due In More Than One Year:			
Net Pension Liability	29,742,699	2,178,058	31,920,757
Net OPEB Liability	1,648,241	44,243	1,692,484
Other Amounts Due in More Than One Year	21,960,805	9,574,762	31,535,567
<i>Total Liabilities</i>	<u>59,763,597</u>	<u>13,044,150</u>	<u>72,807,747</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Next Fiscal Year	5,098,961	505,112	5,604,073
Leases	922,174	-	922,174
Pension	1,239,013	76,003	1,315,016
OPEB	1,751,213	15,043	1,766,256
<i>Total Deferred Inflows of Resources</i>	<u>9,011,361</u>	<u>596,158</u>	<u>9,607,519</u>
<b>Net Position</b>			
Net Investment in Capital Assets	61,855,208	28,366,622	90,221,830
Restricted for:			
Debt Service	1,307,928	-	1,307,928
Street Lighting	1,405,954	-	1,405,954
Street Maintenance and Repair	810,704	-	810,704
Court Operations and Capital Outlay	517,698	-	517,698
Security Operations	486,848	-	486,848
Drug and Alcohol Programs	31,856	-	31,856
Other Purposes	751,731	-	751,731
Unrestricted	(13,391,241)	198,314	(13,192,927)
<i>Total Net Position</i>	<u>\$ 53,776,686</u>	<u>\$ 28,564,936</u>	<u>\$ 82,341,622</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Supplemental Schedule*  
*Schedule of Net Position - Excluding GASB 68 and GASB 75*  
*December 31, 2023*

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 12,124,544	\$ 935,646	\$ 13,060,190
Accounts Receivable	210,175	1,306,235	1,516,410
Intergovernmental Receivable	1,217,716	430,942	1,648,658
Taxes Receivable	10,471,146	530,326	11,001,472
Leases Receivable	922,174	-	922,174
Special Assessments Receivable	851,624	-	851,624
Loans Receivable	805,029	-	805,029
Prepaid Items	191,793	-	191,793
Materials and Supplies Inventory	255,176	147,053	402,229
Assets Held for Resale	140,000	-	140,000
Non-Depreciable Capital Assets	14,897,187	1,455,732	16,352,919
Depreciable Capital Assets, Net	68,514,049	36,378,163	104,892,212
<i>Total Assets</i>	<u>110,600,613</u>	<u>41,184,097</u>	<u>151,784,710</u>
<b>Deferred Outflows of Resources</b>			
Pension	-	-	-
OPEB	-	-	-
<i>Total Deferred Outflows of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Liabilities</b>			
Accounts Payable	1,013,211	41,320	1,054,531
Accrued Wages	432,036	36,877	468,913
Contracts Payable	9,751	48,402	58,153
Intergovernmental Payable	283,812	19,276	303,088
Accrued Interest Payable	41,589	126,089	167,678
Claims Payable	144,647	-	144,647
Matured Compensated Absences Payable	12,788	-	12,788
Unearned Revenue	2,247,067	-	2,247,067
Long-Term Liabilities:			
Due Within One Year	2,226,951	975,123	3,202,074
Due In More Than One Year:			
Net Pension Liability	-	-	-
Net OPEB Liability	-	-	-
Other Amounts Due in More Than One Year	21,960,805	9,574,762	31,535,567
<i>Total Liabilities</i>	<u>28,372,657</u>	<u>10,821,849</u>	<u>39,194,506</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Next Fiscal Year	5,098,961	505,112	5,604,073
Leases	922,174	-	922,174
Pension	-	-	-
OPEB	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>6,021,135</u>	<u>505,112</u>	<u>6,526,247</u>
<b>Net Position</b>			
Net Investment in Capital Assets	61,855,208	28,366,622	90,221,830
Restricted for:			
Debt Service	1,307,928	-	1,307,928
Street Lighting	1,405,954	-	1,405,954
Street Maintenance and Repair	810,704	-	810,704
Court Operations and Capital Outlay	517,698	-	517,698
Security Operations	486,848	-	486,848
Drug and Alcohol Programs	31,856	-	31,856
Other Purposes	751,731	-	751,731
Unrestricted	9,038,894	1,490,514	10,529,408
<i>Total Net Position</i>	<u>\$ 76,206,821</u>	<u>\$ 29,857,136</u>	<u>\$ 106,063,957</u>

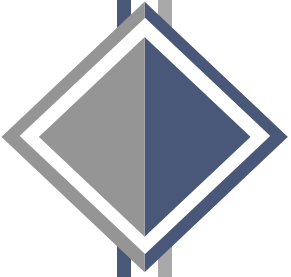
**City of Berea**  
**Cuyahoga County, Ohio**  
*Supplemental Schedule*  
*Schedule of Activities - Including GASB 68 and GASB 75*  
*For the Year Ended December 31, 2023*

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Operating	Operating	Capital Grants,	Governmental	Business-Type	Total
		Charges for	Grants,	Contributions	Activities	Activities	
		Services and	Contributions	and Interest			
		Sales	and Interest	and Interest			
<b>Governmental Activities</b>							
General Government	\$ 12,474,089	\$ 2,835,668	\$ 850	\$ -	\$ (9,637,571)	\$ -	\$ (9,637,571)
Security of Persons and Property	10,821,674	1,547,149	304,212	23,679	(8,946,634)	-	(8,946,634)
Public Health	221,996	-	132,387	-	(89,609)	-	(89,609)
Leisure Time Services	5,280,807	916,157	180,498	3,439,986	(744,166)	-	(744,166)
Community Development	404,419	29,314	224,211	-	(150,894)	-	(150,894)
Public Works	1,457,057	-	-	-	(1,457,057)	-	(1,457,057)
Transportation	5,341,190	157,362	1,040,869	568,215	(3,574,744)	-	(3,574,744)
Interest and Fiscal Charges	704,948	-	-	-	(704,948)	-	(704,948)
<i>Total Governmental Activities</i>	<u>36,706,180</u>	<u>5,485,650</u>	<u>1,883,027</u>	<u>4,031,880</u>	<u>(25,305,623)</u>	<u>-</u>	<u>(25,305,623)</u>
<b>Business-Type Activities</b>							
Water Revenue	3,749,229	2,121,910	59,264	414,442	-	(1,153,613)	(1,153,613)
Sewer Revenue	1,558,927	747,366	-	750,691	-	(60,870)	(60,870)
<i>Total Business-Type Activities</i>	<u>5,308,156</u>	<u>2,869,276</u>	<u>59,264</u>	<u>1,165,133</u>	<u>-</u>	<u>(1,214,483)</u>	<u>(1,214,483)</u>
<i>Total Primary Government</i>	<u>\$ 42,014,336</u>	<u>\$ 8,354,926</u>	<u>\$ 1,942,291</u>	<u>\$ 5,197,013</u>	<u>(25,305,623)</u>	<u>(1,214,483)</u>	<u>(26,520,106)</u>
<b>General Revenues:</b>							
Property Taxes Levied for:							
General Purposes					2,061,508	-	2,061,508
Police and Fire Pension					860,944	-	860,944
Community Hospital					98,562	-	98,562
Debt Service					1,884,289	-	1,884,289
Water Improvements					-	494,181	494,181
Income Taxes Levied for:							
General Purposes					19,618,278	-	19,618,278
Grants and Entitlements not Restricted to Specific Programs							
Other Taxes					1,231,771	-	1,231,771
Investment Earnings					200,525	-	200,525
Miscellaneous					593,705	-	593,705
					264,574	-	264,574
<i>Total General Revenues</i>					<u>26,814,156</u>	<u>494,181</u>	<u>27,308,337</u>
Transfers					<u>(755,000)</u>	<u>755,000</u>	<u>-</u>
<i>Total General Revenues and Transfers</i>					<u>26,059,156</u>	<u>1,249,181</u>	<u>27,308,337</u>
<i>Change in Net Position</i>					<u>753,533</u>	<u>34,698</u>	<u>788,231</u>
<i>Net Position Beginning of Year</i>					<u>53,023,153</u>	<u>28,530,238</u>	<u>81,553,391</u>
<i>Net Position End of Year</i>					<u>\$ 53,776,686</u>	<u>\$ 28,564,936</u>	<u>\$ 82,341,622</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Supplemental Schedule*  
*Schedule of Activities - Excluding GASB 68 and GASB 75*  
*For the Year Ended December 31, 2023*

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Operating	Capital Grants, Contributions and Interest	Governmental Activities	Business-Type Activities	Total	
	Charges for Services and Sales	Grants, Contributions and Interest	Capital Grants, Contributions and Interest				
<b>Governmental Activities</b>							
General Government	\$ 12,419,159	\$ 2,835,668	\$ 850	\$ -	\$ (9,582,641)	\$ -	\$ (9,582,641)
Security of Persons and Property	9,706,976	1,547,149	304,212	23,679	(7,831,936)	-	(7,831,936)
Public Health	221,996	-	132,387	-	(89,609)	-	(89,609)
Leisure Time Services	5,267,653	916,157	180,498	3,439,986	(731,012)	-	(731,012)
Community Development	399,084	29,314	224,211	-	(145,559)	-	(145,559)
Public Works	1,457,057	-	-	-	(1,457,057)	-	(1,457,057)
Transportation	5,334,330	157,362	1,040,869	568,215	(3,567,884)	-	(3,567,884)
Interest and Fiscal Charges	704,948	-	-	-	(704,948)	-	(704,948)
<i>Total Governmental Activities</i>	<u>35,511,203</u>	<u>5,485,650</u>	<u>1,883,027</u>	<u>4,031,880</u>	<u>(24,110,646)</u>	<u>-</u>	<u>(24,110,646)</u>
<b>Business-Type Activities</b>							
Water Revenue	3,772,105	2,121,910	59,264	414,442	-	(1,176,489)	(1,176,489)
Sewer Revenue	1,596,219	747,366	-	750,691	-	(98,162)	(98,162)
<i>Total Business-Type Activities</i>	<u>5,368,324</u>	<u>2,869,276</u>	<u>59,264</u>	<u>1,165,133</u>	<u>-</u>	<u>(1,274,651)</u>	<u>(1,274,651)</u>
<i>Total Primary Government</i>	<u>\$ 40,879,527</u>	<u>\$ 8,354,926</u>	<u>\$ 1,942,291</u>	<u>\$ 5,197,013</u>	<u>(24,110,646)</u>	<u>(1,274,651)</u>	<u>(25,385,297)</u>
<b>General Revenues:</b>							
Property Taxes Levied for:							
General Purposes				2,061,508	-	2,061,508	
Police and Fire Pension				860,944	-	860,944	
Community Hospital				98,562	-	98,562	
Debt Service				1,884,289	-	1,884,289	
Water Improvements				-	494,181	494,181	
Income Taxes Levied for:							
General Purposes				19,618,278	-	19,618,278	
Grants and Entitlements not Restricted to Specific Programs							
Other Taxes				1,231,771	-	1,231,771	
Investment Earnings				200,525	-	200,525	
Miscellaneous				593,705	-	593,705	
				264,574	-	264,574	
<i>Total General Revenues</i>				<u>26,814,156</u>	<u>494,181</u>	<u>27,308,337</u>	
Transfers				<u>(755,000)</u>	<u>755,000</u>	<u>-</u>	
<i>Total General Revenues and Transfers</i>				<u>26,059,156</u>	<u>1,249,181</u>	<u>27,308,337</u>	
<i>Change in Net Position</i>				<u>1,948,510</u>	<u>(25,470)</u>	<u>1,923,040</u>	
<i>Net Position Beginning of Year Excluding GASB 68 and GASB 75</i>							
				<u>74,258,311</u>	<u>29,882,606</u>	<u>104,140,917</u>	
<i>Net Position End of Year</i>							
				<u>\$ 76,206,821</u>	<u>\$ 29,857,136</u>	<u>\$ 106,063,957</u>	

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# STATISTICAL SECTION





## Statistical Section

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

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

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

### **NOTES:**

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

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

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

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

	2023	2022	2021	Restated 2020
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$ 61,855,208	\$ 60,572,291	\$ 53,688,110	\$ 56,711,603
Restricted:				
Capital Projects	-	-	-	-
Debt Service	1,307,928	1,614,013	-	-
Street Lighting	1,405,954	1,111,334	962,112	763,009
Street Maintenance and Repair	810,704	654,258	628,677	806,923
Court Operations and Capital Outlay	517,698	491,498	491,017	571,906
Security Operations	486,848	442,738	485,284	31,227
Drug and Alcohol Programs	31,856	43,915	23,806	564,879
Other Purposes *	751,731	691,036	506,848	473,875
Unrestricted	(13,391,241)	(12,597,930)	(13,498,701)	(16,837,416)
<i>Total Governmental Activities Net Position</i>	<u>\$ 53,776,686</u>	<u>\$ 53,023,153</u>	<u>\$ 43,287,153</u>	<u>\$ 43,086,006</u>
<b>Business Type - Activities</b>				
Net Investment in Capital Assets	\$ 28,366,622	\$ 27,908,924	\$ 27,432,023	\$ 27,536,818
Restricted:				
Renewal and Replacement	-	-	-	-
Unrestricted	198,314	621,314	(534,044)	(1,962,106)
<i>Total Business-Type Activities Net Position</i>	<u>\$ 28,564,936</u>	<u>\$ 28,530,238</u>	<u>\$ 26,897,979</u>	<u>\$ 25,574,712</u>
<b>Primary Government</b>				
Net Investment in Capital Assets	\$ 90,221,830	\$ 88,481,215	\$ 81,120,133	\$ 84,248,421
Restricted	5,312,719	5,048,792	3,097,744	3,211,819
Unrestricted	(13,192,927)	(11,976,616)	(14,032,745)	(18,799,522)
<i>Total Primary Government Net Position</i>	<u>\$ 82,341,622</u>	<u>\$ 81,553,391</u>	<u>\$ 70,185,132</u>	<u>\$ 68,660,718</u>

Restated 2019	Restated 2018	Restated 2017	Restated 2016	2015	Restated 2014
\$ 59,498,197	\$ 60,306,385	\$ 61,240,064	\$ 60,290,157	\$ 52,594,409	\$ 55,271,913
-	-	-	95,998	-	-
-	-	-	-	2,983,819	2,973,127
723,586	838,318	927,517	1,000,015	980,414	969,411
596,873	416,385	514,761	509,831	468,849	445,028
555,764	1,246,931	772,984	464,471	1,756,269	1,667,683
16,506	45,798	48,674	98,668	75,583	107,601
580,307	659,638	657,029	609,676	541,728	468,872
569,816	499,751	70,985	19,064	18,276	187,931
<u>(17,307,898)</u>	<u>(22,845,852)</u>	<u>(20,129,273)</u>	<u>(2,804,391)</u>	<u>(5,512,168)</u>	<u>(7,909,245)</u>
<u>\$ 45,233,151</u>	<u>\$ 41,167,354</u>	<u>\$ 44,102,741</u>	<u>\$ 60,283,489</u>	<u>\$ 53,907,179</u>	<u>\$ 54,182,321</u>
\$ 28,028,357	\$ 27,589,952	\$ 25,155,850	\$ 25,111,856	\$ 25,256,979	\$ 23,457,040
-	-	101,453	22,905	-	-
<u>(2,518,976)</u>	<u>(1,826,341)</u>	<u>(602,320)</u>	<u>(324,507)</u>	<u>699,079</u>	<u>2,431,856</u>
<u>\$ 25,509,381</u>	<u>\$ 25,763,611</u>	<u>\$ 24,654,983</u>	<u>\$ 24,810,254</u>	<u>\$ 25,956,058</u>	<u>\$ 25,888,896</u>
\$ 87,526,554	\$ 87,896,337	\$ 86,395,914	\$ 85,402,013	\$ 77,851,388	\$ 78,728,953
3,042,852	3,706,821	3,093,403	2,820,628	6,824,938	6,819,653
<u>(19,826,874)</u>	<u>(24,672,193)</u>	<u>(20,731,593)</u>	<u>(3,128,898)</u>	<u>(4,813,089)</u>	<u>(5,477,389)</u>
<u>\$ 70,742,532</u>	<u>\$ 66,930,965</u>	<u>\$ 68,757,724</u>	<u>\$ 85,093,743</u>	<u>\$ 79,863,237</u>	<u>\$ 80,071,217</u>

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

	2023	2022	2021	2020
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General Government	\$ 2,835,668	\$ 2,726,862	\$ 2,519,779	\$ 2,231,148
Security of Persons and Property	1,547,149	1,478,460	1,304,772	1,175,545
Public Health	-	-	-	-
Leisure Time Services	916,157	808,838	611,770	313,118
Community Development	29,314	33,911	32,048	37,251
Transportation	157,362	-	101,000	255,281
Subtotal - Charges for Services	<u>5,485,650</u>	<u>5,048,071</u>	<u>4,569,369</u>	<u>4,012,343</u>
Operating Grants and Contributions:				
General Government	850	-	-	68,745
Security of Persons and Property	304,212	155,804	136,586	895,336
Public Health	132,387	11,504	199,369	419,924
Leisure Time Services	180,498	113,988	36,272	176,603
Community Development	224,211	203,750	-	-
Transportation	1,040,869	998,208	1,067,038	948,734
Subtotal - Operating Grants and Contributions	<u>1,883,027</u>	<u>1,483,254</u>	<u>1,439,265</u>	<u>2,509,342</u>
Capital Grants and Contributions:				
Security of Persons and Property	23,679	20,345	27,008	120,966
Leisure Time Services	3,439,986	9,073,060	62,876	713,052
Community Development	-	-	-	-
Transportation	568,215	576,078	435,999	457,097
Subtotal - Capital Grants and Contributions	<u>4,031,880</u>	<u>9,669,483</u>	<u>525,883</u>	<u>1,291,115</u>
<i>Total Governmental Activities Program Revenues</i>	<u>11,400,557</u>	<u>16,200,808</u>	<u>6,534,517</u>	<u>7,812,800</u>
Business-Type Activities:				
Charges for Services:				
Water	2,121,910	2,447,250	2,542,203	2,700,808
Sewer	747,366	744,997	748,841	752,247
Operating Grants and Contributions				
Water	59,264	58,977	61,608	6,001
Sewer	-	-	-	35,019
Capital Grants and Contributions				
Water	414,442	273,094	76,155	-
Sewer	750,691	788,039	336,659	399,048
<i>Total Business-Type Activities Program Revenues</i>	<u>4,093,673</u>	<u>4,312,357</u>	<u>3,765,466</u>	<u>3,893,123</u>
<i>Total Primary Government Program Revenues</i>	<u>\$ 15,494,230</u>	<u>\$ 20,513,165</u>	<u>\$ 10,299,983</u>	<u>\$ 11,705,923</u>
<b>Expenses</b>				
Governmental Activities:				
General Government	\$ 12,474,089	\$ 9,652,364	\$ 8,269,997	\$ 10,965,105
Security of Persons and Property	10,821,674	9,172,216	8,917,688	9,342,118
Public Health	221,996	103,970	298,697	387,208
Leisure Time Services	5,280,807	3,922,701	2,922,322	4,034,089
Community Development	404,419	145,497	890,627	396,234
Public Works	1,457,057	1,542,014	1,428,106	1,484,294
Transportation	5,341,190	5,377,321	4,760,428	4,802,649
Interest and Fiscal Charges	704,948	379,829	374,366	597,622
<i>Total Governmental Activities Expenses</i>	<u>36,706,180</u>	<u>30,295,912</u>	<u>27,862,231</u>	<u>32,009,319</u>

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

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

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

	2019	2018	2017	Restated 2016	2015	2014
\$	3,276,562	\$ 3,714,419	\$ 2,927,888	\$ 2,907,910	\$ 2,884,065	\$ 2,678,278
	1,213,185	1,148,978	1,194,563	1,169,955	1,136,291	1,166,634
	-	-	-	-	4,203	7,848
	823,413	772,094	566,981	691,324	700,292	643,457
	42,596	73,551	29,295	37,322	41,245	32,363
	30,000	109,894	455,406	392,551	246,661	256,028
	<u>5,385,756</u>	<u>5,818,936</u>	<u>5,174,133</u>	<u>5,199,062</u>	<u>5,012,757</u>	<u>4,784,608</u>
	-	27,000	94,102	138,625	10,000	10,000
	130,471	118,718	305,754	137,757	89,870	107,585
	9,285	9,609	13,518	31,443	15,708	22,263
	10,000	-	5,156	2,206	4,500	-
	-	-	-	4,000	4,861	-
	1,004,689	684,304	905,236	826,739	791,526	804,587
	<u>1,154,445</u>	<u>839,631</u>	<u>1,323,766</u>	<u>1,140,770</u>	<u>916,465</u>	<u>944,435</u>
	56,518	655,243	-	-	-	-
	-	1,050,000	124,474	7,374,955	1,191,998	-
	-	191,948	100,000	158,233	-	-
	1,040,605	1,296,861	2,972,276	734,723	345,893	-
	<u>1,097,123</u>	<u>3,194,052</u>	<u>3,196,750</u>	<u>8,267,911</u>	<u>1,537,891</u>	<u>-</u>
	<u>7,637,324</u>	<u>9,852,619</u>	<u>9,694,649</u>	<u>14,607,743</u>	<u>7,467,113</u>	<u>5,729,043</u>
	2,662,207	2,536,461	2,835,081	2,741,241	2,507,159	2,496,104
	847,301	668,593	766,578	775,627	791,863	743,737
	144,225	63,182	75,449	74,695	75,620	74,177
	-	-	-	-	-	-
	470,804	652,508	338,134	254,996	7,343	-
	741,593	1,804,830	345,401	354,777	5,278	-
	<u>4,866,130</u>	<u>5,725,574</u>	<u>4,360,643</u>	<u>4,201,336</u>	<u>3,387,263</u>	<u>3,314,018</u>
\$	<u>12,503,454</u>	<u>\$ 15,578,193</u>	<u>\$ 14,055,292</u>	<u>\$ 18,809,079</u>	<u>\$ 10,854,376</u>	<u>\$ 9,043,061</u>
\$	11,044,960	\$ 9,747,695	\$ 9,846,448	\$ 8,331,714	\$ 7,664,155	\$ 8,291,476
	279,373	9,650,672	8,841,071	8,565,299	7,359,179	6,753,040
	98,426	97,319	117,192	118,279	151,785	151,971
	4,896,558	4,649,331	4,521,353	3,340,337	2,919,372	3,223,496
	525,712	393,983	554,587	388,886	353,620	514,483
	1,290,056	1,248,969	1,272,715	1,266,920	1,247,527	1,243,488
	4,361,420	5,308,281	4,001,193	3,649,374	3,420,711	3,965,988
	779,809	736,910	627,337	648,626	582,951	478,972
	<u>23,276,314</u>	<u>31,833,160</u>	<u>29,781,896</u>	<u>26,309,435</u>	<u>23,699,300</u>	<u>24,622,914</u>

(continued)

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

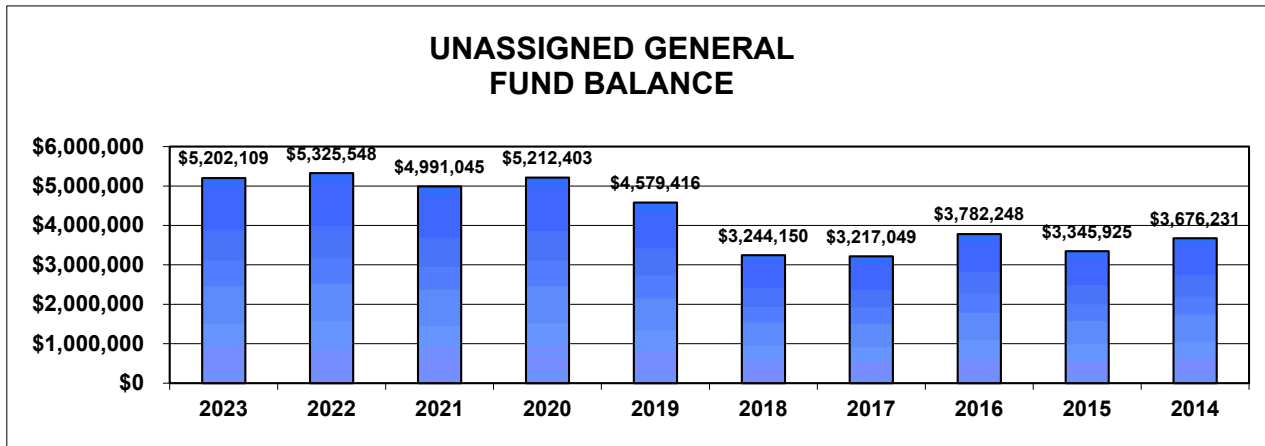
	2023	2022	2021	2020
<b>Business-Type Activities</b>				
Water	\$ 3,749,229	\$ 2,828,962	\$ 2,406,016	\$ 3,293,656
Sewer	1,558,927	1,240,495	1,125,335	1,411,702
<i>Total Business-Type Activities Expenses</i>	<u>5,308,156</u>	<u>4,069,457</u>	<u>3,531,351</u>	<u>4,705,358</u>
<i>Total Primary Government Program Expenses</i>	<u>42,014,336</u>	<u>34,365,369</u>	<u>31,393,582</u>	<u>36,714,677</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(25,305,623)	(14,095,104)	(21,327,714)	(24,196,519)
Business-Type Activities	<u>(1,214,483)</u>	<u>242,900</u>	<u>234,115</u>	<u>(812,235)</u>
<i>Total Primary Government Net Expense</i>	<u>(26,520,106)</u>	<u>(13,852,204)</u>	<u>(21,093,599)</u>	<u>(25,008,754)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities				
Taxes:				
Property and Other Local Taxes Levied For:				
General Purposes	\$ 2,061,508	\$ 1,917,421	\$ 1,901,870	\$ 1,820,231
Other Purposes *	2,843,795	2,656,496	2,580,570	2,471,933
Municipal Income Taxes levied for:				
General Purposes	19,618,278	18,084,206	16,072,370	15,485,414
Grants and Entitlements not Restricted to				
Specific Programs	1,231,771	1,264,542	1,077,249	1,012,000
Other Taxes	200,525	228,448	224,259	277,843
Investment Income	593,705	15,051	(7,712)	176,621
Miscellaneous	264,574	594,940	270,255	1,155,402
Unrestricted Donations	-	-	-	-
Transfers	(755,000)	(930,000)	(590,000)	(520,000)
Extraordinary Item	-	-	-	-
<i>Total Governmental Activities</i>	<u>26,059,156</u>	<u>23,831,104</u>	<u>21,528,861</u>	<u>21,879,444</u>
Business-Type Activities				
Property Taxes levied for:				
Water Improvements	494,181	459,359	499,152	484,084
Transfers	755,000	930,000	590,000	520,000
Miscellaneous	-	-	-	43,412
<i>Total Business-Type Activities</i>	<u>1,249,181</u>	<u>1,389,359</u>	<u>1,089,152</u>	<u>1,047,496</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>27,308,337</u>	<u>25,220,463</u>	<u>22,618,013</u>	<u>22,926,940</u>
<b>Change in Net Position</b>				
Governmental Activities	753,533	9,736,000	201,147	(2,317,075)
Business-Type Activities	<u>34,698</u>	<u>1,632,259</u>	<u>1,323,267</u>	<u>235,261</u>
<i>Total Primary Government Change in Net Position</i>	<u>\$ 788,231</u>	<u>\$ 11,368,259</u>	<u>\$ 1,524,414</u>	<u>\$ (2,081,814)</u>

\* Includes Police and Fire Pension and Debt Service

2019	2018	2017	Restated 2016	2015	2014
\$ 4,380,281	\$ 4,260,794	\$ 3,577,909	\$ 4,875,037	\$ 3,976,228	\$ 3,705,293
1,298,255	1,421,578	1,077,872	1,053,185	954,252	946,637
5,678,536	5,682,372	4,655,781	5,928,222	4,930,480	4,651,930
28,954,850	37,515,532	34,437,677	32,237,657	28,629,780	29,274,844
(15,638,990)	(21,980,541)	(20,087,247)	(11,701,692)	(16,232,187)	(18,893,871)
(812,406)	43,202	(295,138)	(1,726,886)	(1,543,217)	(1,337,912)
(16,451,396)	(21,937,339)	(20,382,385)	(13,428,578)	(17,775,404)	(20,231,783)
\$ 1,775,765	\$ 1,619,709	\$ 1,601,003	\$ 1,582,799	\$ 1,723,505	\$ 1,547,123
2,385,938	2,180,142	2,154,612	2,133,441	2,101,086	2,297,347
13,810,887	14,039,940	12,904,124	13,048,547	11,813,246	11,050,350
984,079	799,109	829,061	833,594	988,566	1,068,337
259,625	295,898	250,729	307,904	336,730	284,641
502,171	37,474	66,491	206,755	101,924	119,998
702,151	264,660	203,802	96,362	51,988	51,552
-	-	785,000	-	-	-
(91,000)	(605,000)	(590,000)	(131,400)	(1,160,000)	(1,163,000)
-	-	-	-	-	(174,900)
20,329,616	18,631,932	18,204,822	18,078,002	15,957,045	15,081,448
467,176	456,895	453,634	449,682	450,379	449,104
91,000	605,000	590,000	131,400	1,160,000	1,163,000
-	3,531	-	-	-	-
558,176	1,065,426	1,043,634	581,082	1,610,379	1,612,104
20,887,792	19,697,358	19,248,456	18,659,084	17,567,424	16,693,552
4,690,626	(3,348,609)	(1,882,425)	6,376,310	(275,142)	(3,812,423)
(254,230)	1,108,628	748,496	(1,145,804)	67,162	274,192
\$ 4,436,396	\$ (2,239,981)	\$ (1,133,929)	\$ 5,230,506	\$ (207,980)	\$ (3,538,231)

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

	2023	2022	2021	2020
<b>General Fund</b>				
Nonspendable	\$ 56,007	\$ 60,063	\$ 57,232	\$ 53,476
Committed	1,812,760	1,893,409	1,663,786	1,525,231
Assigned	455,627	91,870	35,112	52,690
Unassigned	5,202,109	5,325,548	4,991,045	5,212,403
<b>Total General Fund</b>	<b>7,526,503</b>	<b>7,370,890</b>	<b>6,747,175</b>	<b>6,843,800</b>
<b>All Other Governmental Funds</b>				
Nonspendable	255,176	164,964	129,579	216,295
Restricted	3,670,738	3,683,401	2,019,384	2,118,888
Committed	1,891,726	1,696,918	2,470,839	3,150,944
Unassigned	-	(9,759)	(4,357,829)	(4,209,720)
<b>Total All Other Governmental Funds</b>	<b>5,817,640</b>	<b>5,535,524</b>	<b>261,973</b>	<b>1,276,407</b>
<b>Total Governmental Funds</b>	<b>\$ 13,344,143</b>	<b>\$ 12,906,414</b>	<b>\$ 7,009,148</b>	<b>\$ 8,120,207</b>





2019	Restated 2018	2017	Restated 2016	2015	2014
\$ 51,432	\$ 57,180	\$ 61,395	\$ 63,365	\$ 70,707	\$ 79,707
1,211,984	1,629,589	1,299,960	1,341,207	989,402	906,735
196,788	58,246	134,385	104,751	122,676	16,501
4,579,416	3,244,150	3,217,049	3,782,248	3,345,925	3,676,231
6,039,620	4,989,165	4,712,789	5,291,571	4,528,710	4,679,174
120,520	139,272	154,335	191,624	152,760	140,227
1,962,142	2,509,159	2,031,231	1,747,703	5,817,924	5,628,560
1,676,947	2,302,698	3,685,650	2,806,089	9,776,259	2,568,923
(4,331,012)	(4,250,640)	(3,956,306)	(4,093,608)	-	(10,775)
(571,403)	700,489	1,914,910	651,808	15,746,943	8,326,935
\$ 5,468,217	\$ 5,689,654	\$ 6,627,699	\$ 5,943,379	\$ 20,275,653	\$ 13,006,109

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

	2023	2022	2021	2020
<b>Revenues</b>				
Property and Other Taxes	\$ 5,211,806	\$ 5,025,498	\$ 4,521,987	\$ 4,458,650
Municipal Income Taxes	19,433,906	18,054,215	16,487,783	14,922,547
Special Assessments	857,209	742,506	744,882	718,762
Charges for Services	1,568,589	1,406,117	1,178,538	841,230
Licenses and Permits	378,620	390,470	379,349	387,853
Fines and Forfeitures	2,540,128	2,295,255	2,149,956	1,942,014
Intergovernmental	3,660,602	3,416,165	2,922,935	3,980,767
Interest	604,327	17,315	(3,141)	182,055
Contributions and Donations	71,321	134,219	81,847	40,751
Other	335,678	712,393	387,355	1,257,942
<i>Total Revenues</i>	<u>34,662,186</u>	<u>32,194,153</u>	<u>28,851,491</u>	<u>28,732,571</u>
<b>Expenditures</b>				
Current:				
General Government	11,293,472	10,433,909	10,593,343	8,640,104
Security of Persons and Property	9,158,094	8,663,383	8,000,208	7,682,239
Public Health	221,996	103,970	298,697	387,208
Leisure Time Services	2,464,116	2,260,161	1,921,285	2,176,172
Community Development	389,378	320,381	333,236	310,215
Public Works	1,453,044	1,529,297	1,414,194	1,468,633
Transportation	1,305,654	1,166,416	1,385,318	913,231
Capital Outlay	4,753,351	4,125,602	3,173,848	2,602,393
Debt Service:				
Principal Retirement	9,230,747	8,614,826	9,047,825	9,269,636
Interest and Fiscal Charges	791,625	375,373	555,824	794,872
<i>Total Expenditures</i>	<u>41,061,477</u>	<u>37,593,318</u>	<u>36,723,778</u>	<u>34,244,703</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(6,399,291)</u>	<u>(5,399,165)</u>	<u>(7,872,287)</u>	<u>(5,512,132)</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Assets	48,875	23,051	1,485	1,882
Inception of Direct Financing Agreement	-	-	14,511	255,446
Issuance of General Obligation Bonds	7,330,000	-	-	-
Issuance of Refunding Bonds	-	2,790,000	-	1,860,000
Issuance of Revenue Bonds	-	4,935,000	-	-
Premium on Debt Issuance	-	-	75,232	106,551
Payment to Refunding Bond Escrow Agent	-	(2,781,620)	-	(1,819,639)
Issuance of Notes	-	7,260,000	7,260,000	7,760,000
Inception of Lease	-	-	-	-
Issuance of Loans	213,145	-	-	519,882
Transfers In	5,270,000	4,176,000	3,585,000	3,839,000
Transfers Out	(6,025,000)	(5,106,000)	(4,175,000)	(4,359,000)
<i>Total Other Financing Sources (Uses)</i>	<u>6,837,020</u>	<u>11,296,431</u>	<u>6,761,228</u>	<u>8,164,122</u>
Extraordinary Item	-	-	-	-
<i>Net Change in Fund Balances</i>	<u>\$ 437,729</u>	<u>\$ 5,897,266</u>	<u>\$ (1,111,059)</u>	<u>\$ 2,651,990</u>
Debt Service as a Percentage of Noncapital Expenditures	29%	35%	27%	31%

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

	2019	2018	2017	Restated 2016	2015	2014
\$	4,396,511	\$ 4,042,641	\$ 4,035,283	\$ 4,029,967	\$ 4,108,059	\$ 4,013,444
	14,350,327	13,857,990	13,169,693	12,964,761	11,522,435	11,823,354
	665,452	664,686	672,143	697,250	690,267	687,958
	1,333,506	1,255,271	1,211,063	1,170,989	1,090,799	1,046,221
	551,847	660,432	425,217	469,101	501,837	359,641
	2,695,457	3,072,449	2,891,810	2,771,839	2,561,010	2,536,488
	2,930,422	4,723,726	4,983,408	2,821,548	2,383,109	2,083,875
	504,253	42,009	77,112	222,633	115,730	134,515
	20,307	9,843	891,834	55,275	28,411	51,111
	803,849	370,120	325,119	185,120	175,675	159,448
	<u>28,251,931</u>	<u>28,699,167</u>	<u>28,682,682</u>	<u>25,388,483</u>	<u>23,177,332</u>	<u>22,896,055</u>
	8,117,671	8,092,820	7,848,082	7,098,947	7,218,501	7,183,125
	7,938,766	7,622,174	7,150,207	7,169,095	6,873,297	6,354,515
	98,426	97,319	117,192	118,279	151,785	151,971
	2,682,186	2,562,905	2,246,657	2,182,361	2,138,513	2,034,896
	360,376	367,898	470,334	365,529	372,423	291,721
	1,273,974	1,229,101	1,247,725	1,238,247	1,217,697	1,215,079
	903,695	1,041,911	966,075	707,046	902,569	925,472
	5,027,011	6,758,246	7,583,352	15,329,450	4,687,901	4,152,414
	9,479,513	9,677,601	8,114,869	12,136,653	8,488,251	5,466,560
	871,233	855,135	722,211	766,722	613,929	486,428
	<u>36,752,851</u>	<u>38,305,110</u>	<u>36,466,704</u>	<u>47,112,329</u>	<u>32,664,866</u>	<u>28,262,181</u>
	<u>(8,500,920)</u>	<u>(9,605,943)</u>	<u>(7,784,022)</u>	<u>(21,723,846)</u>	<u>(9,487,534)</u>	<u>(5,366,126)</u>
	24,714	16,552	63,142	13,240	-	2,722
	-	-	-	-	-	-
	-	-	-	2,875,000	6,748,000	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	124,537	107,790	111,472	107,690	373,578	42,965
	-	-	-	(2,775,000)	-	-
	8,035,000	8,550,900	8,200,900	6,642,500	10,795,500	7,467,500
	-	167,680	52,168	657,954	-	-
	186,232	272,654	630,660	1,588	-	-
	4,041,800	3,839,000	3,704,824	3,594,800	3,426,000	3,347,410
	<u>(4,132,800)</u>	<u>(4,444,000)</u>	<u>(4,294,824)</u>	<u>(3,726,200)</u>	<u>(4,586,000)</u>	<u>(4,510,410)</u>
	<u>8,279,483</u>	<u>8,510,576</u>	<u>8,468,342</u>	<u>7,391,572</u>	<u>16,757,078</u>	<u>6,350,187</u>
	-	-	-	-	-	(174,900)
\$	<u>(221,437)</u>	<u>(1,095,367)</u>	<u>684,320</u>	<u>(14,332,274)</u>	<u>7,269,544</u>	<u>809,161</u>
	32%	32%	30%	51%	33%	23%

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

Collection Year	City of Berea					Berea School District
	General	Special Revenue	Water Revenue	Debt Service	Total	
2023	7.95	3.00	1.40	4.45	16.80	81.90
2022	7.95	3.00	1.40	4.45	16.80	81.90
2021	7.95	3.00	1.40	4.45	16.80	81.90
2020	7.95	3.00	1.40	4.45	16.80	81.90
2019	7.95	3.00	1.40	4.45	16.80	82.10
2018	7.95	3.00	1.40	4.45	16.80	82.20
2017	7.95	3.00	1.40	4.45	16.80	82.20
2016	7.95	3.00	1.40	4.45	16.80	82.20
2015	7.95	3.00	1.40	4.45	16.80	78.00
2014	7.95	3.00	1.40	4.45	16.80	78.70

Source: Cuyahoga County Fiscal Officer

Notes: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year. The City's basic property tax rate may be increased only by a majority vote of the City's residents.

Charter millage is consistently applied to all types of property.

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

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

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

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

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

Collection Year	Real Property		Tangible Personal Property	
	Assessed Value	Estimated Actual Value	Public Utility	
			Assessed Value	Estimated Actual Value
2023	\$ 479,570,390	\$ 1,370,201,114	\$ 15,978,810	\$ 18,157,739
2022	468,370,070	1,338,200,200	15,390,630	17,489,352
2021	411,862,290	1,176,749,400	14,460,260	16,432,114
2020	409,493,080	1,169,980,229	12,915,300	14,676,477
2019	393,733,580	1,124,953,086	11,832,970	13,446,557
2018	368,945,630	1,054,130,371	10,757,950	12,224,943
2017	361,784,080	1,033,668,800	9,572,450	10,877,784
2016	360,410,630	1,029,744,657	8,980,160	10,204,727
2015	370,843,110	1,059,551,743	8,714,150	9,902,443
2014	373,633,920	1,067,525,486	8,242,980	9,367,023

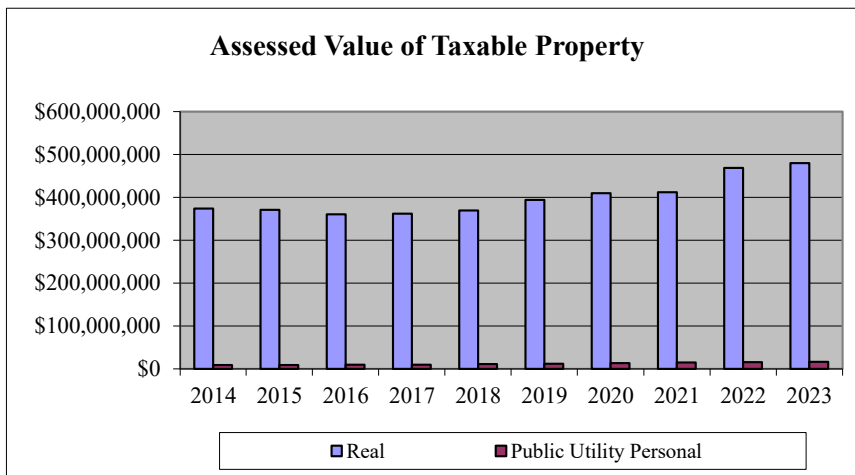
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property.

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

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

	Assessed Value	Total		Total Direct Tax Rate (1)	
		Estimated Actual Value	Ratio		
\$	495,549,200	\$	1,388,358,853	35.69	16.80
	483,760,700		1,355,689,552	35.68	16.80
	426,322,550		1,193,181,514	35.73	16.80
	422,408,380		1,184,656,706	35.66	16.80
	405,566,550		1,138,399,643	35.63	16.80
	379,703,580		1,066,355,314	35.61	16.80
	371,356,530		1,044,546,584	35.55	16.80
	369,390,790		1,039,949,384	35.52	16.80
	379,557,260		1,069,454,186	35.49	16.80
	381,876,900		1,076,892,508	35.46	16.80



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

Year	Total Tax Levy	Current Tax Collections (1)	Percent of Current Tax Collections to Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percentage of Total Tax Collections to Tax Levy (2)	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
2023	\$ 6,212,313	\$ 6,004,800	96.66%	\$ 190,481	\$ 6,195,281	99.73%	\$ 279,742	4.50%
2022	6,138,348	5,759,085	93.82	189,591	5,948,676	96.91	408,041	6.65
2021	5,518,865	5,237,249	94.90	124,139	5,361,388	97.15	653,203	11.84
2020	5,414,097	5,122,899	94.62	138,131	5,261,030	97.17	414,496	7.66
2019	5,189,600	5,048,301	97.28	135,581	5,183,882	99.89	291,880	5.62
2018	4,852,805	4,697,807	96.81	103,289	4,801,096	98.93	241,169	4.97
2017	4,823,222	4,702,417	97.50	115,653	4,818,070	99.89	260,740	5.41
2016	4,776,087	4,606,276	96.44	140,313	4,746,589	99.38	267,600	5.60
2015	4,904,908	4,650,168	94.81	166,405	4,816,573	98.20	274,176	5.59
2014	4,960,785	4,589,981	92.53	155,960	4,745,941	95.67	340,201	6.86

Source: Cuyahoga County Fiscal Officer

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

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



**City of Berea, Ohio**  
*Principal Taxpayers - Real Estate Tax*  
 2023 and 2014

Taxpayer	2023	
	Real Property Assessed Valuation (1)	Percentage Of Real Assessed Valuation
City of Berea	\$ 8,185,170	1.71%
Cleveland Electric Illuminating Co.	8,097,170	1.69%
Baldwin-Wallace	7,036,980	1.47%
Tower in the Park LTD	5,079,660	1.06%
Columbia Gas	5,023,040	1.05%
Stone Ridge Apartments	4,534,050	0.95%
American Transmission System	2,841,510	0.59%
West Valley Plaza	2,744,710	0.57%
Berea Properties Company	2,567,270	0.54%
Integrity Properties	2,390,970	0.50%
<b>Total</b>	<b>\$ 48,500,530</b>	<b>10.13%</b>
<b>Total Assessed Valuation</b>	<b>\$ 479,570,390</b>	

Taxpayer	2014	
	Real Property Assessed Valuation (1)	Percentage Of Real Assessed Valuation
Cleveland Electric Illuminating Co.	\$ 6,436,390	1.72%
Tower in the Park LTD	3,684,810	0.99%
West Valley Plaza	2,859,440	0.77%
Berea Properties Company	2,545,980	0.68%
Echo Berea Associates, LLC	2,497,510	0.67%
OHI Asset II LLC	2,375,840	0.64%
KCM LLC.	1,992,980	0.53%
Berea Square CO., LLC	1,682,280	0.45%
680 North LLC	1,674,750	0.45%
Columbia Gas	1,669,820	0.45%
<b>Total</b>	<b>\$ 27,419,800</b>	<b>7.35%</b>
<b>Total Assessed Valuation</b>	<b>\$ 373,633,920</b>	

Source: County Fiscal Officer

(1) The amounts presented represent the assessed values upon which 2023 and 2014 collection were based.

**City of Berea, Ohio**  
*Principal Taxpayers - Municipal Tax*  
 2023 and 2014

<u>2023</u>		
Taxpayer	Tax	Percentage of Tax Collected
Cleveland Browns Football	\$ 5,963,230	34.23%
Baldwin Wallace College	1,002,481	5.75%
Berea City School District	416,341	2.39%
Voss Industries	262,253	1.51%
City of Berea	242,157	1.39%
Group Management Inc	231,383	1.33%
Ohio Guidestone	223,534	1.28%
ColoMatrix Corp	214,992	1.23%
Ohio Turnpike Commission	188,500	1.08%
TMG Performance Products LLC	143,534	0.82%
<b>Total</b>	<b>\$ 8,888,405</b>	<b>51.01%</b>
<b>Total Tax Collected</b>		<b>\$ 17,420,612</b>

<u>2014</u>		
Taxpayer	Tax	Percentage of Tax Collected
Cleveland Browns Football	\$ 2,901,365	25.85%
Baldwin Wallace College	827,928	7.38%
Berea City School District	471,578	4.20%
Guidestone	220,809	1.97%
OHNH EMP LLC	217,488	1.94%
City of Berea	191,730	1.71%
Ohio Turnpike Commission	143,910	1.28%
Standby Screw Machine Products	134,664	1.20%
Eaton Aeroquip LLC	116,305	1.04%
Sound Com Corp	115,924	1.03%
<b>Total</b>	<b>\$ 5,341,701</b>	<b>47.60%</b>
<b>Total Tax Collected</b>		<b>\$ 11,221,745</b>

Source: Regional Income Tax Agency

## City of Berea, Ohio

### Principal Employers

*2023 and 2014*

<u>2023</u>		
<u>Employer</u>	<u>Number of Employees</u>	<u>Percentage of Total City Employment</u>
Baldwin Wallace College	2,569	18.24%
Cleveland Browns Football	704	5.00%
Berea City School District	569	4.04%
Group Management Service LLC	549	3.90%
Ohio Guidestone	422	3.00%
City of Berea	300	2.13%
Voss Industries	254	1.80%
AJ Aristocrat Berea OPCO LLC	241	1.71%
OHNH EMP LLC	195	1.38%
Ohio Turnpike	167	1.19%
<b>Total</b>	<b>5,970</b>	<b>42.39%</b>
<b>Total Employment within the City</b>	<b>14,088 (1)</b>	
<u>2014</u>		
<u>Employer</u>	<u>Number of Employees</u>	<u>Percentage of Total City Employment</u>
Baldwin Wallace College	3,148	30.17%
OHNH EMP LLC	715	6.85%
Berea City School District	646	6.19%
Cleveland Browns Football	640	6.13%
Guidestone	550	5.27%
Amerimark Direct LLC	317	3.04%
City of Berea	293	2.81%
Standby Screw Machine Products	182	1.74%
Eaton Aeroquip LLC	155	1.49%
Corsa Performance	116	1.11%
<b>Total</b>	<b>6,762</b>	<b>64.80%</b>
<b>Total Employment within the City</b>	<b>10,435</b>	

Source: Regional Income Tax Agency

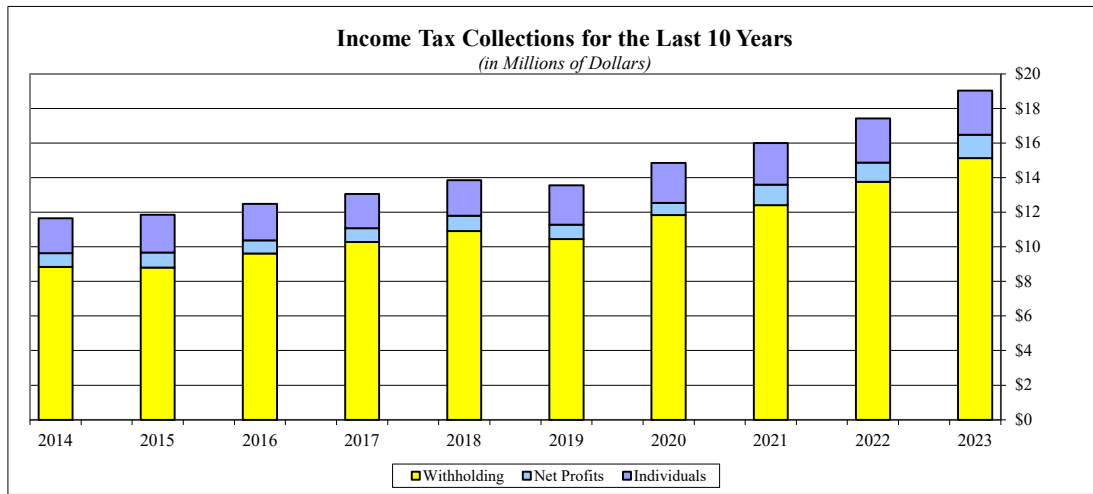
(1) Total employment within the City represents 2022. 2023 was not available.

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

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits
2023	2.00%	\$ 19,040,392	\$ 15,135,798	79.49%	\$ 1,349,193	7.09%
2022	2.00	17,420,612	13,767,126	79.03	1,108,658	6.36
2021	2.00	15,999,073	12,418,600	77.62	1,174,965	7.34
2020	2.00	15,113,053	11,846,054	78.38	693,878	4.59
2019	2.00	13,549,844	10,453,851	77.15	835,998	6.17
2018	2.00	13,861,048	10,916,826	78.76	885,405	6.39
2017	2.00	13,066,877	10,288,504	78.74	798,743	6.11
2016	2.00	12,484,319	9,610,022	76.98	770,752	6.17
2015	2.00	11,855,447	8,802,385	74.25	875,618	7.39
2014	2.00	11,647,041	8,840,177	75.90	803,005	6.89

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

Source: Regional Income Tax Agency



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	<u>Taxes From Individuals</u>	<u>Percentage of Taxes from Individuals</u>
\$	2,555,401	13.42%
	2,544,828	14.61
	2,405,509	15.04
	2,321,246	15.36
	2,259,995	16.68
	2,058,817	14.85
	1,971,799	15.09
	2,103,545	16.85
	2,177,444	18.36
	2,003,858	17.20

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

Year	Governmental Activities						OPWC
	General Obligation Debt	Revenue Bonds	Direct Financing	Notes Payable	Loan Payable		
2023	\$ 15,505,562	\$ 4,555,000	\$ 171,068	\$ -	\$ -	\$ 2,464,937	
2022	9,517,886	4,935,000	260,183	7,260,000	-	2,419,569	
2021	10,548,690	-	353,743	7,260,000	80,000	2,587,346	
2020	11,565,422	-	429,836	7,760,000	120,000	2,911,401	
2019	12,479,800	-	350,695	8,035,000	160,000	2,462,046	
2018	13,353,062	-	521,740	8,295,000	200,000	2,396,798	
2017	14,581,324	-	500,034	8,200,900	200,000	2,247,697	
2016	15,799,586	-	618,176	6,642,500	-	1,922,038	
2015	16,850,848	-	66,600	10,795,500	-	2,025,628	
2014	10,679,632	-	128,370	7,467,500	-	2,083,284	

Source: City Financial Records

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

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

Business-Type Activities

General Obligation Debt	Direct Financing	Loan Payable	Notes Payable	Leases Payable	OWDA and OPWC	Total Primary Government	Total Personal Income	Percentage of Personal Income(1)	Per Capita(1)
\$ 85,000	\$ 7,666	\$ 145,523	\$ -	\$ 477,550	\$ 9,710,831	\$33,123,137	\$ 553,192,702	5.99%	\$ 1,773
90,000	11,341	164,927	-	-	10,267,187	34,926,093	553,192,702	6.31%	1,870
95,000	14,915	184,331	-	-	10,730,753	31,854,778	531,759,330	5.99%	1,718
100,000	18,390	203,735	-	-	11,373,184	34,481,968	538,727,112	6.40%	1,835
105,000	25,641	213,437	-	-	11,656,140	35,487,759	533,594,466	6.65%	1,907
110,000	40,326	232,840	-	-	12,165,927	37,315,693	462,718,855	8.06%	1,954
115,000	26,342	252,244	600,000	-	12,667,753	39,391,294	462,718,855	8.51%	2,063
120,000	-	271,648	-	-	12,283,126	37,657,074	462,718,855	8.14%	1,972
122,000	32,233	291,052	-	-	11,287,518	41,471,379	462,718,855	8.96%	2,172
-	63,111	320,157	1,160,000	-	11,856,305	33,758,359	462,718,855	7.30%	1,768

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

Year	Charges for Services	Direct Operating Expenses (1)	Net Revenues Available	Debt Service		
				Principal	Interest	Coverage
2023	\$ 2,869,276	\$ 1,999,949	\$ 869,327	\$ 815,817	\$ 263,717	124.18%
2022	3,192,247	905,883	2,286,364	844,540	312,320	50.60%
2021	3,291,044	669,486	2,621,558	812,361	263,715	41.05%
2020	3,496,467	2,108,374	1,388,093	730,706	409,368	82.13%
2019	3,509,508	3,271,946	237,562	745,290	342,503	(227.98%)
2018	3,208,585	3,467,823	(259,238)	741,700	376,932	(210.78%)
2017	3,601,659	1,821,441	1,780,218	661,511	356,774	57.20%
2016	3,516,868	3,410,888	105,980	593,298	354,339	(894.17%)
2015	3,299,022	1,491,418	1,807,604	543,327	391,262	51.70%
2014	3,239,841	2,297,266	942,575	471,851	246,788	76.24%

Source: City Financial Records

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



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

Year	(1) Population	Assessed Valuation(2)	Gross Bonded Debt(3)	Debt Service Monies Available	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita
2023	18,682	\$ 495,549,200	\$ 15,590,562	\$ 1,307,928	\$ 14,282,634	2.88%	\$ 764.51
2022	18,682	483,760,700	16,867,886	1,614,013	15,253,873	3.15	816.50
2021	18,545	426,322,550	17,903,690	-	17,903,690	4.20	965.42
2020	18,788	422,408,380	19,425,422	-	19,425,422	4.60	1,033.93
2019	18,609	405,566,550	20,619,800	-	20,619,800	5.08	1,108.06
2018	19,093	379,703,580	22,013,962	-	22,013,962	5.80	1,152.99
2017	19,093	371,356,530	22,897,224	-	22,897,224	6.03	1,199.25
2016	19,093	369,390,790	22,562,086	-	22,562,086	6.08	1,181.69
2015	19,093	379,557,260	27,768,348	2,878,542	24,889,806	6.56	1,303.61
2014	19,093	381,876,900	19,307,132	2,812,637	16,494,495	4.32	863.90

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

(2) Source: Cuyahoga County Fiscal Officer

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

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**City of Berea, Ohio**  
*Computation of Direct and Overlapping Governmental Activities Debt*  
*December 31, 2023*

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
<b>Direct</b>			
City of Berea	\$ 22,696,567	100.00%	\$ 22,696,567
<i>Total Direct Debt</i>	<u>22,696,567</u>		<u>22,696,567</u>
<b>Overlapping</b>			
Berea City School District	105,475,000	27.29%	28,784,128
Olmsted Falls School District	26,182,346	4.56%	1,193,915
Polaris Career Center	870,000	8.07%	70,209
Cuyahoga Community College	183,840,000	1.40%	2,573,760
Cuyahoga County	228,740,000	1.40%	3,202,360
<i>Total Overlapping Debt</i>	<u>545,107,346</u>		<u>35,824,372</u>
<b>Grand Total</b>	<u>\$ 567,803,913</u>		<u>\$ 58,520,939</u>

Source: Ohio Municipal Advisory Council  
City Financial Records

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

**City of Berea, Ohio**  
*Legal Debt Margin*  
*Last Ten Years*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total Assessed Property Value	<u>\$ 495,549,200</u>	<u>\$ 483,760,700</u>	<u>\$ 426,322,550</u>	<u>\$ 422,408,380</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>52,032,666</u>	<u>50,794,874</u>	<u>44,763,868</u>	<u>44,352,880</u>
Debt Outstanding:				
General Obligation Bonds and Notes	<u>15,590,562</u>	<u>16,867,886</u>	<u>17,903,690</u>	<u>19,425,422</u>
Total Gross Indebtedness	<u>15,590,562</u>	<u>16,867,886</u>	<u>17,903,690</u>	<u>19,425,422</u>
Less:				
General Obligation Bonds and Notes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amount Available in Debt Service Fund	<u>(1,307,928)</u>	<u>(1,614,013)</u>	<u>-</u>	<u>-</u>
Total Net Debt Applicable to Debt Limit	<u>14,282,634</u>	<u>15,253,873</u>	<u>17,903,690</u>	<u>19,425,422</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$ 37,750,032</u>	<u>\$ 35,541,001</u>	<u>\$ 26,860,178</u>	<u>\$ 24,927,458</u>
Legal Debt Margin as a Percentage of the Debt Limit	72.55%	69.97%	60.00%	56.20%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>27,255,206</u>	<u>26,606,839</u>	<u>23,447,740</u>	<u>23,232,461</u>
Total Gross Indebtedness	<u>15,590,562</u>	<u>16,867,886</u>	<u>17,903,690</u>	<u>19,425,422</u>
Less:				
General Obligation Bonds and Notes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amount Available in Debt Service Fund	<u>(1,307,928)</u>	<u>(1,614,013)</u>	<u>-</u>	<u>-</u>
Net Debt Within 5 ½ % Limitations	<u>14,282,634</u>	<u>15,253,873</u>	<u>17,903,690</u>	<u>19,425,422</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$ 12,972,572</u>	<u>\$ 11,352,966</u>	<u>\$ 5,544,050</u>	<u>\$ 3,807,039</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	47.60%	42.67%	23.64%	16.39%

Source: City Financial Records

2019	2018	2017	2016	2015	2014
<u>\$ 405,566,550</u>	<u>\$ 379,703,580</u>	<u>\$ 371,356,530</u>	<u>\$ 369,390,790</u>	<u>\$ 379,557,260</u>	<u>\$ 381,876,900</u>
<u>42,584,488</u>	<u>39,868,876</u>	<u>38,992,436</u>	<u>38,786,033</u>	<u>39,853,512</u>	<u>40,097,075</u>
<u>20,619,800</u>	<u>22,013,962</u>	<u>22,897,224</u>	<u>22,562,086</u>	<u>27,768,348</u>	<u>18,147,132</u>
<u>20,619,800</u>	<u>22,013,962</u>	<u>22,897,224</u>	<u>22,562,086</u>	<u>27,768,348</u>	<u>18,147,132</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,000,000)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,878,542)</u>	<u>(2,812,637)</u>
<u>20,619,800</u>	<u>22,013,962</u>	<u>22,897,224</u>	<u>22,562,086</u>	<u>17,889,806</u>	<u>15,334,495</u>
<u>\$ 21,964,688</u>	<u>\$ 17,854,914</u>	<u>\$ 16,095,212</u>	<u>\$ 16,223,947</u>	<u>\$ 21,963,706</u>	<u>\$ 24,762,580</u>
51.58%	44.78%	41.28%	41.83%	55.11%	61.76%
<u>22,306,160</u>	<u>20,883,697</u>	<u>20,424,609</u>	<u>20,316,493</u>	<u>20,875,649</u>	<u>21,003,230</u>
<u>20,619,800</u>	<u>22,013,962</u>	<u>22,897,224</u>	<u>22,562,086</u>	<u>27,768,348</u>	<u>18,147,132</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,000,000)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,878,542)</u>	<u>(2,812,637)</u>
<u>20,619,800</u>	<u>22,013,962</u>	<u>22,897,224</u>	<u>22,562,086</u>	<u>17,889,806</u>	<u>15,334,495</u>
<u>\$ 1,686,360</u>	<u>\$ (1,130,265)</u>	<u>\$ (2,472,615)</u>	<u>\$ (2,245,593)</u>	<u>\$ 2,985,843</u>	<u>\$ 5,668,735</u>
7.56%	-5.41%	-12.11%	-11.05%	14.30%	26.99%

**City of Berea, Ohio**  
*Demographic and Economic Statistics*  
*Last Ten Years*

Year	Population (1)	Total Personal Income (5)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)
2023	18,682	\$ 553,192,702	\$ 29,611	\$ 60,417	36.1
2022	18,682	553,192,702	29,611	60,417	36.1
2021	18,545	531,759,330	28,674	60,292	36.1
2020	18,788	538,727,112	28,674	59,511	37.4
2019	18,609	533,594,466	28,674	59,229	37.1
2018	19,093	462,718,855	24,235	50,278	37.1
2017	19,093	462,718,855	24,235	50,278	37.1
2016	19,093	462,718,855	24,235	50,278	37.1
2015	19,093	462,718,855	24,235	50,278	37.1
2014	19,093	462,718,855	24,235	50,278	37.1

County rate.

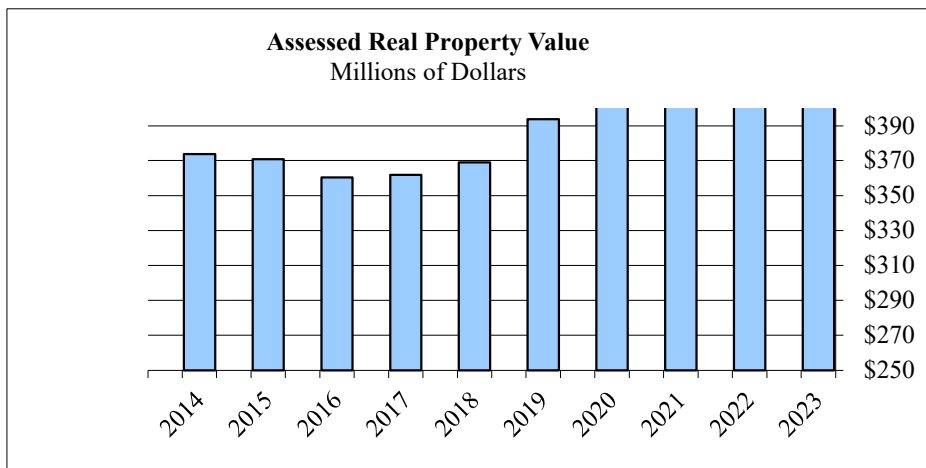
(1) Source: U. S. Census

(2) Source: Ohio Department of Education

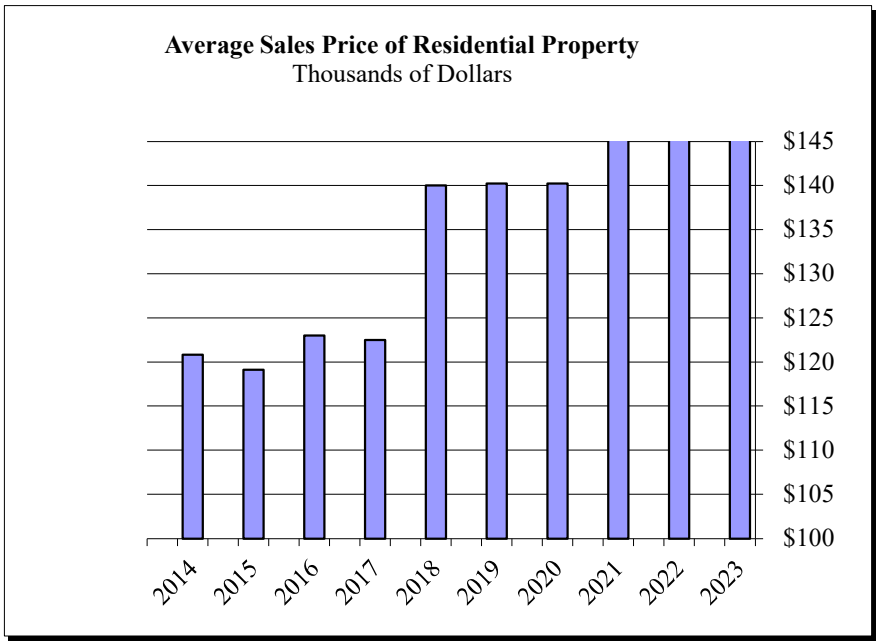
(3) Source: Bureau of Labor Statistics

(4) Source: Cuyahoga County Auditor

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



Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	Cuyahoga County Unemployment Rate (3)	Average Sales Price of Residential Property (4)	Total Assessed Real Property Value (4)
3,350	5,330	4.1%	\$ 191,900	\$ 479,570,390
3,350	5,330	4.1%	180,300	468,370,070
3,350	5,366	4.1%	180,300	411,862,290
3,350	6,114	6.8%	140,200	409,493,080
3,350	6,114	3.6%	140,200	393,733,580
3,350	6,198	4.0%	140,000	368,945,630
3,350	6,379	4.9%	122,500	361,784,080
3,350	6,537	5.3%	123,000	360,416,630
3,350	6,736	4.0%	119,100	370,843,110
3,350	6,910	6.0%	120,821	373,633,920



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

Function/Program	2023	2022	2021	2020	2019
<b>General Government</b>					
Council	5.0	5.0	5.0	5.0	5.0
Finance	5.0	5.0	4.5	4.0	4.5
Law	5.0	5.0	4.5	4.5	4.5
Administration	22.0	22.0	17.0	20.0	17.5
Engineer	1.5	1.5	2.5	3.0	3.5
Court	25.0	25.0	29.0	31.0	32.5
Public Building	0.5	0.5	0.5	2.0	3.5
<b>Security of Persons and Property</b>					
Police	35.0	32.0	33.0	31.0	30.0
Police - Auxiliary	6.0	4.5	3.5	4.0	4.0
Police - Dispatchers/Office	2.0	2.5	2.0	2.0	2.5
Police - Animal Wardens	-	-	-	-	0.5
Police - School guards/Parking Control	5.0	5.0	4.5	1.0	1.0
Fire	24.0	23.0	23.0	23.0	24.0
<b>Leisure Time Services</b>					
Recreation - Admin	19.5	19.5	15.0	14.0	15.0
Recreation - Programs	5.0	5.0	10.0	10.5	17.5
Recreation - Pools	23.0	23.0	10.5	13.0	25.5
Jitney	4.0	4.0	4.0	6.0	4.0
<b>Transportation</b>					
Service	32.0	26.5	33.5	28.0	37.5
<b>Basic Utility Services</b>					
Water	13.0	16.0	13.5	15.0	15.0
<b>Totals:</b>	<u>232.5</u>	<u>225.0</u>	<u>215.5</u>	<u>217.0</u>	<u>247.5</u>

**Source:** City Payroll Department W2 Audit Listing

**Method:** Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee at year end.



2018	2017	2016	2015	2014
5.0	5.0	5.0	5.0	5.0
4.5	5.0	4.5	4.5	4.5
4.5	4.0	4.0	3.5	2.0
20.5	13.5	19.0	10.5	11.0
3.0	3.0	3.0	3.5	3.5
33.0	31.0	30.0	28.0	30.5
3.0	4.5	2.5	2.0	2.0
32.5	32.0	31.0	28.0	30.0
3.0	3.5	3.5	3.5	3.5
2.5	2.5	2.5	4.0	7.0
0.5	0.5	0.5	0.5	0.5
1.5	1.0	1.5	1.5	1.5
23.0	23.0	23.0	23.0	22.0
15.0	15.5	16.0	15.5	16.5
15.0	14.0	14.0	13.5	14.5
27.5	25.0	23.0	24.5	21.5
4.0	4.0	4.5	3.0	3.0
39.5	36.0	30.0	33.0	30.0
13.5	17.5	13.5	12.5	12.5
<u>251.0</u>	<u>240.5</u>	<u>231.0</u>	<u>219.5</u>	<u>221.0</u>

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

Function/Program	2023	2022	2021	2020
<b>General Government</b>				
<i>Council and Clerk(1)</i>				
Number of Ordinances Passed	38	47	64	50
Number of Resolutions Passed	20	23	17	13
<i>Finance Department(2)</i>				
Number of checks/ vouchers issued	3,138	3,194	3,078	2,982
Amount of checks written (Accounts Payable - in thousands)	\$ -	\$ 18,943	\$ 17,984	\$ 17,761
General Fund Interest earnings (cash basis)	\$ 175,266	\$ 175,266	\$ 64,453	\$ 110,377
Number of Journal Entries issued	443	443	452	420
Number of Budget Adjustments issued	2	3	5	5
Agency Ratings - Moody's Financial Services	AA2	AA2	AA2	AA2
General Fund Receipts (cash basis in thousands)	\$ 19,165,121	\$ 17,814,279	\$ 16,268	\$ 15,504
General Fund Expenditures (cash basis in thousands)	\$ 18,974,061	\$ 17,534,421	\$ 16,168	\$ 15,191
General Fund Cash Balances (in thousands)	\$ 3,162	\$ 2,971	\$ 2,691	\$ 2,590
<i>Municipal Court(3)</i>				
Total Civil/Small claims cases filed	3,118	2,646	2,100	2,135
Number of Berea civil/small claims cases	637	548	412	235
Total Criminal cases filed	1,674	2,596	1,689	1,552
Number of Berea felony cases	51	62	59	47
Number of Berea misdemeanor cases	280	300	239	220
<i>Civil Service(4)</i>				
Number of police entry tests administered	1	1	1	1
Number of fire entry tests administered	1	-	-	1
Number of police promotional tests administered	-	-	-	2
Number of fire promotional tests administered	-	-	-	4
Number of hires of Police Officers from certified lists	1	1	2	2
Number of hires of Fire/Medics from certified lists	-	-	-	-
Number of promotions from police certified lists	-	-	-	-
Number of promotions from fire certified lists	-	-	-	-
<b>Security of Persons &amp; Property</b>				
<i>Police(5)</i>				
Total Calls for Services	14,955	14,637	15,604	14,045
Number of traffic citations issued	1,767	1,669	1,445	578
Number of parking citations issued	2,150	2,394	2,256	1,340
Number of criminal arrests	916	1,042	813	829
Animal Warden service calls responded to per annual report	205	191	198	-
Police Dept. Auxiliary hours worked				
DUI Arrests	121	74	49	29
Motor Vehicle Accidents	232	261	221	194
Property damage accidents/Self reported traffic accidents	51	61	63	42
<i>Fire(6)</i>				
EMS Calls	2,398	2,499	2,486	2,259
Ambulance Billing Collections (net)	\$ 591,436	\$ 557,690	\$ 526,108	\$ 476,434
Fire Calls	41	33	73	580
Fires with Loss	16	15	22	7
Fires with Losses exceeding \$10K	9	11	4	3
Fire Losses \$	\$ 10,000	\$ 10,000	\$ 261,000	\$ 400,000
Fire Safety Inspections	299	637	255	194

2019	2018	2017	2016	2015	2014
67	50	45	66	70	75
26	22	16	34	15	17
3,478	3,526	3,405	3,445	3,316	3,389
\$ 17,104	\$ 17,155	\$ 17,475	\$ 23,116	\$ 16,619	\$ 17,269
\$ 187,955	\$ 216,569	\$ 143,802	\$ 193,312	\$ 129,245	\$ 128,796
462	474	525	515	417	304
3	3	7	8	6	6
AA2	AA2	AA2	AA2	AA2	AA2
\$ 14,505	\$ 14,516	\$ 13,400	\$ 13,158	\$ 12,808	\$ 12,160
\$ 14,398	\$ 14,256	\$ 13,523	\$ 13,121	\$ 12,665	\$ 12,043
\$ 2,276	\$ 2,170	\$ 1,910	\$ 1,981	\$ 1,996	\$ 1,853
3,085	2,629	2,578	2,030	2,762	2,908
539	506	502	399	566	589
1,745	2,074	1,880	2,145	2,364	2,316
71	69	66	53	38	30
352	456	472	401	387	385
-	1	-	1	-	1
-	-	-	-	-	-
1	-	-	-	-	2
-	-	-	-	-	-
1	3	3	2	4	1
-	-	-	-	1	2
-	-	-	-	1	4
1	-	-	-	1	-
16,764	16,791	17,228	18,144	16,219	9,202
1,556	1,636	1,734	1,598	989	1,523
1,397	2,137	1,806	2,519	1,135	1,608
1,343	1,637	1,470	1,374	750	1,176
71	137	126	222	664	349
		1,948	2,102	2,096	2,128
82	119	176	137	65	97
312	265	293	276	231	327
80	74	60	89	106	101
2,320	2,170	2,226	2,742	1,919	1,916
\$ 470,410	\$ 445,712	\$ 417,486	\$ 453,662	\$ 410,456	\$ 427,296
663	600	616	615	617	565
10	25	19	10	11	43
2	4	7	7	6	-
\$ 525,000	\$ 500,000	\$ 500,000	\$ 750,000	\$ 351,500	\$ 5,300
387	411	389	244	180	300

(continued)

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

Function/Program	2023	2022	2021	2020
<b>Leisure Time Services</b>				
<i>Recreation(2)</i>				
Outdoor swimming pool receipts	\$ 113,263	\$ 104,722	\$ 83,272	\$ -
Membership receipts	\$ 205,746	\$ 177,157	\$ 178,010	\$ 114,595
Program fees (Includes indoor and outdoor rec programs)	\$ 219,744	\$ 185,665	\$ 135,510	\$ 115,207
<i>Building Department(7)</i>				
Construction Permits Issued	1,472	1,502	1,487	1,397
Estimated Value of Construction	\$ 39,269,545	\$ 33,061,944	\$ 35,057,775	\$ 43,080,947
Amount of Revenue generated from permits	\$ 266,107	\$ 271,708	\$ 269,971	\$ 276,837
Number of contract registrations issued	995	858	172	879
Amount of Revenue generated from contract registrations	\$ 83,200	\$ 79,750	\$ 78,925	\$ 75,625
Number of rental inspections performed*	-	-	-	-
Number of point of sale inspections	63	63	63	63
<i>Engineer Contracted Services(8)</i>				
Dollar amount of Construction overseen by Engineer	\$ -	\$ 2,297,695	\$ 1,053,856	\$ 2,709,044
<b>Transportation(8,10)</b>				
Street Improvements - asphalt overlay (linear feet)	11,540	10,074	13,402	6,520
Street Repair (Curbs, aprons, berms, asphalt) (hours)	5,388	15,960	5,160	10,570
Municipal Signs (hours)	2,538	1,976	1,304	3,075
Paint Striping (hours)	360	384	440	64
Street Cleaning (hours)	856	736	552	228
Snow & Ice Removal regular hours	712	1,544	448	1,714
Snow & Ice Removal overtime hours	432	1,436	729	1,116
Sewer Crew (hours)	2,976	2,816	3,816	7,323
Leaf collection (hours)	1,872	1,694	1,814	1,813
Number of Trees Planted per year	26	60	-	83
Tons of snow melting salt purchased (Nov-Mar)	1,302	1,401	885	885
Cost of salt purchased	\$ -	\$ -	\$ 112,999	\$ 174,259
<b>Water Department(9)</b>				
Average Water Rate per 1000 gallons of water used	\$ 4.09	\$ 4.09	\$ 4.09	\$ 4.09
<b>Wastewater Department(9)</b>				
Average Wastewater Rates per 1000 gallons of water used	\$ 11.98	\$ 11.98	\$ 11.98	\$ 11.98
Average daily flow (Millions of gallons per day)	1.80	1.80	1.80	1.80

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

2019	2018	2017	2016	2015	2014
\$ 115,488	\$ 103,402	\$ 112,627	\$ 108,372	\$ 97,645	\$ 87,834
\$ 206,663	\$ 187,600	\$ 184,641	\$ 163,084	\$ 171,594	\$ 173,949
\$ 207,314	\$ 254,162	\$ 241,764	\$ 237,832	\$ 228,339	\$ 172,533
1,529	1,667	1,335	1,453	1,439	1,235
\$ 49,333,707	\$ 87,363,903	\$ 22,673,883	\$ 27,238,831	\$ 19,280,049	\$ 14,571,224
\$ 417,357	\$ 524,372	\$ 324,689	\$ 361,469	\$ 386,808	\$ 175,946
447	613	390	574	579	513
\$ 90,875	\$ 61,875	\$ 80,625	\$ 67,500	\$ 70,750	\$ 64,125
-	-	-	735	289	587
63	414	414	382	254	344
\$ 2,709,044	\$ 5,171,216	\$ 4,734,175	\$ 4,237,877	\$ 3,433,017	\$ 2,071,675
15,787	10,510	10,510	10,510	10,510	10,560
10,297	16,862	16,907	14,245	14,778	14,831
2,507	2,945	2,028	2,524	2,656	2,223
16	381	243	198	561	448
398	602	694	710	838	733
5,960	2,925	2,275	1,429	2,452	3,004
1,186	1,206	782	624	544	1,099
4,978	4,771	4,824	4,737	5,647	6,291
1,342	1,991	2,025	1,907	2,000	1,836
86	181	48	55	-	78
1,484	1,498	3,733	3,014	3,048	4,900
\$ 121,946	\$ 101,079	\$ 40,056	\$ 125,742	\$ 155,555	\$ 149,046
\$ 4.09	\$ 4.09	\$ 4.09	\$ 4.09	\$ 4.09	\$ 4.09
\$ 11.98	\$ 11.98	\$ 11.28	\$ 10.65	\$ 9.57	\$ 8.63
1.80	1.80	1.80	1.90	2.00	2.00

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

Function/Program	2023	2022	2021	2020
<b>General Government</b>				
Number of Buildings	4	4	4	4
Square footage of Buildings:				
City Hall/Municipal Court	20,900	20,900	20,900	20,900
Water Plant	19,100	19,100	19,100	19,100
Service Garage	25,400	25,400	25,400	25,400
Recreation Center	33,000	33,000	33,000	33,000
Administrative Vehicles	8	8	8	8
Inspection Vehicles	4	4	4	4
Municipal Court Vehicles	1	1	1	1
<b>Police</b>				
Stations	1	1	1	1
Square footage of station	9,700	9,700	9,700	9,700
Vehicles	28	28	28	28
<b>Fire</b>				
Stations	1	1	1	1
Square footage of station	7,900	7,900	7,900	7,900
Vehicles:				
Aerial Tower	1	1	1	1
Pumpers	2	2	2	2
Rescue Ambulances	2	2	2	2
Utility	1	1	1	1
Staff vehicles	2	2	2	2
<b>Recreation</b>				
Number of Parks	5	5	5	5
Number of Pools	2	2	2	2
Number of Racquetball Courts	1	1	1	1
Number of Basketball Courts	3	3	3	3
Number of Baseball Diamonds	4	4	4	4
Number of Soccer Fields	3	3	3	3
Number of Playground Areas	6	6	6	6
Number of Vehicles	5	5	5	5
<b>Other Public Works</b>				
Streets (miles)	73.4	73.4	73.4	73.4
Service Vehicles	40	40	40	40
<b>Wastewater</b>				
Sanitary Sewers (miles)	75.5	75.5	75.5	75.5
Storm Sewers (miles)	90.5	90.5	90.5	90.5
Vehicles	2	2	2	2
<b>Water Department</b>				
Water Lines (miles)	84.0	84.0	84.0	84.0
Vehicles	8	8	8	8

Source: City of Berea Service Department

2019	2018	2017	2016	2015	2014
4	4	4	4	4	4
20,900	20,900	20,900	20,900	17,000	17,000
19,100	19,100	19,100	19,100	19,100	19,100
25,400	25,400	25,400	25,400	25,400	25,400
33,000	33,000	33,000	33,000	33,000	33,000
8	8	8	8	10	10
4	4	4	4	4	4
1	1	1	1	1	1
1	1	1	1	1	1
9,700	9,700	9,700	9,700	9,700	9,700
28	28	28	28	28	28
1	1	1	1	1	1
7,900	7,900	7,900	7,900	7,900	7,900
1	1	1	1	1	1
2	2	2	2	2	2
2	2	2	2	2	2
1	1	1	1	1	1
2	2	2	2	2	2
5	5	5	5	5	5
2	2	2	2	2	2
1	1	1	1	1	1
3	3	3	3	3	3
4	4	4	4	4	4
3	3	3	3	3	3
6	6	6	6	6	5
5	5	5	5	4	4
73.4	73.4	73.4	73.4	73.4	73.4
40	40	40	40	35	35
75.5	75.5	75.5	75.5	75.5	75.5
90.5	90.5	90.5	90.5	90.5	90.5
2	2	2	2	2	2
84.0	84.0	84.0	84.0	84.0	84.0
8	8	8	8	6	6

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# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF BEREA**

**CUYAHOGA COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



**Certified for Release 8/6/2024**

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

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