

City of Berea
Cuyahoga County, Ohio

*Reports Issued Pursuant to
Government Auditing Standards*

For the Year Ended
December 31, 2019

OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

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

We have reviewed the *Independent Auditor's Report* of the City of Berea, Cuyahoga County, prepared by Rea & Associates, Inc., for the audit period January 1, 2019 through December 31, 2019. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Keith Faber
Auditor of State
Columbus, Ohio

November 6, 2020

This page intentionally left blank.

City of Berea
Cuyahoga County, Ohio
Table of Contents
December 31, 2019

	<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

This page intentionally left blank.

August 26, 2020

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

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*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Berea, Cuyahoga County, Ohio (the City) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated August 26, 2020, in which we noted the City restated beginning net position and fund balances to account for the implementation of GASB Statement No. 84, *Fiduciary Activities*, as well as restating beginning fund balance to account for an adjustment to short term debt. In addition, we noted that during 2020, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Rea & Associates, Inc.

Medina, Ohio

CITY OF BEREA



OHIO

MAYOR CYRIL M. KLEEM

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2019

Pictured: Downtown Redevelopment Project done in partnership with the City of Berea and Baldwin Wallace University.

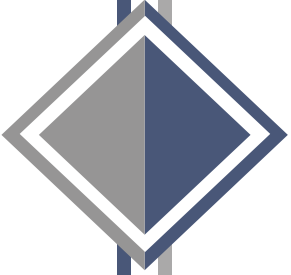
CITY OF BEREA, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2019

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
Comprehensive Annual Financial Report
For the Year Ended December 31, 2019

Table of Contents

Introductory Section	Page
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
Financial Section	
Independent Auditor’s Report.....	1
Management’s Discussion and Analysis.....	5
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position.....	17
Statement of Activities	18
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	20
Reconciliation of Total Governmental Fund Balances to	
Net Position of Governmental Activities	21
Statement of Revenues, Expenditures and Changes in	
Fund Balances – Governmental Funds	22
Reconciliation of the Statement of Revenues, Expenditures and	
Changes in Fund Balances of Governmental Funds	
to the Statement of Activities	23
Statement of Revenues, Expenditures and Changes in Fund Balance –	
Budget (Non-GAAP Basis) and Actual – General Fund	24
Statement of Fund Net Position – Proprietary Funds	25
Statement of Revenues, Expenses and Changes in Fund	
Net Position – Proprietary Funds	26
Statement of Cash Flows – Proprietary Funds	27
Statement of Fiduciary Net Position – Custodial Funds	28
Statement of Changes in Fiduciary Net Position – Custodial Funds	29
Notes to the Basic Financial Statements	31
Required Supplementary Information:	
Schedule of the City’s Proportionate Share of the Net Pension Liability.....	87
Schedule of the City’s Contributions - Pension.....	88
Schedule of the City’s Proportionate Share of the Net OPEB Liability	91
Schedule of the City’s Contributions - OPEB	92
Notes to the Required Supplementary Information	94

City of Berea
Cuyahoga County, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2019

Table of Contents (continued)

Combining Statements and Individual Fund Schedules:

Combining Statements - Nonmajor Funds:

Description of Funds	96
Combining Balance Sheet – Nonmajor Governmental Funds	100
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	101
Combining Balance Sheet – Nonmajor Special Revenue Funds	102
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	108
Combining Balance Sheet – Nonmajor Capital Projects Funds	114
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds	115

Governmental Funds Individual Fund Schedules of Revenues, Expenditures and Changes in
Fund Balance – Budget (Non-GAAP Basis) and Actual:

General Fund	118
Animal Control Fund.....	122
Municipal Court Fund	123
General Bond Retirement Fund	124
General Capital Improvement Fund	125
Recreation Fund	126
State Highway Fund.....	127
Street Maintenance Fund.....	128
Contract Retainer Fund	129
Guarantee Deposits Fund	130
Fire Pension Fund	131
Police Pension Fund	132
Safe Students Fund	133
Public Safety Fund	134
Safe Passages Fund	135
Street Lighting Fund.....	136
Community Hospital Fund	137
Municipal Vehicle Tax Levy Fund.....	138
Law Enforcement Fund.....	139
Municipal Court Health Insurance Fund	140
First Offenders Diversion Fund.....	141
Probation Services Fund.....	142
Indigent Driver Alcohol Treatment Fund	143
DUI Education Fund	144
Theft Diversion Fund	145
Indigent Driving School Fund	146
DUS Diversion Fund	147

City of Berea
Cuyahoga County, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2019

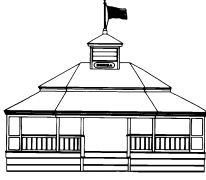
Table of Contents (continued)

Court Computer Fund	148
Court Computer Research Fund	149
Court Special Projects Fund	150
Indigent Defendant Alcohol Monitoring Fund	151
Municipal Court Magistrates Fund	152
Safety Capital Improvement Fund	153
Recreation Capital Improvement Fund	154
Court Capital Improvement Fund	155
Neighborhood Improvement Fund	156
Combinging Statements – Internal Service Funds:	
Description of Funds	157
Combinging Statement of Fund Net Position –Internal Service Funds	158
Combinging Statement of Revenues, Expenses and Changes in Fund Net Position –Internal Service Funds	159
Combinging Statement of Cash Flows –Internal Service Funds	160
Combinging Statements - Fiduciary Funds:	
Description of Funds	161
Combinging Statement of Fiduciary Net Position - Custodial Funds	162
Combinging Statement of Changes in Fiduciary Net Position – Custodial Funds	164
Supplemental Information:	
Background	168
Statement of Net Position – Including GASB 68 and GASB 75	170
Statement of Net Position – Excluding GASB 68 and GASB 75	171
Statement of Activities – Including GASB 68 and GASB 75	172
Statement of Activities – Excluding GASB 68 and GASB 75	173
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 – 2019 and 2010	S-17

City of Berea
Cuyahoga County, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2019

Table of Contents (continued)

Principal Taxpayers - Municipal Tax – 2019 and 2010	S-18
Principal Employers – 2019 and 2010	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 Eight 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



CITY OF BEREA

“The Grindstone City”

Cyril M. Kleem
Mayor

Andrea Morris
Director of Finance

11 Berea Commons
Berea, Ohio 44017

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

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

August 26, 2020

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

I am pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of Berea, Ohio for the year ended December 31, 2019.

The Ohio Revised Code requires that every general-purpose local government publish within 150 days of the close of each fiscal year a complete set of audited financial statements.

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, 2019. 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 was 18,609 residents. Total land area is approximately 6.5 square miles.

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

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

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

Form of Government

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

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

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

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

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

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

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

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

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

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

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

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

Economic Condition and Outlook

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

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

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

The City's north end is also the location of the National Football League's, Cleveland Browns headquarters and training facility. The City and the Cleveland Browns are committed to working together to ensure the team remains a vital part of Berea's community. The City of Berea owns the Cleveland Browns headquarters and training facility and has 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 has agreed to provide an income tax rebate to the Cleveland Browns of fifty percent of their annual growth on income tax above a \$2.6 million base annually through 2038. The income tax base amount shall increase by one-half of one percent (0.5%) each year. The rebated income tax funds can only be used towards capital improvements to the City owned facility and cannot be used towards the general operations of the Browns. The Browns agreed to provide various charitable commitments to the community, and also agreed to pay the property taxes on the building.

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

In 2018, the City approved economic incentives to Voss Industries. In 2019, Voss Industries purchased a 98,000 square foot manufacturing facility, on 14 acres, on Bagley Road. Voss Industries moved 267 employees to this facility bringing an approximate payroll of \$15.5 million. In addition, Voss Industries has pledged to add an additional 58 employees.

Current Year Projects: In 2019, the City's road program totaled over \$600,000 and included repairs and replacements to over 9 roads.

The City is undertaking a multi-year program to upgrade its parks and playgrounds and create a destination location for outdoor venues. The City made improvements to the Dora Lee Payne Park and parking lot. The majority of the playground was renovated in 2018. The parking lot was resurfaced including drainage, landscaping improvements and sidewalk repairs. The total project costs \$170,000 and the City received a grant from the Community Development Block Grant in the amount of \$150,000. The City made improvements to the Municipal Parking Lot that ties all of the Coe Lake amenities with City Hall. Approximately 240 parking spaces were resurfaced. Safety upgrades were made including handicap parking spaces, ADA ramps, dedicated cross walks, vehicular and pedestrian traffic flow improvements, and improved decorative lighting. The total municipal parking lot project costs \$800,000. The City started a Citywide Bicycle Facility Improvements project in 2019. The project will install bike racks and bike maintenance stations throughout the City. This project is funded by a \$50,000 Cuyahoga County grant.

Kraft Street Reconstruction was started in 2018 and will be completed in 2020. This project includes complete infrastructure improvements including a new waterline, sanitary sewer rehab, storm sewer rehab, new roadway, and new sidewalks and aprons as needed. The total project costs over \$3 million and the City received grant and loan funding from Ohio Public Works Commission (OPWC).

Lindbergh and Abbeyshire Resurfacing was started and completed in 2019. The roadway was resurfaced, including sidewalk repairs, drainage improvements, new ADA compliant ramps and a new berm. The cost of the replacement bridge is \$500,000 and the City received a \$170,000 grant from the Cuyahoga County Local Resurfacing Program.

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

The City's north end is currently under a transformation. The City has developed a North End Revitalization Plan to assist in the overall plan for economic development at the City's north end gateway after a \$24 million railroad overpass project was completed on the main thoroughfare through the City's north end. The City has purchased several parcels to assist in the overall revitalization plan and developed a marketing plan to revitalize and develop this uptown area. This area is minutes to the Cleveland Hopkins' International Airport as well as easy access to several interstates. The north end is the north gateway to the City and its options are endless. The City is working with developers interested in this area and anticipate some exciting improvements in the north end with future development and new businesses. In 2019, a new Dunkin Donuts Franchise was built and opened in the North End Area.

For 2020, the City is planning the West Street Resurfacing project, estimated to cost about \$625,000. West Street will be resurfaced including new ADA compliant ramps and sidewalks. The City has received a \$250,000 grant from the Cuyahoga County Local Resurfacing Program.

For 2020, the City is planning the North End Sewer Rehabilitation Project, estimated to cost \$1.3 million. The City received grant and loan funding from the Northeast Ohio Sewer District and the Cuyahoga County Sewer District's Member Community Infrastructure Program.

For 2020, the City is planning the Wyleswood Drive Improvement Project, estimated to cost \$150,000. The City received a grant from the Cuyahoga County Community Development Block Grant.

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

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

The City and the Cleveland Browns saw renovations to the First Avenue Revitalization Area which includes the Cleveland Browns Headquarters and Training Facility. The City of Berea and the Cleveland Browns have partnered to make significant improvements to the Cleveland Browns headquarters as well as the City investing in improvements in infrastructure in this area. In 2019, the Cleveland Browns expanded its footprint in the First Avenue Revitalization Area by purchasing properties owned by the Mount Zion Baptist Church. In exchange for the property the Cleveland Browns financed the construction of the Church's new home. The property backs up to the team's practice fields. The land that the Church will build their new sanctuary was owned by the City and acquired in a land swap with the Berea City School District.

Future Projects:

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

Long-Term Financial Planning

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

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

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

Other Information

GFOA Certificate of Achievement Award: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Berea, Ohio for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2018. 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 comprehensive annual 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 Comprehensive Annual Financial Report and began submitting the report for the award fifteen years ago. The City has received the Certificate of Achievement for the last fifteen consecutive years. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

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

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

Respectfully submitted,



Andrea Morris
Director of Finance

**CITY OF BEREA, OHIO
PRINCIPAL OFFICIALS
DECEMBER 31, 2019**

ELECTED OFFICIALS

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

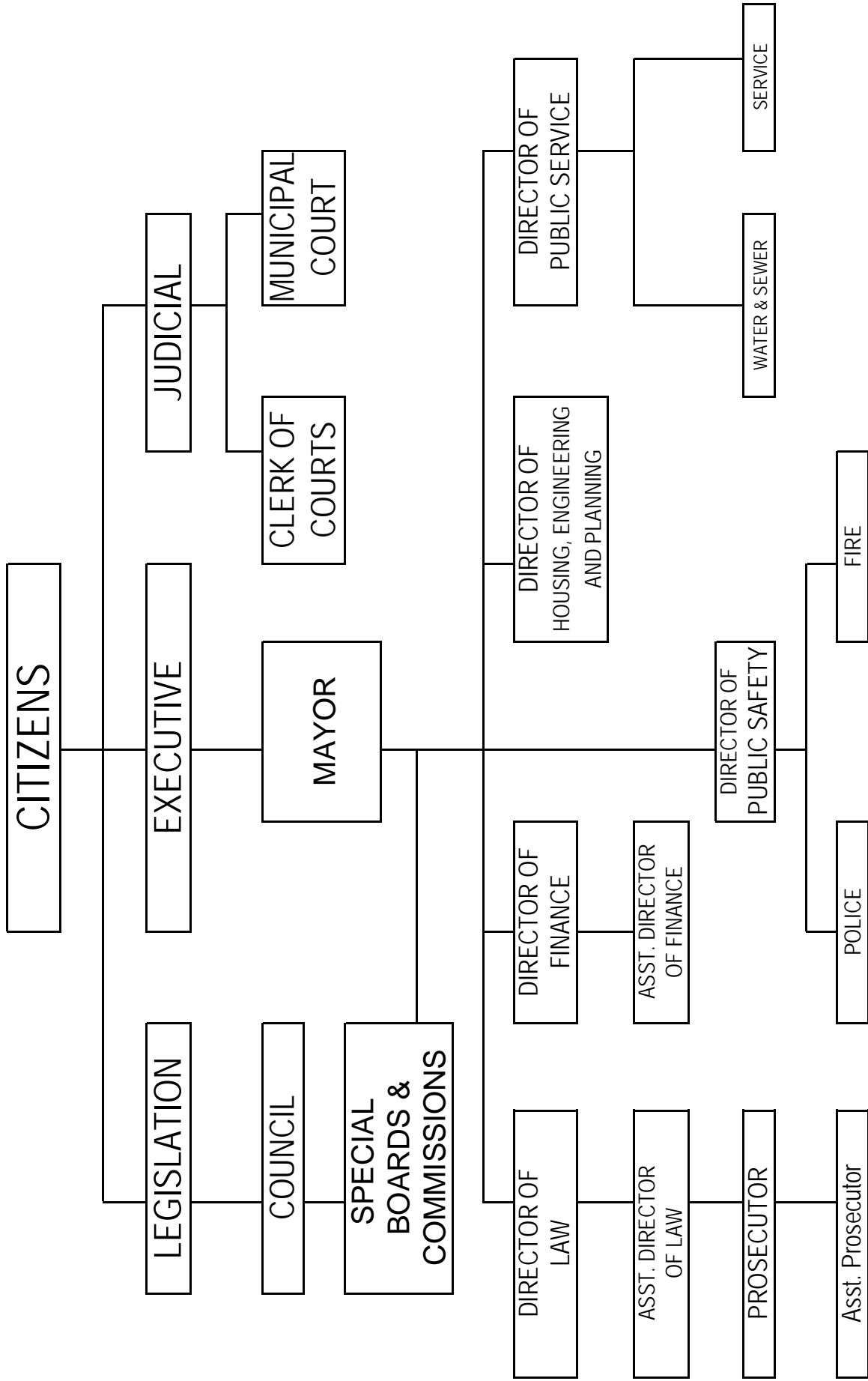
Cyril M. Kleem
Mary K. Brown
Bill DeVito
Gene Zacharayz
Margarette S. Key
Nick Haschka
Jim Maxwell
Cheryl A. Banaszak
Rick Skoczen

APPOINTED OFFICIALS

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

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

CITY OF BEREA, OHIO
ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

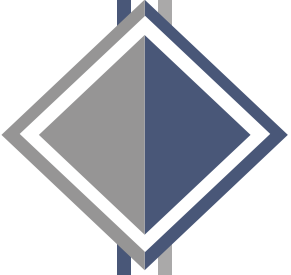
City of Berea
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morrill

Executive Director/CEO



FINANCIAL SECTION



August 26, 2020

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

Independent Auditor's Report

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Berea, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Berea, Cuyahoga County, Ohio, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As described in Note 2, the City restated beginning net position and fund balance to account for the implementation of GASB Statement No. 84, *Fiduciary Activities*, as well as restating beginning net position to account for the correction of an error with short term debt. In addition, as described in Note 19 to the financial statements, during 2020, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

Other Information

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

The combining and individual fund financial statements and schedules, and other supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 26, 2020 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.

Medina, Ohio

This Page Intentionally Left Blank

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

The discussion and analysis of the City of Berea's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2019. 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 2019 are as follows:

- In total, net position increased \$4.4 million, which represents a 7 percent increase from 2018. Net position of governmental activities increased \$4.7 million. Net position of business-type activities decreased \$0.3 million.
- Total capital assets decreased \$1.7 million during 2019. Capital assets of governmental activities decreased \$1.8 million and capital assets of business-type activities increased \$0.1 million.
- Outstanding debt decreased from \$37.1 million to \$35.3 million.
- Short term notes payable decreased from \$6.4 million to \$6.1 million from 2018.
- The City implemented GASB 84, which increased beginning net position as previously reported by \$0.4 million for governmental activities. See Note 2.

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 2019 and how they affected the operations of the City as a whole.

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

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

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

A question typically asked about the City's finances is "How did we do financially during 2019?" The Statement of Net Position and the Statement of Activities answer this question. These statements include *all assets and deferred outflows of resources and liabilities and deferred inflows of resources* using the *accrual basis of accounting* similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

Reporting the City's Most Significant Funds

Fund Financial Statements

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

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

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

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

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

The City as a Whole

Recall that the Statement of Net Position provides the perspective of the City as a whole. Table 1 provides a summary of the City's net position for 2019 compared to 2018:

Table 1
Net Position

	Governmental Activities			Business-Type Activities		
	2019	Restated 2018	Change	2019	2018	Change
Assets						
Current and Other Assets	\$ 20,996,410	\$ 22,191,677	\$ (1,195,267)	\$ 2,679,295	\$ 3,320,972	\$ (641,677)
Capital Assets	89,208,976	90,990,391	(1,781,415)	39,114,369	39,000,212	114,157
<i>Total Assets</i>	<u>110,205,386</u>	<u>113,182,068</u>	<u>(2,976,682)</u>	<u>41,793,664</u>	<u>42,321,184</u>	<u>(527,520)</u>
Deferred Outflows of Resources						
Pension & OPEB	<u>10,072,200</u>	<u>5,456,039</u>	<u>4,616,161</u>	<u>973,830</u>	<u>446,516</u>	<u>527,314</u>
Liabilities						
Current and Other Liabilities	8,543,159	9,171,458	(628,299)	654,649	876,878	(222,229)
Long-Term Liabilities:						
Due Within One Year	9,384,123	9,623,844	(239,721)	738,721	788,489	(49,768)
Due in More Than One Year:						
Net Pension Liability	27,941,746	18,617,048	9,324,698	2,730,088	1,520,184	1,209,904
Net OPEB Liability	6,881,016	15,638,766	(8,757,750)	1,245,511	1,016,430	229,081
Other Amounts	<u>15,406,250</u>	<u>16,467,748</u>	<u>(1,061,498)</u>	<u>11,376,093</u>	<u>11,871,063</u>	<u>(494,970)</u>
<i>Total Liabilities</i>	<u>68,156,294</u>	<u>69,518,864</u>	<u>(1,362,570)</u>	<u>16,745,062</u>	<u>16,073,044</u>	<u>672,018</u>
Deferred Inflows of Resources						
Property Taxes	4,195,659	3,988,208	207,451	470,449	447,263	23,186
Pension & OPEB	<u>2,067,653</u>	<u>3,963,681</u>	<u>(1,896,028)</u>	<u>42,602</u>	<u>483,782</u>	<u>(441,180)</u>
<i>Total Deferred Inflows of Resources</i>	<u>6,263,312</u>	<u>7,951,889</u>	<u>(1,688,577)</u>	<u>513,051</u>	<u>931,045</u>	<u>(417,994)</u>
Net Position						
Net Investment in Capital Assets	60,123,026	60,306,385	(183,359)	28,028,357	27,589,952	438,405
Restricted	3,042,852	3,706,821	(663,969)	0	0	0
Unrestricted	<u>(17,307,898)</u>	<u>(22,845,852)</u>	<u>5,537,954</u>	<u>(2,518,976)</u>	<u>(1,826,341)</u>	<u>(692,635)</u>
<i>Total Net Position</i>	<u>\$ 45,857,980</u>	<u>\$ 41,167,354</u>	<u>\$ 4,690,626</u>	<u>\$ 25,509,381</u>	<u>\$ 25,763,611</u>	<u>\$ (254,230)</u>

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2019 and is reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27*. In a prior year, the City adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revised accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

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

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

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

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

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

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

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

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

At year end, capital assets represented 84 percent of total assets. Capital assets include land, intangibles, land improvements, buildings, building improvements, machinery and equipment, furniture and fixtures, vehicles, infrastructure and construction in progress. Capital assets, net of related debt were \$88.2 million at December 31, 2019, with \$60.1 million in governmental activities and \$28.0 million in business-type activities. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the City's net position, \$3.0 million represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position is a deficit balance of \$19.8 million.

Capital assets in the governmental activities showed a decrease from 2018. This can be attributed to disposals of vehicles, equipment and roads in addition to depreciation exceeding acquisitions. Sewer and waterline improvement projects account for an increase in capital assets in the business-type activities.

Governmental activities saw a decrease in cash partially offset by an increase in intergovernmental receivable. The timing of grant proceeds for road and recreation project expenses contributed to these changes. Principal and interest payments on debt is also a contributing factor to the decrease in cash. The decrease in accounts payable can be attributed to the timing of payments per the Cleveland Browns agreement.

Business-type activities saw a decrease in cash from 2018. The timing of grant and loan proceeds for project expenses contributed to a decrease in cash while capital assets increased over prior year mainly due to construction in progress exceeding depreciation. Larger sewer maintenance expenses in 2018 account for the decrease in intergovernmental payable in the current year.

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

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2019 and 2018.

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

Table 2
Changes in Net Position

	Governmental Activities			Business-Type Activities		
	2019	2018	Change	2019	2018	Change
Revenues						
<i>Program Revenues:</i>						
Charges for Services	\$ 5,385,756	\$ 5,818,936	\$ (433,180)	\$ 3,509,508	\$ 3,205,054	\$ 304,454
Operating Grants	1,154,445	839,631	314,814	144,225	63,182	81,043
Capital Grants	1,097,123	3,194,052	(2,096,929)	1,212,397	2,457,338	(1,244,941)
<i>General Revenues:</i>						
Property Taxes	4,161,703	3,799,851	361,852	467,176	456,895	10,281
Income Taxes	13,810,887	14,039,940	(229,053)	0	0	0
Other Taxes	259,625	295,898	(36,273)	0	0	0
Grants and Entitlements	984,079	799,109	184,970	0	0	0
Investment Earnings	502,171	37,474	464,697	0	0	0
Miscellaneous	702,151	264,660	437,491	0	3,531	(3,531)
<i>Total Revenues</i>	<u>28,057,940</u>	<u>29,089,551</u>	<u>(1,031,611)</u>	<u>5,333,306</u>	<u>6,186,000</u>	<u>(852,694)</u>
Program Expenses						
Governmental Activities						
General Government	11,044,960	9,747,695	1,297,265	0	0	0
Security of Persons and Property	279,373	9,650,672	(9,371,299)	0	0	0
Public Health	98,426	97,319	1,107	0	0	0
Leisure Time Services	4,896,558	4,649,331	247,227	0	0	0
Community Development	525,712	393,983	131,729	0	0	0
Public Works	1,290,056	1,248,969	41,087	0	0	0
Transportation	4,361,420	5,308,281	(946,861)	0	0	0
Interest and Fiscal Charges	779,809	736,910	42,899	0	0	0
Enterprise Operations:						
Water Revenue	0	0	0	4,380,281	4,260,794	119,487
Sewer Revenue	0	0	0	1,298,255	1,421,578	(123,323)
<i>Total Program Expenses</i>	<u>23,276,314</u>	<u>31,833,160</u>	<u>(8,556,846)</u>	<u>5,678,536</u>	<u>5,682,372</u>	<u>(3,836)</u>
<i>Increase (Decrease) in Net Position</i>	4,781,626	(2,743,609)	(7,525,235)	(345,230)	503,628	848,858
Transfers	(91,000)	(605,000)	(514,000)	91,000	605,000	514,000
<i>Change in Net Position</i>	4,690,626	(3,348,609)	(8,039,235)	(254,230)	1,108,628	1,362,858
<i>Net Position Beginning of Year</i>	41,167,354	44,102,741	2,935,387	25,763,611	24,654,983	(1,108,628)
<i>Restatement - See Note 2</i>	0	413,222	N/A	0	0	N/A
<i>Net Position End of Year</i>	<u>\$ 45,857,980</u>	<u>\$ 41,167,354</u>	<u>\$ (4,690,626)</u>	<u>\$ 25,509,381</u>	<u>\$ 25,763,611</u>	<u>\$ 254,230</u>

The City's overall net position increased \$4.4 million from the prior year. The reasons for this overall decrease are discussed in the following sections for governmental activities and business-type activities.

Governmental Activities

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

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.

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

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.

The State of Ohio increase in gasoline tax contributed to the increase in operating grants over 2018 while capital grants decreased due to grants received for recreation improvements in the prior year. An increase in investment earnings over 2018 reflects market performance and the increase in miscellaneous revenue can be attributed to contract retainers and other deposits that were previously recorded as fiduciary activity.

This significant decrease in security of persons and property for police and fire is a result of OP&F changing its retiree health care model to a stipend-based health care model thus reducing its total OPEB liability, which translates to a significant lower net OPEB liability reported by employers.

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

The largest program functions of the City are general government, which departments consist of council, mayor, finance, law, civil service, municipal buildings and fleet, development and administration and leisure time services which includes recreational facilities and programs.

Business-Type Activities

Business-type activities include water and sewer operations. The revenues are generated primarily from charges for services. In 2019, charges for services accounted for 66 percent of the business-type revenues, excluding transfers.

Capital grants in both water and sewer operations showed a decrease from prior year, mainly due to OPWC and OWDA grants received in 2018 for projects that have been completed. The water fund also had a substantial decrease in transfers in contributing to the decrease in net position. The increase in net position in the sewer fund can be partially attributed to a decrease in transfers out from the prior year

The City's Funds

Governmental Funds

As noted earlier, the City's governmental funds are accounted for using the modified accrual method of accounting. The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of the fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City's Council.

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

The general fund is the chief operating fund of the City. The fund balance of the general fund increased by \$1.1 million during the current fiscal year. Revenues in general showed increases over 2018 with the largest being income taxes collections and interest revenue.

The general bond retirement fund had a \$0.1 million increase in fund balance due to the timing of revenues to cover principal and interest payments.

The fund balance of the general capital improvement fund decreased by \$0.3 million mainly due to timing of debt and grant proceeds coupled with transfers in compared to capital outlay expenditures and debt service payments.

Proprietary Funds

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

Unrestricted net position of the water revenue fund at the end of the year was a deficit balance of \$2.3 million and the sewer revenue fund was a deficit balance of \$0.2 million. Total change in net position for these funds was a decrease of \$0.6 million and an increase of \$0.4 million, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the business-type activities.

General Fund Budgeting Highlights

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

During the course of 2019, the City amended its general fund budget on various occasions. All recommendations for appropriation changes come to Council from the City Finance Director. The Finance Committee of Council reviews them, and they make their recommendation to the Council as a whole.

Original Budget Compared to Final Budget There were no significant amendments to increase or decrease either original estimated revenues or original budgeted appropriations.

Final Budget Compared to Actual Results There were no significant differences between final budgeted revenues or appropriations and actual.

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

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

Capital Assets and Debt Administration

Capital Assets

Table 3 shows fiscal year 2019 balances compared with 2018.

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

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 11,561,111	\$ 11,569,861	\$ 93,181	\$ 93,181	\$ 11,654,292	\$ 11,663,042
Intangible	2,183,636	2,183,636	1,154,237	1,154,237	3,337,873	3,337,873
Construction in Progress	3,732,049	2,467,611	1,605,564	1,149,438	5,337,613	3,617,049
Land Improvements	7,844,137	6,801,856	31,524	38,204	7,875,661	6,840,060
Buildings	4,277,192	4,616,675	2,052,975	2,173,087	6,330,167	6,789,762
Building Improvements	21,532,540	22,635,341	1,380,349	1,485,653	22,912,889	24,120,994
Machinery and Equipment	1,513,716	1,540,088	1,887,239	2,055,468	3,400,955	3,595,556
Furniture and Fixtures	410,984	576,268	3,000	4,200	413,984	580,468
Vehicles	2,134,962	2,405,091	34,203	45,893	2,169,165	2,450,984
Infrastructure	34,018,649	36,193,964	30,872,097	30,800,851	64,890,746	66,994,815
<i>Total</i>	<u>\$ 89,208,976</u>	<u>\$ 90,990,391</u>	<u>\$ 39,114,369</u>	<u>\$ 39,000,212</u>	<u>\$ 128,323,345</u>	<u>\$ 129,990,603</u>

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

Debt

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

Table 4
Outstanding Debt, at December 31

	Governmental Activities		Business-Type Activities		Total	
	2019	Restated	2019	2018	2019	Restated
		2018				2018
General Obligation Bonds	\$ 12,130,000	\$ 12,975,000	\$ 105,000	\$ 110,000	\$ 12,235,000	\$ 13,085,000
OPWC Loans	2,462,046	2,396,798	1,791,547	1,655,962	4,253,593	4,052,760
OWDA Loans	0	0	9,864,593	10,509,965	9,864,593	10,509,965
Loans Payable	160,000	200,000	213,437	232,840	373,437	432,840
Bond Anticipation Notes	8,035,000	8,295,000	0	0	8,035,000	8,295,000
Police and Fire Pension	166,326	173,810	0	0	166,326	173,810
Capital Leases	350,695	521,740	25,641	40,326	376,336	562,066
<i>Total</i>	<u>\$ 23,304,067</u>	<u>\$ 24,562,348</u>	<u>\$ 12,000,218</u>	<u>\$ 12,549,093</u>	<u>\$ 35,304,286</u>	<u>\$ 37,111,442</u>

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

Economic Factors

The City of Berea is financially stable. The City analyzed its operations to control expenditures and maintain stability in its fund balances. With the help of our Economic Development and Engineering Departments, the City has been able to ensure our financial stability. The City has been successful in obtaining significant grant funding and state funded loan program awards in an amount over \$1.5 million for large capital projects and capital purchases. The City will continue its plan to be fiscally responsible and to review all departmental budgets for improvements in efficiency and effectiveness and to look for ways to reduce operational costs.

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

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

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

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

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

The City expects a reduction in 2020 revenues due to COVID-19 and associated closures. The full impact cannot be determined at this time.

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

Contacting the City's Finance Department

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

This Page Intentionally Left Blank

City of Berea
Cuyahoga County, Ohio
Statement of Net Position
December 31, 2019

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	\$ 8,003,463	\$ 339,679	\$ 8,343,142
Accounts Receivable	216,948	1,594,300	1,811,248
Intergovernmental Receivable	1,292,900	166,629	1,459,529
Taxes Receivable	8,622,677	499,877	9,122,554
Special Assessments Receivable	661,834	0	661,834
Loans Receivable	1,097,769	0	1,097,769
Prepaid Items	185,309	0	185,309
Materials and Supplies Inventory	130,510	78,810	209,320
Assets Held for Resale	785,000	0	785,000
Non-Depreciable Capital Assets	17,476,796	2,852,982	20,329,778
Depreciable Capital Assets, Net	71,732,180	36,261,387	107,993,567
<i>Total Assets</i>	<u>110,205,386</u>	<u>41,793,664</u>	<u>151,999,050</u>
Deferred Outflow of Resources			
Pension	8,361,119	850,358	9,211,477
OPEB	1,711,081	123,472	1,834,553
<i>Total Deferred Outflow of Resources</i>	<u>10,072,200</u>	<u>973,830</u>	<u>11,046,030</u>
Liabilities			
Accounts Payable	292,091	54,885	346,976
Accrued Wages	638,734	75,022	713,756
Contracts Payable	814,753	333,570	1,148,323
Intergovernmental Payable	324,607	28,139	352,746
Accrued Interest Payable	232,756	163,033	395,789
Claims Payable	168,271	0	168,271
Matured Compensated Absences Payable	11,947	0	11,947
Notes Payable	6,060,000	0	6,060,000
Long-Term Liabilities:			
Due Within One Year	9,384,123	738,721	10,122,844
Due In More Than One Year:			
Net Pension Liability	27,941,746	2,730,088	30,671,834
Net OPEB Liability	6,881,016	1,245,511	8,126,527
Other Amounts Due in More Than One Year	15,406,250	11,376,093	26,782,343
<i>Total Liabilities</i>	<u>68,156,294</u>	<u>16,745,062</u>	<u>84,901,356</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	4,195,659	470,449	4,666,108
Pension	858,933	37,899	896,832
OPEB	1,208,720	4,703	1,213,423
<i>Total Deferred Inflows of Resources</i>	<u>6,263,312</u>	<u>513,051</u>	<u>6,776,363</u>
Net Position			
Net Investment in Capital Assets	60,123,026	28,028,357	88,151,383
Restricted for:			
Street Lighting	723,586	0	723,586
Street Maintenance and Repair	596,873	0	596,873
Court Operations and Capital Outlay	555,764	0	555,764
Security Operations	16,506	0	16,506
Drug and Alcohol Programs	580,307	0	580,307
Other Purposes	569,816	0	569,816
Unrestricted	(17,307,898)	(2,518,976)	(19,826,874)
<i>Total Net Position</i>	<u>\$ 45,857,980</u>	<u>\$ 25,509,381</u>	<u>\$ 71,367,361</u>

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, Ohio
Statement of Activities
For the Year Ended December 31, 2019

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest
Governmental Activities				
General Government	\$ 11,044,960	\$ 3,276,562	\$ 0	\$ 0
Security of Persons and Property	279,373	1,213,185	130,471	56,518
Public Health	98,426	0	9,285	0
Leisure Time Services	4,896,558	823,413	10,000	0
Community Development	525,712	42,596	0	0
Public Works	1,290,056	0	0	0
Transportation	4,361,420	30,000	1,004,689	1,040,605
Interest and Fiscal Charges	779,809	0	0	0
<i>Total Governmental Activities</i>	<u>23,276,314</u>	<u>5,385,756</u>	<u>1,154,445</u>	<u>1,097,123</u>
Business-Type Activities				
Water Revenue	4,380,281	2,662,207	144,225	470,804
Sewer Revenue	1,298,255	847,301	0	741,593
<i>Total Business-Type Activities</i>	<u>5,678,536</u>	<u>3,509,508</u>	<u>144,225</u>	<u>1,212,397</u>
<i>Total Primary Government</i>	<u>\$ 28,954,850</u>	<u>\$ 8,895,264</u>	<u>\$ 1,298,670</u>	<u>\$ 2,309,520</u>

General Revenues:

Property Taxes Levied for:

General Purposes

Police and Fire Pension

Community Hospital

Debt Service

Water Improvements

Income Taxes Levied for:

General Purposes

Other Taxes

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Miscellaneous

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year

Restated, See Note 2

Net Position End of Year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
\$ (7,768,398)	\$ 0	\$ (7,768,398)
1,120,801	0	1,120,801
(89,141)	0	(89,141)
(4,063,145)	0	(4,063,145)
(483,116)	0	(483,116)
(1,290,056)	0	(1,290,056)
(2,286,126)	0	(2,286,126)
(779,809)	0	(779,809)
<u>(15,638,990)</u>	<u>0</u>	<u>(15,638,990)</u>
0	(1,103,045)	(1,103,045)
0	290,639	290,639
<u>0</u>	<u>(812,406)</u>	<u>(812,406)</u>
<u>(15,638,990)</u>	<u>(812,406)</u>	<u>(16,451,396)</u>
1,775,765	0	1,775,765
718,994	0	718,994
89,607	0	89,607
1,577,337	0	1,577,337
0	467,176	467,176
13,810,887	0	13,810,887
259,625	0	259,625
984,079	0	984,079
502,171	0	502,171
702,151	0	702,151
<u>20,420,616</u>	<u>467,176</u>	<u>20,887,792</u>
<u>(91,000)</u>	<u>91,000</u>	<u>0</u>
<u>20,329,616</u>	<u>558,176</u>	<u>20,887,792</u>
4,690,626	(254,230)	4,436,396
<u>41,167,354</u>	<u>25,763,611</u>	<u>66,930,965</u>
<u>\$ 45,857,980</u>	<u>\$ 25,509,381</u>	<u>\$ 71,367,361</u>

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, Ohio
Balance Sheet
Governmental Funds
December 31, 2019

	General	General Bond Retirement	General Capital Improvement	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Investments	\$ 3,533,273	\$ 1,602,249	\$ 183,811	\$ 2,405,320	\$ 7,724,653
Accounts Receivable	102,749	0	0	96,693	199,442
Intergovernmental Receivable	331,418	107,467	265,121	588,894	1,292,900
Taxes Receivable	6,047,495	1,708,617	0	866,565	8,622,677
Interfund Receivable	0	200,000	0	0	200,000
Special Assessments Receivable	14,131	0	0	647,703	661,834
Loans Receivable	0	0	1,097,769	0	1,097,769
Materials and Supplies Inventory	9,990	0	0	120,520	130,510
Assets Held for Resale	0	0	785,000	0	785,000
<i>Total Assets</i>	<u>\$ 10,039,056</u>	<u>\$ 3,618,333</u>	<u>\$ 2,331,701</u>	<u>\$ 4,725,695</u>	<u>\$ 20,714,785</u>
Liabilities					
Accounts Payable	\$ 192,868	\$ 0	\$ 13,285	\$ 85,938	\$ 292,091
Accrued Wages	553,675	0	0	85,059	638,734
Contracts Payable	0	0	333,914	480,839	814,753
Intergovernmental Payable	194,633	0	0	129,974	324,607
Matured Compensated Absences Payable	11,947	0	0	0	11,947
Interfund Payable	0	0	200,000	0	200,000
Notes Payable	0	6,060,000	0	0	6,060,000
<i>Total Liabilities</i>	<u>953,123</u>	<u>6,060,000</u>	<u>547,199</u>	<u>781,810</u>	<u>8,342,132</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	1,772,080	1,608,030	0	815,549	4,195,659
Delinquent Property Taxes	110,849	100,587	0	51,016	262,452
Income Taxes	869,813	0	0	0	869,813
Unavailable Revenue	293,571	107,467	132,847	1,042,627	1,576,512
<i>Total Deferred Inflows of Resources</i>	<u>3,046,313</u>	<u>1,816,084</u>	<u>132,847</u>	<u>1,909,192</u>	<u>6,904,436</u>
Fund Balances					
Nonspendable	51,432	0	0	120,520	171,952
Restricted	0	0	0	1,962,142	1,962,142
Committed	1,211,984	0	1,651,655	25,292	2,888,931
Assigned	196,788	0	0	0	196,788
Unassigned	4,579,416	(4,257,751)	0	(73,261)	248,404
<i>Total Fund Balances</i>	<u>6,039,620</u>	<u>(4,257,751)</u>	<u>1,651,655</u>	<u>2,034,693</u>	<u>5,468,217</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 10,039,056</u>	<u>\$ 3,618,333</u>	<u>\$ 2,331,701</u>	<u>\$ 4,725,695</u>	<u>\$ 20,714,785</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, 2019

Total Governmental Fund Balances		\$ 5,468,217
 <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.		89,208,976
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Delinquent Property Taxes	\$ 262,453	
Income Taxes	869,813	
Intergovernmental	914,678	
Special Assessments	661,834	2,708,778
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.		313,354
Accrued interest payable is not due and payable in the current period and therefore not reported in the funds.		(232,756)
The net pension and OPEB liabilities are not due and payable in the current period; therefore, the liabilities and related deferred inflows/outflows are not reported in governmental funds.		
Deferred Outflows - Pension	8,361,119	
Deferred Outflows - OPEB	1,711,081	
Net Pension Liability	(27,941,746)	
Net OPEB Liability	(6,881,016)	
Deferred Inflows - Pension	(858,933)	
Deferred Inflows - OPEB	(1,208,720)	(26,818,215)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(12,130,000)	
OPWC Loans	(2,462,046)	
Bond Anticipation Notes	(8,035,000)	
Bond Premium	(349,800)	
Loan Payable	(160,000)	
Police and Fire Pension	(166,326)	
Capital Leases	(350,695)	
Compensated Absences	(1,136,506)	(24,790,373)
 <i>Net Position of Governmental Activities</i>		 \$ 45,857,980

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2019

	General	General Bond Retirement	General Capital Improvement	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Property Taxes	\$ 1,765,952	\$ 1,568,846	\$ 0	\$ 804,218	\$ 4,139,016
Income Taxes	14,350,327	0	0	0	14,350,327
Other Local Taxes	257,495	0	0	0	257,495
Special Assessments	15,109	0	0	650,343	665,452
Charges for Services	380,093	0	0	953,413	1,333,506
Licenses and Permits	512,633	0	0	39,214	551,847
Fines and Forfeitures	1,539,632	0	0	1,155,825	2,695,457
Intergovernmental	736,860	215,185	907,758	1,070,619	2,930,422
Interest	494,171	8,000	0	2,082	504,253
Rent	71,698	0	30,000	0	101,698
Contributions and Donations	0	0	0	20,307	20,307
Reimbursements	23,158	0	0	11,129	34,287
Other	227,006	0	2,500	438,358	667,864
<i>Total Revenues</i>	<u>20,374,134</u>	<u>1,792,031</u>	<u>940,258</u>	<u>5,145,508</u>	<u>28,251,931</u>
Expenditures					
Current:					
General Government	6,807,036	102,625	0	1,208,010	8,117,671
Security of Persons and Property	6,023,232	0	0	1,915,534	7,938,766
Public Health	0	0	0	98,426	98,426
Leisure Time Services	746,703	0	0	1,935,483	2,682,186
Community Development	360,376	0	0	0	360,376
Public Works	1,273,974	0	0	0	1,273,974
Transportation	0	0	0	903,695	903,695
Capital Outlay	0	0	2,532,903	2,494,108	5,027,011
Debt Service:					
Principal Retirement	7,973	9,140,000	307,698	23,842	9,479,513
Interest and Fiscal Charges	399	833,006	28,399	9,429	871,233
<i>Total Expenditures</i>	<u>15,219,693</u>	<u>10,075,631</u>	<u>2,869,000</u>	<u>8,588,527</u>	<u>36,752,851</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>5,154,441</u>	<u>(8,283,600)</u>	<u>(1,928,742)</u>	<u>(3,443,019)</u>	<u>(8,500,920)</u>
Other Financing Sources (Uses)					
Proceeds from Sale of Assets	23,814	0	900	0	24,714
Issuance of OPWC Loans	0	0	186,232	0	186,232
Premium on Debt Issuance	0	124,537	0	0	124,537
Issuance of Bond Anticipation Notes	0	8,035,000	0	0	8,035,000
Transfers In	0	250,000	1,466,800	2,325,000	4,041,800
Transfers Out	(4,127,800)	(5,000)	0	0	(4,132,800)
<i>Total Other Financing Sources (Uses)</i>	<u>(4,103,986)</u>	<u>8,404,537</u>	<u>1,653,932</u>	<u>2,325,000</u>	<u>8,279,483</u>
<i>Net Change in Fund Balance</i>	1,050,455	120,937	(274,810)	(1,118,019)	(221,437)
<i>Fund Balance Beginning of Year</i>					
<i>Restated, See Note 2</i>	<u>4,989,165</u>	<u>(4,378,688)</u>	<u>1,926,465</u>	<u>3,152,712</u>	<u>5,689,654</u>
<i>Fund Balance End of Year</i>	<u>\$ 6,039,620</u>	<u>\$ (4,257,751)</u>	<u>\$ 1,651,655</u>	<u>\$ 2,034,693</u>	<u>\$ 5,468,217</u>

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, 2019*

Net Change in Fund Balances - Total Governmental Funds		\$ (221,437)
<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	\$ 4,606,879	
Current Year Depreciation	<u>(6,294,502)</u>	(1,687,623)
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
		(93,792)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent Property Taxes	22,687	
Income Tax	(539,440)	
Intergovernmental	284,966	
Special Assessments	<u>37,796</u>	(193,991)
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	845,000	
Loan Payable	40,000	
OPWC Loans	120,984	
Bond Anticipation Notes	8,295,000	
Capital Lease	171,045	
Police and Fire Pension	<u>7,484</u>	9,479,513
Debt proceeds issued in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues.		
OPWC Loans	(186,232)	
Bond Anticipation Notes	<u>(8,035,000)</u>	(8,221,232)
In the statement of activities, interest is accrued on outstanding bonds, and bond premiums are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Accrued Interest Payable	(61,375)	
Amortization of Premium on Bonds	<u>28,262</u>	(33,113)
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	1,855,428	
OPEB	<u>25,711</u>	1,881,139
Except for amount reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension	(4,892,703)	
OPEB	<u>8,956,805</u>	4,064,102
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		(297,616)
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>14,676</u>
<i>Change in Net Position of Governmental Activities</i>		<u>\$ 4,690,626</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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property Taxes	\$ 1,672,064	\$ 1,765,952	\$ 1,765,952	\$ 0
Income Taxes	13,971,619	13,606,000	13,607,928	1,928
Other Local Taxes	292,000	288,500	291,487	2,987
Special Assessments	14,350	15,050	15,109	59
Charges for Services	375,150	376,404	379,880	3,476
Licenses and Permits	550,000	500,000	512,633	12,633
Fines and Forfeitures	124,000	64,900	65,627	727
Intergovernmental	660,932	730,045	730,152	107
Interest	225,000	185,000	187,956	2,956
Rent	100,000	71,600	71,698	98
Reimbursements	0	11,161	14,872	3,711
Other	120,500	201,407	202,126	719
<i>Total Revenues</i>	18,105,615	17,816,019	17,845,420	29,401
Expenditures				
Current:				
General Government	5,529,697	5,560,251	5,450,571	109,680
Security of Persons and Property	6,013,072	6,058,072	5,980,623	77,449
Leisure Time Services	610,171	756,671	743,733	12,938
Community Development	376,554	375,854	359,124	16,730
Public Works	1,350,617	1,302,042	1,282,328	19,714
Debt Service:				
Principal Retirement	3,084	3,084	3,084	0
Interest and Fiscal Charges	99	99	99	0
<i>Total Expenditures</i>	13,883,294	14,056,073	13,819,562	236,511
<i>Excess of Revenues Over (Under) Expenditures</i>	4,222,321	3,759,946	4,025,858	265,912
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	1,000	23,600	23,814	214
Transfers Out	(4,227,800)	(4,127,800)	(4,127,800)	0
<i>Total Other Financing Sources (Uses)</i>	(4,226,800)	(4,104,200)	(4,103,986)	214
<i>Net Change in Fund Balance</i>	(4,479)	(344,254)	(78,128)	266,126
<i>Fund Balance Beginning of Year</i>	3,372,619	3,372,619	3,372,619	0
Prior Year Encumbrances Appropriated	70,275	70,275	70,275	0
<i>Fund Balance End of Year</i>	\$ 3,438,415	\$ 3,098,640	\$ 3,364,766	\$ 266,126

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2019

	Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Revenue	Sewer Revenue	Total	
Assets				
<i>Current Assets:</i>				
Equity in Pooled Cash and Investments	\$ 293,380	\$ 46,299	\$ 339,679	\$ 278,810
Accounts Receivable	1,179,021	415,279	1,594,300	17,506
Intergovernmental Receivable	114,014	52,615	166,629	0
Taxes Receivable	499,877	0	499,877	0
Prepaid Items	0	0	0	185,309
Materials and Supplies Inventory	78,810	0	78,810	0
<i>Total Current Assets</i>	<u>2,165,102</u>	<u>514,193</u>	<u>2,679,295</u>	<u>481,625</u>
<i>Non-Current Assets:</i>				
Non-Depreciable Capital Assets	1,856,461	996,521	2,852,982	0
Depreciable Capital Assets, Net	23,061,217	13,200,170	36,261,387	0
<i>Total Non-Current Assets</i>	<u>24,917,678</u>	<u>14,196,691</u>	<u>39,114,369</u>	<u>0</u>
<i>Total Assets</i>	<u>27,082,780</u>	<u>14,710,884</u>	<u>41,793,664</u>	<u>481,625</u>
Deferred Outflow of Resources				
Pension	683,168	167,190	850,358	0
OPEB	101,123	22,349	123,472	0
<i>Total Deferred Outflow of Resources</i>	<u>784,291</u>	<u>189,539</u>	<u>973,830</u>	<u>0</u>
Liabilities				
<i>Current Liabilities:</i>				
Accounts Payable	42,112	12,773	54,885	0
Accrued Wages	60,534	14,488	75,022	0
Contracts Payable	208,159	125,411	333,570	0
Intergovernmental Payable	22,394	5,745	28,139	0
Accrued Interest Payable	124,880	38,153	163,033	0
Claims Payable	0	0	0	168,271
Compensated Absences Payable	5,667	1,663	7,330	0
Capital Leases Payable	7,251	0	7,251	0
Loans Payable	0	19,404	19,404	0
OPWC Loans Payable	4,425	48,288	52,713	0
OWDA Loans Payable	482,678	164,345	647,023	0
General Obligation Bonds Payable	5,000	0	5,000	0
<i>Total Current Liabilities</i>	<u>963,100</u>	<u>430,270</u>	<u>1,393,370</u>	<u>168,271</u>
<i>Long-Term Liabilities:</i>				
Compensated Absences Payable - Net of Current Portion	65,186	42,080	107,266	0
Capital Leases Payable - Net of Current Portion	18,390	0	18,390	0
Loans Payable - Net of Current Portion	0	194,033	194,033	0
OPWC Loans Payable - Net of Current Portion	291,887	1,446,947	1,738,834	0
OWDA Loans Payable - Net of Current Portion	7,252,986	1,964,584	9,217,570	0
General Obligation Bonds Payable - Net of Current Portion	100,000	0	100,000	0
Net Pension Liability	2,184,070	546,018	2,730,088	0
Net OPEB Liability	996,409	249,102	1,245,511	0
<i>Total Long-Term Liabilities</i>	<u>10,908,928</u>	<u>4,442,764</u>	<u>15,351,692</u>	<u>0</u>
<i>Total Liabilities</i>	<u>11,872,028</u>	<u>4,873,034</u>	<u>16,745,062</u>	<u>168,271</u>
Deferred Inflows of Resources				
Property Taxes Levied for the Next Year	470,449	0	470,449	0
Pension	28,678	9,221	37,899	0
OPEB	2,704	1,999	4,703	0
<i>Total Deferred Inflows of Resources</i>	<u>501,831</u>	<u>11,220</u>	<u>513,051</u>	<u>0</u>
Net Position				
Net Investment in Capital Assets	17,794,678	10,233,679	28,028,357	0
Unrestricted	(2,301,466)	(217,510)	(2,518,976)	313,354
<i>Total Net Position</i>	<u>\$ 15,493,212</u>	<u>\$ 10,016,169</u>	<u>\$ 25,509,381</u>	<u>\$ 313,354</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, 2019

	Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Revenue	Sewer Revenue	Totals	
Operating Revenues				
Charges for Services	\$ 2,662,207	\$ 840,523	\$ 3,502,730	\$ 3,164,083
Reimbursements	0	6,778	6,778	28,299
Other	0	0	0	17,506
<i>Total Operating Revenues</i>	<u>2,662,207</u>	<u>847,301</u>	<u>3,509,508</u>	<u>3,209,888</u>
Operating Expenses				
Personal Services	1,997,074	436,985	2,434,059	0
Contractual Services	405,896	471,233	877,129	1,089,750
Materials and Supplies	624,294	23,956	648,250	0
Claims	0	0	0	2,405,380
Depreciation	1,096,490	274,350	1,370,840	0
Other	14,650	12,565	27,215	12,374
<i>Total Operating Expenses</i>	<u>4,138,404</u>	<u>1,219,089</u>	<u>5,357,493</u>	<u>3,507,504</u>
<i>Operating Income (Loss)</i>	<u>(1,476,197)</u>	<u>(371,788)</u>	<u>(1,847,985)</u>	<u>(297,616)</u>
Non-Operating Revenues (Expense)				
Intergovernmental	144,225	0	144,225	0
Property Taxes	467,176	0	467,176	0
Interest and Fiscal Charges	(241,877)	(79,166)	(321,043)	0
<i>Total Non-Operating Revenues (Expense)</i>	<u>369,524</u>	<u>(79,166)</u>	<u>290,358</u>	<u>0</u>
<i>Income (Loss) Before Capital Contributions and Transfers</i>	<u>(1,106,673)</u>	<u>(450,954)</u>	<u>(1,557,627)</u>	<u>(297,616)</u>
Capital Contributions	470,804	741,593	1,212,397	0
Transfers In	25,000	83,306	108,306	0
Transfers Out	(17,306)	0	(17,306)	0
<i>Total Capital Contributions and Transfers</i>	<u>478,498</u>	<u>824,899</u>	<u>1,303,397</u>	<u>0</u>
<i>Change in Net Position</i>	<u>(628,175)</u>	<u>373,945</u>	<u>(254,230)</u>	<u>(297,616)</u>
<i>Net Position Beginning of Year</i>	<u>16,121,387</u>	<u>9,642,224</u>	<u>25,763,611</u>	<u>610,970</u>
<i>Net Position End of Year</i>	<u>\$ 15,493,212</u>	<u>\$ 10,016,169</u>	<u>\$ 25,509,381</u>	<u>\$ 313,354</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, 2019

	Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Revenue	Sewer Revenue	Totals	
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 2,677,143	\$ 788,648	\$ 3,465,791	\$ 3,303,795
Cash Payments to Suppliers for Goods and Services	(649,174)	(36,122)	(685,296)	0
Cash Payments to Employees for Services and Benefits	(1,629,431)	(334,877)	(1,964,308)	0
Cash Payments for Contractual Services	(250,239)	(792,661)	(1,042,900)	(1,069,102)
Cash Payments for Claims	0	0	0	(2,444,807)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>148,299</u>	<u>(375,012)</u>	<u>(226,713)</u>	<u>(210,114)</u>
Cash Flows from Noncapital Financing Activities				
Intergovernmental Revenue	61,740	0	61,740	0
Property Taxes	464,637	0	464,637	0
Transfers In	25,000	83,306	108,306	0
Transfers Out	(17,306)	0	(17,306)	0
<i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>	<u>534,071</u>	<u>83,306</u>	<u>617,377</u>	<u>0</u>
Cash Flows from Capital and Related Financing Activities				
Capital Grants	470,804	725,729	1,196,533	0
Proceeds of OPWC Loans	134,516	112,018	246,534	0
Acquisition of Capital Assets	(932,705)	(552,292)	(1,484,997)	0
Principal Payments on Debt and Leases	(501,197)	(294,212)	(795,409)	0
Interest Payments on Debt and Leases	(249,275)	(83,199)	(332,474)	0
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(1,077,857)</u>	<u>(91,956)</u>	<u>(1,169,813)</u>	<u>0</u>
<i>Net Increase (Decrease) in Cash and Investments</i>	(395,487)	(383,662)	(779,149)	(210,114)
<i>Cash and Investments Beginning of Year</i>	<u>688,867</u>	<u>429,961</u>	<u>1,118,828</u>	<u>488,924</u>
<i>Cash and Investments End of Year</i>	<u>\$ 293,380</u>	<u>\$ 46,299</u>	<u>\$ 339,679</u>	<u>\$ 278,810</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Operating Income (Loss)	\$ (1,476,197)	\$ (371,788)	\$ (1,847,985)	\$ (297,616)
Adjustments:				
Depreciation	1,096,490	274,350	1,370,840	0
(Increase) Decrease in Assets and Deferred Outflows:				
Accounts Receivable	14,936	(58,653)	(43,717)	93,907
Prepaid Items	0	0	0	33,564
Materials and Supplies Inventory	30,319	0	30,319	0
Deferred Outflows - Pension	(385,794)	(92,847)	(478,641)	0
Deferred Outflows - OPEB	(41,284)	(7,389)	(48,673)	0
Increase (Decrease) in Liabilities and Deferred Inflows:				
Accounts Payable	115,187	(229)	114,958	(542)
Accrued Wages	3,659	(1,706)	1,953	0
Contracts Payable	0	(3,444)	(3,444)	0
Compensated Absences Payable	937	3,200	4,137	0
Intergovernmental Payable	(5,190)	(319,075)	(324,265)	0
Deferred Inflows - Pension	(298,082)	(72,084)	(370,166)	0
Deferred Inflows - OPEB	(57,870)	(13,144)	(71,014)	0
Net Pension Liability	967,923	241,981	1,209,904	0
Net OPEB Liability	183,265	45,816	229,081	0
Claims Payable	0	0	0	(39,427)
<i>Net Cash Provided by (Used For) Operating Activities</i>	<u>\$ 148,299</u>	<u>\$ (375,012)</u>	<u>\$ (226,713)</u>	<u>\$ (210,114)</u>

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, Ohio
Statement of Fiduciary Net Position
Custodial Funds
December 31, 2019

	<u>Custodial Funds</u>
Assets	
Equity in Pooled Cash and Investments	\$ 1,212,340
Cash in Segregated Accounts	333,878
Accounts Receivable	<u>2,088,624</u>
<i>Total Assets</i>	<u>3,634,842</u>
Liabilities	
Accounts Payable	1,190,485
Due to Other Governments	<u>2,444,357</u>
<i>Total Liabilities</i>	<u>3,634,842</u>
Net Position	
Unrestricted	<u>\$ 0</u>

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, Ohio
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2019

	Custodial Funds
Additions	
Licenses, Permits & Fees for Other Governments	\$ 5,657
Fines & Forfeitures for Other Governments	2,112,858
Collections for Other Governments	5,120,274
<i>Total Additions</i>	7,238,789
Deductions	
Licenses, Permits & Fee Distributions to Other Governments	5,657
Fines & Forfeitures Distributions to Other Governments	2,112,858
Distributions to Other Governments	5,120,274
<i>Total Deductions</i>	7,238,789
<i>Change in Net Position</i>	0
<i>Net Position Beginning of Year - Restated, See Note 2</i>	0
<i>Net Position End of Year</i>	\$ 0

See accompanying notes to the basic financial statements.

This Page Intentionally Left Blank

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 1 - DESCRIPTION OF THE CITY AND THE REPORTING ENTITY

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

The Reporting Entity

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

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

The City participates in several jointly governed organizations, including, the Southwest Council of Governments, the Southwest General Health Center, the Woodvale Union Cemetery, the Northeast Ohio Public Energy Council and Regional Income Tax Agency. A jointly governed organization is managed by representatives from each of the governments that create the organization, but there is no ongoing financial interest or responsibility on the part of the participating governments. These organizations are presented in Note 16 to the basic financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Basis of Presentation

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

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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

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

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

Fund Accounting

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

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

General Fund - The general fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The general fund also accounts for the activities related to the municipal income tax levy collections passed by ordinance in November 1992. One-fourth of income tax revenues are collected in the municipal income tax fund and are designated for water, sewer, recreation, debt and capital expenditures.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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

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

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

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

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

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

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

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

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

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

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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

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

Basis of Accounting

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

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

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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

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

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

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2019, but which were levied to finance 2020 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue may include delinquent property taxes, income taxes, intergovernmental grants, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the reconciliation of governmental fund balances to net position of governmental activities. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position. (See Notes 9 and 10)

Cash and Investments

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

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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

During 2019, investments were limited to money market funds, negotiable certificates of deposit and State Treasury Asset Reserve of Ohio (STAR Ohio).

During 2019, 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 2019, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution, the Ohio Revised Code and the Berea Municipal Code. Interest revenue credited to the general fund during 2019 amounted to \$494,171, which includes \$399,787 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.

Deposits

Deposits represent monies paid toward the purchase of property on a land installment contract.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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. Interest incurred during the construction of proprietary fund capital assets is also capitalized. All capital assets are depreciated except for land, intangibles and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

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

Interfund Balances

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

Compensated Absences

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

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those employees that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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

Accrued Liabilities and Long-term Obligations

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

Fund Balance

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

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

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by City Council. The City Council has, by resolution, authorized the Finance Director to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

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

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

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

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted for other purposes is primarily made up of restrictions for guarantee deposits and contract retainers. At December 31, 2019, there was no net position restricted by enabling legislation.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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.

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 2019.

Estimates

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

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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 2019.

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 and Restatement of Net Position/Fund Balance

Implementation of New Accounting Principles

For the year ended December 31, 2019, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. GASB Statement No. 95 postpones the effective dates of certain provisions in the statements that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

The following statements are postponed by one year:

- Statement No. 83, *Certain Asset Retirement Obligations*
- Statement No. 84, *Fiduciary Activities*
- Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 90, *Majority Equity Interests*
- Statement No. 91, *Conduit Debt Obligations*

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Certain provisions in the following statements are postponed by one year:

- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*

The following statement is postponed by 18 months:

- Statement No. 87, *Leases*

For the year ended December 31, 2019, the City has early implemented GASB No. 83, *Certain Asset Retirement Obligations*, GASB Statement No. 84, *Fiduciary Activities*, GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, and GASB Statement No. 90, *Majority Equity Interests and amendment of GASB Statements No. 14 and No. 61*.

GASB Statement No. 83 establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. The implementation of GASB Statement No. 83 did not have an effect on the financial statements of the City.

GASB Statement No. 84 establishes specific criteria for identifying activities that should be reported as fiduciary activities and clarifies whether and how business type activities should report their fiduciary activities. Due to the implementation of GASB Statement No. 84, the City will no longer be reporting agency funds. The City reviewed its funds for proper classification, and any fund reclassifications resulted in the restatement of the City's financial statements (see below).

GASB Statement No. 89 establishes accounting requirements for interest cost incurred before the end of a construction period. These changes were incorporated in the City's 2019 financial statements; however, there was no effect on beginning net position.

GASB Statement No. 90 improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. The implementation of GASB Statement No. 90 did not have an effect on the financial statements of the City.

Restatement of Net Position/Fund Balances

The implementation of GASB 84 had the following effect on net position as reported December 31, 2018:

	Governmental Activities	Business-Type Activities
Net Position, December 31, 2018	\$ 40,754,132	\$ 25,763,611
GASB Statement No. 84	413,222	0
Restated Net Position, December 31, 2018	\$ 41,167,354	\$ 25,763,611

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

The implementation of GASB 84, in addition to an adjustment for short term debt, had the following effect on fund balance as reported December 31, 2018:

	General Fund	General Bond Retirement Fund	General Capital Improvement Fund	Other Governmental Funds
Fund Balance (Deficit), December 31, 2018	\$ 4,989,165	\$ (4,122,788)	\$ 1,926,465	\$ 2,739,490
GASB Statement No. 84	0	0	0	413,222
Short Term Debt	0	(255,900)	0	0
Restated Fund Balance (Deficit), December 31, 2018	<u>\$ 4,989,165</u>	<u>\$ (4,378,688)</u>	<u>\$ 1,926,465</u>	<u>\$ 3,152,712</u>

The implementation of GASB 84 had the following effect on fiduciary net position as reported December 31, 2018:

	Fiduciary Funds	
	Agency	Custodial
Net Position, December 31, 2018	\$ 0	\$ 0
Adjustments:		
Assets	(3,915,613)	3,502,391
Liabilities	3,915,613	(3,502,391)
Restated Net Position, December 31, 2018	<u>\$ 0</u>	<u>\$ 0</u>

NOTE 3 – FUND BALANCE

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

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

Fund Balance	General Fund	General Bond Retirement Fund	General Capital Improvement Fund	Other Governmental Funds	Total
<u>Nonspendable:</u>					
Unclaimed Monies	\$ 41,442	\$ 0	\$ 0	\$ 0	\$ 41,442
Inventory for Consumption	9,990	0	0	120,520	130,510
Total Nonspendable	<u>51,432</u>	<u>0</u>	<u>0</u>	<u>120,520</u>	<u>171,952</u>
<u>Restricted for:</u>					
Court Operations and Capital Outlay	0	0	0	596,602	596,602
Drug and Alcohol Programs	0	0	0	580,307	580,307
Security Operations and Programs	0	0	0	26,481	26,481
Street Improvement and Repair	0	0	0	211,494	211,494
Street Lighting	0	0	0	75,883	75,883
Retainers and Deposits	0	0	0	471,375	471,375
Total Restricted	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,962,142</u>	<u>1,962,142</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Fund Balance	General Fund	General Bond Retirement Fund	General Capital Improvement Fund	Other Governmental Funds	Total
Committed to:					
Income Tax (See Note 6)	\$ 759,862	\$ 0	\$ 0	\$ 0	\$ 759,862
Retirements	337,051	0	0	0	337,051
Court Operations and Capital Outlay	115,071	0	0	0	115,071
Recreation Capital Outlay	0	0	0	8,117	8,117
Safety Equipment Capital Outlay	0	0	0	17,175	17,175
General Capital Improvements	0	0	1,651,655	0	1,651,655
Total Committed	1,211,984	0	1,651,655	25,292	2,888,931
Assigned for:					
Encumbrances:					
General Government	1,954	0	0	0	1,954
Security of Persons and Property	1,144	0	0	0	1,144
Leisure Time Activities	2,731	0	0	0	2,731
Public Works	341	0	0	0	341
Subsequent Year Appropriations	190,618	0	0	0	190,618
Total Assigned	196,788	0	0	0	196,788
Unassigned (Deficit)	4,579,416	(4,257,751)	0	(73,261) *	248,404
Total Fund Balance (Deficit)	\$ 6,039,620	\$ (4,257,751)	\$ 1,651,655	\$ 2,034,693	\$ 5,468,217

* Fund balances at December 31, 2019 included individual fund deficits of \$39,453, \$26,135, \$7,286 and \$387 in the fire pension, police pension, neighborhood improvement and recreation funds, respectively.

The medical benefits internal service fund has a negative net position of \$51,334.

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

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

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

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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

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

Net Change in Fund Balance

	General Fund
GAAP Basis	\$ 1,050,455
Net Adjustment for Revenue Accruals	2,507,374
Net Adjustment for Expenditure Accruals	(4,042,454)
Funds Budgeted Elsewhere **	415,566
Adjustment for Encumbrances	(9,069)
Budget Basis	\$ (78,128)

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

NOTE 5 - DEPOSITS AND INVESTMENTS

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

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

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

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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;
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

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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, 2019 the City had \$11,325 in undeposited cash on hand, which is included as part of “Equity in Pooled Cash and Investments.”

Deposits - At year-end, \$1,091,918 of the City’s bank balance of \$2,131,533 was exposed to custodial credit risk. Although the securities were held by the pledging financial institutions’ trust department in the City’s name and all statutory requirements for the investment of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

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

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

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

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

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

This space intentionally left blank

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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	\$ 345,967	\$ 345,967	\$ 0	\$ 0	4.49%
	Fair Value:					
***	Negotiable Certificates of Deposit	7,343,665	1,672,025	5,291,530	380,110	95.32%
A+	JP Morgan Money Market	14,670	14,670	0	0	0.19%
		<u>\$ 7,704,302</u>	<u>\$ 2,032,662</u>	<u>\$ 5,291,530</u>	<u>\$ 380,110</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, 2019. Except for the money market, which is Level 1, the City's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data (Level 2 inputs).

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

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

STAR Ohio is an investment pool operated by the Ohio State Treasurer. It is unclassified since it is not evidenced by securities that exist in physical or book entry form. Ohio law requires STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAR Ohio as of December 31, 2019, is 56 days.

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

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 6 – RECEIVABLES

Receivables at December 31, 2019 consisted of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, loans, outstanding advances, and accounts (billings for utility service). No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant.

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

Income Taxes

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

The City, by ordinance, allocates income tax revenues and expenditures for collecting, administering, and enforcing the tax to the general fund (75 percent) and to the municipal income tax fund (25 percent). The income tax revenues collected in the municipal income tax fund are designated for water, sewer, recreation, debt, and capital expenditures. The funds cannot be spent for any other reason. The allocation to the four areas is designated annually during the budgetary process approved by Council. Total cash basis income tax collections for 2019 were \$13,607,928, which was allocated at \$10,205,946 to the general fund and \$3,401,982 to the municipal income tax fund. The municipal income tax fund has been combined with the general fund for GAAP and budgetary-basis for reporting purposes. On the accrual basis, income tax revenue was \$13,810,887 in the governmental activities. At year end, the municipal income tax fund had \$759,862 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 2019 for real and public utility property taxes represents collections of the 2018 taxes.

2019 real property taxes were levied after October 1, 2019 on the assessed value as of January 1, 2019, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2019 real property taxes are collected in and intended to finance 2020.

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, 2019

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. 2019 public utility property taxes which became a lien December 31, 2018, are levied after October 1, 2019, and are collected in 2020 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2019, was \$16.80 per \$1,000 of assessed valuation. The assessed values of real property and public utility tangible property upon which 2019 property tax receipts were based are as follows:

Category	Assessed Value
Real Property	\$ 393,733,580
Public Utilities - Personal	11,832,970
Total	\$ 405,566,550

The County Fiscal Officer collects property taxes on behalf of all taxing districts within the County, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2019, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2019 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, 2019, there is a long-term OPWC loan payable by the City in the amount of \$1,473,197 (See Note 12). A corresponding long-term loan receivable has been reported in the City's financial statements in the amount of \$1,097,769, 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, 2019

NOTE 7 - INTERFUND BALANCES AND TRANSFERS

Interfund Balances

The account balances reported in the fund financial statements for “interfund receivable” and “interfund payable” as of December 31, 2019 are as follows:

Fund	Interfund Receivable	Interfund Payable
General Bond Retirement Fund	\$ 200,000	\$ 0
General Capital Improvement Fund	0	200,000
Total	\$ 200,000	\$ 200,000

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

In March 2019, the City paid \$400,000 to pay off the treasury investment issued in 2018. The City then issued a new treasury investment in the amount of \$200,000, which was authorized under Chapter 133.29 of the Ohio Revised Code between the general bond retirement fund and the general capital improvement fund. The purpose of this treasury investment was to finance the costs of urban renewal projects until the issuance of urban renewal bonds. This note matures in March 2020 with an interest rate of 1.00 percent.

Interfund Transfers

Transfers Out	Transfers In				Total
	Bond Retirement	Nonmajor Governmental	Water Revenue	Sewer Revenue	
General Fund	\$ 125,000	\$ 420,000	\$ 0	\$ 0	\$ 545,000
General Bond Retirement	0	0	5,000	0	5,000
Water Revenue	0	0	0	17,306	17,306
Total	\$ 125,000	\$ 420,000	\$ 5,000	\$ 17,306	\$ 567,306

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.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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	\$ 1,095,000
General Bond Retirement Fund	125,000
General Capital Improvement Fund	1,466,800
Safety Capital Improvement Fund	115,000
Recreation Capital Improvement Fund	20,000
Neighborhood Capital Improvement Fund	675,000
Water Revenue Fund	20,000
Sewer Revenue Fund	66,000
Total	\$ 3,582,800

In addition, the general fund transferred \$70,000 to the street maintenance and repair fund, \$180,000 to the fire pension fund, \$145,000 to the police pension fund, \$125,000 to the general bond retirement fund and \$25,000 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 \$17,306 to the sewer revenue fund to pay debt issues related to water improvements.

In 2019, the internal transfers between entity-wide activities are as follows:

	Transfers	
	Governmental Activities	Business-Type Activities
Cash Transfers	\$ (91,000)	\$ 91,000

This space intentionally left blank

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 8 - CAPITAL ASSETS

A summary of changes in capital assets during 2019 follows:

	Balance 1/1/19	Additions	Reductions	Balance 12/31/19
Governmental Activities				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$11,569,861	\$ 0	\$ (8,750)	\$11,561,111
Intangible	2,183,636	0	0	2,183,636
Construction in Progress	2,467,611	2,536,267	(1,271,829)	3,732,049
<i>Total Capital Assets Not Being Depreciated</i>	<u>16,221,108</u>	<u>2,536,267</u>	<u>(1,280,579)</u>	<u>17,476,796</u>
<i>Capital Assets Being Depreciated</i>				
Land Improvements	15,235,412	1,757,359	(166,529)	16,826,242
Buildings	14,525,873	0	0	14,525,873
Building Improvements	35,487,620	70,372	(55,393)	35,502,599
Machinery and Equipment	6,934,187	354,485	(374,418)	6,914,254
Furniture and Fixtures	1,825,835	0	0	1,825,835
Vehicles	4,383,179	92,854	(202,818)	4,273,215
Infrastructure:				
Bridges	11,435,911	0	0	11,435,911
Roads	56,839,756	1,067,371	(397,829)	57,509,298
Sidewalks	1,793,411	0	0	1,793,411
Traffic Signals	4,238,674	0	0	4,238,674
<i>Total Capital Assets Being Depreciated</i>	<u>152,699,858</u>	<u>3,342,441</u>	<u>(1,196,987)</u>	<u>154,845,312</u>
<i>Accumulated Depreciation</i>				
Land Improvements	(8,433,556)	(640,140)	91,591	(8,982,105)
Buildings	(9,909,198)	(339,483)	0	(10,248,681)
Building Improvements	(12,852,279)	(1,173,173)	55,393	(13,970,059)
Machinery and Equipment	(5,394,099)	(380,857)	374,418	(5,400,538)
Furniture and Fixtures	(1,249,567)	(165,284)	0	(1,414,851)
Vehicles	(1,978,088)	(362,982)	202,817	(2,138,253)
Infrastructure:				
Bridges	(3,848,544)	(420,897)	0	(4,269,441)
Roads	(31,741,758)	(2,585,521)	387,726	(33,939,553)
Sidewalks	(1,071,977)	(84,876)	0	(1,156,853)
Traffic Signals	(1,451,509)	(141,289)	0	(1,592,798)
<i>Total Accumulated Depreciation</i>	<u>(77,930,575)</u>	<u>(6,294,502)</u>	<u>1,111,945</u>	<u>(83,113,132)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>74,769,283</u>	<u>(2,952,061)</u>	<u>(85,042)</u>	<u>71,732,180</u>
Governmental Activities Capital Assets, Net	<u>\$90,990,391</u>	<u>\$ (415,794)</u>	<u>\$ (1,365,621)</u>	<u>\$89,208,976</u>

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

	Balance 1/1/19	Additions	Reductions	Balance 12/31/19
Business-Type Activities				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$ 93,181	\$ 0	\$ 0	\$ 93,181
Intangible	1,154,237	0	0	1,154,237
Construction in Progress	1,149,438	1,377,772	(921,646)	1,605,564
<i>Total Capital Assets Not Being Depreciated</i>	<u>2,396,856</u>	<u>1,377,772</u>	<u>(921,646)</u>	<u>2,852,982</u>
<i>Capital Assets Being Depreciated</i>				
Land Improvements	995,301	0	0	995,301
Buildings	4,941,378	0	0	4,941,378
Building Improvements	2,366,836	0	0	2,366,836
Machinery and Equipment	5,646,775	15,226	0	5,662,001
Furniture and Fixtures	49,252	0	0	49,252
Vehicles	187,973	0	0	187,973
Infrastructure:				
Water Lines	13,750,655	18,653	0	13,769,308
Storm Sewers	16,943,530	73,346	0	17,016,876
Sanitary Sewers	12,554,511	921,646	0	13,476,157
<i>Total Capital Assets Being Depreciated</i>	<u>57,436,211</u>	<u>1,028,871</u>	<u>0</u>	<u>58,465,082</u>
<i>Accumulated Depreciation</i>				
Land Improvements	(957,097)	(6,680)	0	(963,777)
Buildings	(2,768,291)	(120,112)	0	(2,888,403)
Building Improvements	(881,183)	(105,304)	0	(986,487)
Machinery and Equipment	(3,591,307)	(183,455)	0	(3,774,762)
Furniture and Fixtures	(45,052)	(1,200)	0	(46,252)
Vehicles	(142,080)	(11,690)	0	(153,770)
Infrastructure:				
Water Lines	(3,546,702)	(280,740)	0	(3,827,442)
Storm Sewers	(5,274,038)	(406,422)	0	(5,680,460)
Sanitary Sewers	(3,627,105)	(255,237)	0	(3,882,342)
<i>Total Accumulated Depreciation</i>	<u>(20,832,855)</u>	<u>(1,370,840)</u>	<u>0</u>	<u>(22,203,695)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>36,603,356</u>	<u>(341,969)</u>	<u>0</u>	<u>36,261,387</u>
Business-Type Activities Capital Assets, Net	<u>\$39,000,212</u>	<u>\$ 1,035,803</u>	<u>\$ (921,646)</u>	<u>\$39,114,369</u>

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Depreciation expense was charged to governmental activities as follows:

	<u>Depreciation</u>
Security of Persons and Property	\$ 506,885
Leisure Time Services	1,729,804
Public Works	15,884
Transportation	3,097,809
General Government	<u>944,120</u>
Total Depreciation Expense	<u>\$ 6,294,502</u>

NOTE 9 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Net OPEB Liability

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

The net pension liability and the net OPEB liability represent the City's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension/OPEB liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the City's obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions/OPEB are financed; however, the City does receive the benefit of employees' services in exchange for compensation including pension and OPEB.

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

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

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

This space intentionally left blank

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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

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

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

When a benefit recipient has received benefits for 12 months, an annual cost-of-living adjustment (COLA) is provided. 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 COLA will continue to be a three percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index (CPI), capped at three percent.

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

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

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$962,176 for 2019. Of this amount, \$133,444 is reported as an intergovernmental payable.

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

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

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

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before 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 CAFR referenced above for additional information, including requirements for Deferred Retirement Option Plan (DROP) provisions and reduced and unreduced benefits.

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

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will receive a COLA equal to a percentage of the member's base pension benefit where the percentage is the lesser of three percent or the percentage increase in the consumer price index, if any, over the 12 month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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

	Police	Firefighters
2019 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
 2019 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-Employment Health Care Benefits	0.50 %	0.50 %
Total Employer	19.50 %	24.00 %
 Employee	 12.25 %	 12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,085,687 for 2019. Of this amount, \$165,389 is reported as an intergovernmental payable.

In addition to current contributions, the City pays installments on a specific liability the City incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2019, the specific liability of the City was \$166,326 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, 2018, 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, 2018, and was determined by rolling forward the total pension liability as of January 1, 2018, to December 31, 2018. 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:

	OPERS	OP&F	Total
Proportion of the Net Pension Liability:			
Current Measurement Period	0.049841%	0.208528%	
Prior Measurement Period	0.048450%	0.204259%	
Change in Proportion	0.001391%	0.004269%	
 Proportionate Share of the Net			
Pension Liability	\$ 13,650,439	\$ 17,021,395	\$ 30,671,834
Pension Expense	\$ 3,096,703	\$ 2,349,532	\$ 5,446,235

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in pension expense beginning in the current period, using a straight line method over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five year period. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Net Difference between Projected and Actual			
Earnings on Pension Plan Investments	\$ 1,852,747	\$ 2,097,020	\$ 3,949,767
Differences between Expected and			
Actual Experience	631	699,340	699,971
Changes of Assumptions	1,188,298	451,261	1,639,559
Changes in Proportionate Share	181,243	693,074	874,317
City Contributions Subsequent			
to the Measurement Date	962,176	1,085,687	2,047,863
Total Deferred Outflows of Resources	<u>\$ 4,185,095</u>	<u>\$ 5,026,382</u>	<u>\$ 9,211,477</u>
Deferred Inflows of Resources			
Differences between Expected and			
Actual Experience	\$ 179,238	\$ 15,894	\$ 195,132
Changes in Proportionate Share	68,345	633,355	701,700
Total Deferred Inflows of Resources	<u>\$ 247,583</u>	<u>\$ 649,249</u>	<u>\$ 896,832</u>

\$2,047,863 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2020	\$ 1,269,100	\$ 1,093,976	\$ 2,363,076
2021	672,692	635,419	1,308,111
2022	171,881	668,793	840,674
2023	861,663	866,004	1,727,667
2024	0	27,254	27,254
	<u>\$ 2,975,336</u>	<u>\$ 3,291,446</u>	<u>\$ 6,266,782</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

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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, 2018, using the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2018 are presented below.

<u>Actuarial Information</u>	<u>Traditional Pension Plan</u>
Valuation Date	December 31, 2018
Wage Inflation	3.25 percent
Projected Salary Increases, including wage inflation	3.25 percent to 10.75 percent (includes wage inflation at 3.25 percent)
Investment Rate of Return	
Measurement Date	7.20 percent
Prior Measurement Date	7.50 percent
Actuarial Cost Method	Individual Entry Age
Cost-of-Living Adjustments	Pre-1/7/2013 Retirees: 3.00 percent Simple Post-1/7/2013 Retirees: 3.00 percent Simple through 2018, then 2.15 percent Simple

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

The most recent experience study was completed for the five year period ended December 31, 2015.

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.

During 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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 2.94 percent for 2018.

The allocation of investment assets within 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 table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.79 %
Domestic Equities	19.00	6.21
Real Estate	10.00	4.90
Private Equity	10.00	10.81
International Equities	20.00	7.83
Other Investments	18.00	5.50
Total	100.00 %	5.95 %

Discount Rate The discount rate used to measure the total pension liability was 7.20 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.20 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.20 percent) or one-percentage-point higher (8.20 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net Pension Liability	\$ 20,165,669	\$ 13,650,439	\$ 8,236,225

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2018 is based on the results of an actuarial valuation date of January 1, 2018, 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 retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2018, are presented below:

Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	8.00 percent
Projected Salary Increases	3.75 percent to 10.50 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.50 percent
Cost-of-Living Adjustments	3.00 percent simple; 2.20 percent simple for increases based on lesser of the increase in CPI and 3.00 percent

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

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

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

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

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

The most recent experience study was completed for the five year period ended December 31, 2016, the prior experience study was completed December 31, 2011.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2018, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>10 Year Expected Real Rate of Return**</u>	<u>30 Year Expected Real Rate of Return**</u>
Cash and Cash Equivalents	0.00 %	1.00 %	0.80 %
Domestic Equity	16.00	5.30	5.50
Non-U.S. Equity	16.00	6.10	5.90
Private Markets	8.00	8.40	8.40
Core Fixed Income*	23.00	2.20	2.60
High Yield Fixed Income	7.00	4.20	4.80
Private Credit	5.00	8.30	7.50
U.S. Inflation Linked Bonds*	17.00	1.30	2.30
Master Limited Partnerships	8.00	6.70	6.40
Real Assets	8.00	7.00	7.00
Private Real Estate	12.00	5.70	6.10
Total	<u>120.00 %</u>		

Note: Assumptions are geometric.

* Levered 2x

** Numbers are net of expected inflation

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.20 times due to the application of leverage in certain fixed income asset classes.

Discount Rate The total pension liability was calculated using the discount rate of 8.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, OP&F's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.00 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00 percent), or one percentage point higher (9.00 percent) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net Pension Liability	\$ 22,373,451	\$ 17,021,395	\$ 12,548,979

Note 10 – DEFINED BENEFIT OPEB PLANS

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

OPERS administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' CAFR referenced below for additional information.

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

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

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, health care was not being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2019, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2018 decreased to 0 percent for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2019 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City had no contractually required contribution for 2019.

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

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment healthcare 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. OP&F provides health care benefits including coverage for medical, prescription drug, dental, vision, and Medicare Part B Premium to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 75.

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

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

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2019, 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 and is limited by the provisions of Sections 115 and 401(h).

Beginning January 1, 2019, OP&F changed its retiree health care model and the self-insured health care plan is no longer offered. In its place is a stipend-based health care model. A stipend funded by OP&F is placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses.

The City's contractually required contribution to OP&F was \$25,711 for 2019. Of this amount, \$3,953 is reported as an intergovernmental payable.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018, 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, 2018, and was determined by rolling forward the total OPEB liability as of January 1, 2018, to December 31, 2018. 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	0.047766%	0.208528%	
Prior Measurement Period	0.046800%	0.204259%	
Change in Proportion	0.000966%	0.004269%	
Proportionate Share of the Net			
OPEB Liability	\$ 6,227,559	\$ 1,898,968	\$ 8,126,527
OPEB Expense	\$ 568,669	\$ (9,416,080)	\$ (8,847,411)

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	\$ 285,498	\$ 64,282	\$ 349,780
Differences between Expected and Actual Experience	2,109	0	2,109
Changes of Assumptions	200,783	984,334	1,185,117
Changes in Proportionate Share	82,066	189,770	271,836
City Contributions Subsequent to the Measurement Date	0	25,711	25,711
Total Deferred Outflows of Resources	\$ 570,456	\$ 1,264,097	\$ 1,834,553
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	\$ 16,897	\$ 50,877	\$ 67,774
Changes of Assumptions	0	525,724	525,724
Changes in Proportionate Share	44,816	575,109	619,925
Total Deferred Inflows of Resources	\$ 61,713	\$ 1,151,710	\$ 1,213,423

\$25,711 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2020. 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
2020	\$ 227,539	\$ 17,132	\$ 244,671
2021	89,298	17,132	106,430
2022	48,081	17,133	65,214
2023	143,825	36,577	180,402
2024	0	5,923	5,923
Thereafter	0	(7,221)	(7,221)
	\$ 508,743	\$ 86,676	\$ 595,419

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.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, Including Inflation	3.25 percent to 10.75 percent (includes wage inflation at 3.25 percent)
Single Discount Rate:	
Current Measurement Date	3.96 percent
Prior Measurement Date	3.85 percent
Investment Rate of Return	
Current Measurement Date	6.00 percent
Prior Measurement Date	6.50 percent
Municipal Bond Rate	
Current Measurement Date	3.71 percent
Prior Measurement Date	3.31 percent
Health Care Cost Trend Rate	
Measurement Date	10.00 percent, initial, 3.25 percent ultimate in 2029
Prior Measurement Date	7.50 percent, initial, 3.25 percent ultimate in 2028
Actuarial Cost Method	Individual Entry Age Normal

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

The most recent experience study was completed for the five year period ended December 31, 2015.

The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

During 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 5.60 percent for 2018.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	34.00 %	2.42 %
Domestic Equities	21.00	6.21
Real Estate Investment Trusts	6.00	5.98
International Equities	22.00	7.83
Other Investments	<u>17.00</u>	<u>5.57</u>
Total	<u>100.00 %</u>	<u>5.16 %</u>

Discount Rate A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017. 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 3.71 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, and the municipal bond rate was applied to all health care costs after that date.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 3.96 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.96 percent) or one-percentage-point higher (4.96 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net OPEB Liability	\$ 7,967,369	\$ 6,227,559	\$ 4,843,950

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2019 is 10.00 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries' project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25 percent in the most recent valuation.

	1% Decrease	Current Trend Rate	1% Increase
City's Proportionate Share of the Net OPEB Liability	\$ 5,986,035	\$ 6,227,559	\$ 6,505,729

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2018, is based on the results of an actuarial valuation date of January 1, 2018, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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

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

Valuation Date	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Projected Salary Increases	3.75 percent to 10.50 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Stipend Increase Rate	The stipend is not assumed to increase over the projection period.
Investment Rate of Return	
Current Measurement Date	8.00 percent
Prior Measurement Date	8.00 percent
Single Discount Rate:	
Current Measurement Date	4.66 percent
Prior Measurement Date	3.24 percent
Municipal Bond Rate	
Current Measurement Date	4.13 percent
Prior Measurement Date	3.16 percent
Health Care Cost Trend Rate	N/A-based on a medical benefit that is a flat dollar amount, therefore, it is unaffected by a health care cost trend rate.
Cost of Living Adjustments	3.00 percent simple; 2.20 percent simple for increases based on the lessor of the increase in CPI and 3.00 percent

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

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

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

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

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

The most recent experience study was completed for the five year period ended December 31, 2016, the prior experience study was completed December 31, 2011.

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, 2018, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00 %	0.80 %
Domestic Equity	16.00	5.50
Non-U.S. Equity	16.00	5.90
Private Markets	8.00	8.40
Core Fixed Income*	23.00	2.60
High Yield Fixed Income	7.00	4.80
Private Credit	5.00	7.50
U.S. Inflation Linked Bonds*	17.00	2.30
Master Limited Partnerships	8.00	6.40
Real Assets	8.00	7.00
Private Real Estate	12.00	6.10
Total	<u>120.00 %</u>	

Note: Assumptions are geometric.

* Levered 2x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.20 times due to the application of leverage in certain fixed income asset classes.

Discount Rate The total OPEB liability was calculated using the discount rate of 4.66 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 4.13 percent at December 31, 2018 and 3.16 percent at December 31, 2017, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 4.66 percent. The municipal bond rate was determined using the S&P Municipal Bond 20 Year High Grade Rate Index. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2031.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

The long-term expected rate of return on health care investments was applied to projected costs through 2031, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.66 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 (3.66 percent), or one percentage point higher (5.66 percent) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net OPEB Liability	\$ 2,313,461	\$ 1,898,968	\$ 1,551,036

NOTE 11 - COMPENSATED ABSENCES

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

For all employees, except for service union laborers and firefighters, sick leave is earned at the rate of four and one sixteenths hours per bi-weekly pay period. Service union laborers earn sick leave at the rate of five hours per bi-weekly pay period. 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 earned unused sick leave, limited to 63 tours for firefighters, upon separation from the City. Payments upon retirement for union employees will be paid over three years. The full balance may be transferred to another governmental agency if not taken upon separation.

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

This space intentionally left blank

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 12 - LONG-TERM OBLIGATIONS

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

	Original Issue Date	Maturity Date	Interest Rate	Original Issue Amount
General Obligation Bonds				
2010 Various Purpose Bonds	2010	2030	2.00% - 4.375%	2,725,000
2013 Various Purpose Bonds	2013	2033	1.50%-4.00%	4,005,000
2015 Various Purpose Bonds	2015	2035	2.00%-4.00%	6,870,000
2016 Various Purpose Refunding Bonds	2016	2026	4.00-4.25%	2,875,000
OPWC Loans				
Sewer	2005	2025	0.00%	370,069
Sewer	2007	2027	0.00%	710,000
Sewer	2013	2045	0.00%	600,000
Sewer	2016	2037	0.00%	294,000
Sewer	2018	2039	0.00%	161,411
Sewer	2019		0.00%	*
Water	2011	2031	0.00%	102,500
Water	2016	2037	0.00%	73,500
Water	2018	2039	0.00%	80,706
Water	2019		0.00%	*
Governmental Activities	2009	2029	0.00%	1,900,900
Governmental Activities	2012	2032	0.00%	202,650
Governmental Activities	2016	2037	0.00%	367,500
Governmental Activities	2017	2039	0.00%	423,500
Governmental Activities	2018	2039	0.00%	142,195
Governmental Activities	2019		0.00%	*
OWDA Loans				
Sewer	1997	2022	6.11%	700,000
Sewer	1999	2019	5.54%	705,173
Sewer	2004	2034	4.66%	1,200,000
Sewer	2005	2036	3.75%	713,940
Sewer	2008	2024	4.28%	345,251
Sewer	2011	2022	3.49%	123,902
Sewer	2015	2035	2.91%	275,963
Sewer	2017	2037	2.52%	364,014
OWDA Loans				
Water	2006	2027	4.42%	1,156,254
Water	2007	2038	4.17%	1,109,436
Water	2007	2028	3.25%	1,930,593
Water	2008	2038	4.78%	1,105,020
Water	2009	2030	3.70%	3,802,756
Water	2011	2042	3.49%	915,008
Water	2016	2037	2.46%	1,710,056
Water	2017	2037	2.52%	336,013

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

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

A schedule of changes in long-term obligations of the City during 2019 follows:

	Restated Balance 1/1/19	Additions	Reductions	Balance 12/31/19	Due Within One Year
Governmental Activities					
<i>General Obligation Bonds:</i>					
2010 Various Purpose Bonds	\$ 2,145,000	\$ 0	\$ (180,000)	\$ 1,965,000	\$ 180,000
2013 Various Purpose Bonds	3,505,000	0	(245,000)	3,260,000	250,000
2015 Various Purpose Bonds	6,045,000	0	(240,000)	5,805,000	325,000
2016 Refunding Bonds	1,280,000	0	(180,000)	1,100,000	180,000
<i>Total General Obligation Bonds</i>	<u>12,975,000</u>	<u>0</u>	<u>(845,000)</u>	<u>12,130,000</u>	<u>935,000</u>
<i>Bond Anticipation Notes</i>					
2.00% Various Improvement Notes	8,295,000	0	(8,295,000)	0	0
2.00% Various Improvement Notes	0	8,035,000	0	8,035,000	8,035,000
<i>Total Bond Anticipation Notes</i>	<u>8,295,000</u>	<u>8,035,000</u>	<u>(8,295,000)</u>	<u>8,035,000</u>	<u>8,035,000</u>
OPWC Loans Payable	2,396,798	186,232	(120,984)	2,462,046	70,525
Loan Payable	200,000	0	(40,000)	160,000	40,000
<i>Other Long Term Obligations:</i>					
<i>Capital Lease Obligation:</i>					
2015 Equipment and Vehicles	157,723	0	(78,085)	79,638	79,638
2016 Equipment and Vehicles	168,176	0	(54,979)	113,197	56,052
2017 Various Vehicles	28,161	0	(15,989)	12,172	11,315
2018 Equipment and Vehicles	167,680	0	(21,992)	145,688	22,615
<i>Total Capital Lease Obligation</i>	<u>521,740</u>	<u>0</u>	<u>(171,045)</u>	<u>350,695</u>	<u>169,620</u>
Net Pension Liability	18,617,048	9,324,698	0	27,941,746	0
Net OPEB Liability	15,638,766	0	(8,757,750)	6,881,016	0
Unamortized Bond Premiums	378,062	0	(28,262)	349,800	28,262
Compensated Absences	1,151,182	119,795	(134,471)	1,136,506	98,071
Police and Fire Pension Liability	173,810	0	(7,484)	166,326	7,645
<i>Total Other Long Term Obligations</i>	<u>36,480,608</u>	<u>9,444,493</u>	<u>(9,099,012)</u>	<u>36,826,089</u>	<u>303,598</u>
Total Governmental Activities	<u>\$ 60,347,406</u>	<u>\$ 17,665,725</u>	<u>\$ (18,399,996)</u>	<u>\$ 59,613,135</u>	<u>\$ 9,384,123</u>

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

	Balance 1/1/19	Additions	Reductions	Balance 12/31/19	Due Within One Year
Business-Type Activities					
<i>General Obligation Bonds:</i>					
2015 Various Purpose Bonds	\$ 110,000	\$ 0	\$ (5,000)	\$ 105,000	\$ 5,000
OWDA Loans	10,509,965	0	(645,372)	9,864,593	647,023
OPWC Loans	1,655,962	246,534	(110,949)	1,791,547	52,713
Loan Payable	232,840	0	(19,403)	213,437	19,404
<i>Other Long Term Obligations:</i>					
<i>Capital Lease Obligations:</i>					
2017 Vehicles	15,270	0	(11,398)	3,872	3,872
2018 Equipment and Vehicles	25,056	0	(3,287)	21,769	3,379
<i>Total Capital Lease Obligations</i>	<u>40,326</u>	<u>0</u>	<u>(14,685)</u>	<u>25,641</u>	<u>7,251</u>
Net Pension Liability	1,520,184	1,209,904	0	2,730,088	0
Net OPEB Liability	1,016,410	229,101	0	1,245,511	0
Compensated Absences	110,459	5,424	(1,287)	114,596	7,330
<i>Total Other Long Term Obligations</i>	<u>2,687,379</u>	<u>1,444,429</u>	<u>(15,972)</u>	<u>4,115,836</u>	<u>14,581</u>
Total Business-Type Activities	<u>\$ 15,196,146</u>	<u>\$ 1,690,963</u>	<u>\$ (796,696)</u>	<u>\$ 16,090,413</u>	<u>\$ 738,721</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, 2019 are to be repaid from both voted and unvoted property taxes levied on all taxable property located within the City, municipal income taxes, and transfers from the water revenue fund for exempt properties. Exempt properties include organizations exempt from taxation, such as colleges and churches, as well as property outside the City's jurisdiction who are provided water services from the City. The City assesses these exempt properties through a surcharge on their water bills to pay for the debt.

In March 2010, the City issued general obligation bonds for permanent improvements. The bonds maturing on or after December 1, 2030 are subject to prior redemption, by and at the sole option of the City, either in whole or in part (as selected by the City), and in integral multiples of \$5,000 on any date on or after December 1, 2019, at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to the redemption date. Term bonds maturing in 2020, 2025 and 2030 are subject to mandatory prior redemption.

<u>2020 Term Bonds</u>		<u>2025 Term Bonds</u>		<u>2030 Term Bonds</u>	
<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2020	\$ 180,000	2024	\$ 220,000	2028	\$ 145,000
2021	195,000	2025	225,000	2029	150,000
2022	200,000	2026	135,000	2030	160,000
2023	210,000	2027	140,000		

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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

Serial Bonds

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2020	\$ 250,000	2022	\$ 270,000
2021	260,000	2023	270,000

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

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

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

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

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

The City has pledged future net customer revenue to repay \$9,864,593 and \$1,791,547 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 458 percent. The percentage is expected to decrease in the future as expansion projects begin operations in years to come. The total principal and interest remaining to be paid on all OWDA and OPWC loans is \$12,816,464 and \$1,791,547, respectively, which includes the principal and interest payments. Principal and interest paid for the current year and total net available revenues were \$1,087,793 and \$237,562, respectively.

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.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

In 2017, Baldwin Wallace University issued the City a \$200,000 interest free loan to make improvements to Tressel Street. The loan is to be repaid in 5 annual payments of \$40,000 beginning June 1, 2019.

Notes Payable - In 2019, the City issued \$8,295,000 in various purpose bond anticipation notes to retire maturing notes, purchase vehicles and equipment for various departments and improvement and construction projects. This issue included a premium of \$83,531 which was recorded as an expense in the year of issuance. The notes will be paid by the general bond retirement fund.

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. Capital leases 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.

Principal and interest requirements to retire the long-term debt obligations outstanding at December 31, 2019 are as follows:

Year	General Obligation Bonds		OPWC (1)	Loan
	Principal	Interest	Principal	Principal
2020	\$ 935,000	\$ 395,926	\$ 70,525	\$ 40,000
2021	970,000	371,464	141,053	40,000
2022	955,000	346,106	141,053	40,000
2023	970,000	317,341	141,053	40,000
2024	930,000	288,025	141,053	0
2025 - 2029	4,195,000	1,023,300	705,262	0
2030 - 2034	2,890,000	356,400	684,997	0
2035 - 2039	285,000	11,400	251,928	0
Total	\$ 12,130,000	\$ 3,109,962	\$ 2,276,924	\$ 160,000

(1) An OPWC loan issued in 2019 has not been fully drawn down, thus there is no amortization schedule available. The net balance of the loan drawn totals \$185,122 and is reported as long term obligations due in more than one year and is not included in the above maturity schedule.

On April 7, 2020, OPWC deferred all July 2020 loan payments with no payment due until January 2021 billing cycle with a six-month deferment for the life of the loan. This is reflected in the due within one year amount and the amortization schedules above.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

On March 12, 2020, payment is due in full on the various purpose bond anticipation notes in the amount of \$8,295,000 plus interest at 3.0 percent. See Note 13.

Business-Type Activities

Year	OWDA		OPWC (1)	Loan	General Obligation Bond	
	Principal	Interest	Principal	Principal	Principal	Interest
2020	\$ 647,023	\$ 354,940	\$ 52,713	\$ 19,404	\$ 5,000	\$ 3,712
2021	671,954	333,004	105,428	19,403	5,000	3,612
2022	690,514	307,057	105,428	19,403	5,000	3,512
2023	654,391	277,457	105,428	19,403	5,000	3,362
2024	678,575	256,272	105,428	19,403	5,000	3,213
2025 - 2029	3,282,756	906,341	471,621	97,018	25,000	13,616
2030 - 2034	2,053,492	406,517	257,119	19,403	45,000	7,800
2035 - 2039	1,057,407	102,324	224,462	0	10,000	400
2040 - 2044	128,481	7,959	98,774	0	0	0
2045	0	0	19,752	0	0	0
Total	<u>\$9,864,593</u>	<u>\$ 2,951,871</u>	<u>\$ 1,546,153</u>	<u>\$ 213,437</u>	<u>\$ 105,000</u>	<u>\$ 39,227</u>

(1) OPWC loans issued in 2019 have not been fully drawn down, thus there are no amortization schedules available. The net balance of the loans drawn totaling \$245,394 are reported as long term obligations due in more than one year and are not included in the above maturity schedule.

NOTE 13 – NOTES PAYABLE

In 2019, the City issued \$5,800,000 in bond anticipation notes for the purpose of improving City-owned administrative offices, training facility and surrounding grounds leased to the Cleveland Browns in addition to paying off the previous notes. On October 13, 2020, payment is due in full in the amount of \$5,800,000 plus interest at 2.88 percent.

In 2019, the City issued \$8,295,000 in Various Purpose Improvement notes in anticipation of bonds to retire maturing notes, purchase vehicles and equipment for various departments and improvement and construction projects. These notes mature March 12, 2020. The balance of \$260,000 will be retired with operational revenues of the general bond retirement fund at maturity.

Note payable activity during 2019 is as follows:

	Restated Balance 1/1/2019	Additions	Reductions	Balance 12/31/2019
3.63% Various Improvement Notes	\$ 6,150,000	\$ 0	\$ 6,150,000	\$ 0
2.00% Various Improvement Notes	255,900	0	255,900	0
2.88% Various Improvement Notes	0	5,800,000	0	5,800,000
3.00% Various Improvement Notes	0	260,000	0	260,000
Total	<u>\$ 6,405,900</u>	<u>\$ 6,060,000</u>	<u>\$ 6,405,900</u>	<u>\$ 6,060,000</u>

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 14 - CAPITAL LEASES

The City is obligated under certain leases accounted for as capital leases. The leased assets and related obligations are accounted for in the capital assets and the long-term debt liabilities in the governmental activities.

During 2016, the City entered into a lease-purchase agreement for vehicles and equipment for \$657,954. The City is leasing the equipment from US Bancorp and will make annual lease payments. Assets acquired by the lease are capitalized as vehicles and equipment.

During 2017, the City entered into lease-purchase agreements for vehicles in the amount of \$52,168 in governmental funds and \$33,548 in the water fund. The City is leasing the vehicles from US Bancorp and Chrysler Capital and will make monthly lease payments. Assets acquired by the leases are capitalized as vehicles.

During 2018, the City entered into lease-purchase agreements for vehicles and equipment in the amount of \$167,680 in governmental funds and \$25,056 in the water fund. The City is leasing the vehicles from US Bancorp and will make monthly lease payments. Assets acquired by the leases will be capitalized as vehicles.

Assets acquired by lease amount to \$877,802 with accumulated depreciation as of December 31, 2019 of \$243,426 in governmental activities and \$58,604 with accumulated depreciation as of December 31, 2019 of \$15,075 in business-type activities.

The future minimum lease payments required under capital leases are as follows:

Year Ending December 31,	Amount	
	Governmental Activities	Business-Type Activities
2020	\$ 177,728	\$ 7,893
2021	85,868	3,997
2022	26,748	3,997
2023	26,748	3,997
2024	26,748	3,997
2025	26,748	3,997
Minimum Lease Payments	370,588	27,878
Less Amount Representing Interest	(19,893)	(2,237)
Present Value of Net Lease Payments	<u>\$ 350,695</u>	<u>\$ 25,641</u>

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 15 - 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 2019, 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, 2019 or 2018.

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 \$1,425 for family coverage and \$582 for single coverage per month. The premium is charged to the fund that records the salary expenditure of the covered employee. The premium is based upon historical cost data provided by the insurance carriers. Employees contribute 8 percent of the prior year's actual costs for health insurance through a payroll deduction. Employees contributed \$159.00 for family coverage or \$65.00 for single coverage for medical, dental and vision.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

The claims liability of \$168,271 reported in the medical benefits internal service fund at December 31, 2019 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 2018 and 2019 were as follows and typically are retired within three months of year end:

	<u>Balance</u> <u>January 1</u>	<u>Current</u> <u>Year Claims</u>	<u>Claim</u> <u>Payments</u>	<u>Balance</u> <u>December 31</u>
2018	\$ 229,891	\$ 2,379,669	\$ 2,401,862	\$ 207,698
2019	\$ 207,698	\$ 2,405,380	\$ 2,444,807	\$ 168,271

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 16 - JOINTLY GOVERNED ORGANIZATIONS

Southwest Council of Governments

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

The Council has established two subsidiary organizations, the Southwest Emergency Response Team (SERT), which provides hazardous material protection and assistance, technical rescue including water rescue and land-based components, fire investigation and tactical EMS services; and the Southwest Enforcement Bureau (SEB), which provides specially trained officers to respond to incidents where special weapons and tactics are needed, including SWAT, Bomb Squad, Crisis Negotiations and Tactical EMS. In 2019, the City of Berea contributed \$21,500 to the Council. The Council's financial statements may be obtained by contacting Eric Dean, Fiscal Officer, 14600 State Road, North Royalton, Ohio 44133.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Southwest General Health Center

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

The Health Center is governed by a Board of Trustees consisting of the following: one member of the legislative body from each of the political subdivisions, one resident from each of the political subdivisions who is not a member of the legislative body, three persons who are residents of any of the participating political subdivisions, the president and the executive vice president of the corporations, and the president and the vice president of the medical staff. The legislative body of each political subdivision elects their own member to serve on the Board of Trustees of the Health Center. The Board exercises total control over the operation of the Health Center including budgeting, appropriating, contracting and designating management. Each City's control is limited to its representation on the Board. In 2019, the City of Berea contributed \$98,427.

Woodvale Union Cemetery

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

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

The joint council exercises control over the operation of the Cemetery through budgeting, appropriating, and contracting. The Board of Trustees control daily operations of the Cemetery. Each city's control is limited to its representation on the Joint Council. In 2019, the City of Berea contributed \$10,849 to the Cemetery for operations.

Northeast Ohio Public Energy Council

The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity. NOPEC is currently comprised of over 235 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time ensuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. The City of Berea did not contribute to NOPEC during 2019. Financial information can be obtained by contacting Ron McVoy, the Board Chairman, at 175 South Main Street, Akron, Ohio 44308 or at the website www.nopecinfo.org.

Regional Income Tax Agency

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

NOTE 17 – CONTINGENCIES

Litigation

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

Grants

The disbursement of funds received under federal and state grants generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any potential disallowed claims resulting from such an audit could become a liability of the City. However, City management believes any such disallowed claims would be immaterial on the overall financial position of the City at December 31, 2019.

NOTE 18 – 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 \$7,435, \$118,850 and \$76,825, respectively.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

NOTE 19 – SUBSEQUENT EVENTS

On March 11, 2020, the City issued Various Purpose Bond Anticipation Notes in the amount of \$8,035,000 at an interest rate of 2.00 percent to refinance prior notes and to finance the costs of constructing improvements. These notes mature on March 11, 2021.

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. The City's investment portfolio and the investments of the pension and other employee benefit plan in which the City participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>						
City's Proportion of the Net Pension Liability	0.049841%	0.048450%	0.049453%	0.047988%	0.050309%	0.050309%
City's Proportionate Share of the Net Pension Liability	\$ 13,650,439	\$ 7,600,919	\$ 11,229,825	\$ 8,312,127	\$ 6,067,828	\$ 5,930,776
City's Covered Payroll	\$ 6,731,914	\$ 6,402,750	\$ 6,404,008	\$ 5,972,592	\$ 6,167,933	\$ 5,968,754
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	202.77%	118.71%	175.36%	139.17%	98.38%	99.36%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%
<i>Ohio Police and Fire Pension Fund (OPF)</i>						
City's Proportion of the Net Pension Liability	0.208528%	0.204259%	0.220524%	0.208076%	0.199826%	0.199826%
City's Proportionate Share of the Net Pension Liability	\$ 17,021,395	\$ 12,536,313	\$ 13,967,769	\$ 13,385,675	\$ 10,351,794	\$ 9,732,129
City's Covered Payroll	\$ 4,705,273	\$ 4,469,975	\$ 4,747,571	\$ 4,246,290	\$ 3,978,838	\$ 3,980,738
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	361.75%	280.46%	294.21%	315.23%	260.17%	244.48%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.07%	70.91%	68.36%	66.77%	72.20%	73.00%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available.

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

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>				
Contractually Required Contribution	\$ 962,176	\$ 942,468	\$ 832,358	\$ 768,481
Contributions in Relation to the Contractually Required Contribution	<u>(962,176)</u>	<u>(942,468)</u>	<u>(832,358)</u>	<u>(768,481)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's Covered Payroll	\$ 6,872,686	\$ 6,731,914	\$ 6,402,750	\$ 6,404,008
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	13.00%	12.00%
<i>Ohio Police and Fire Pension Fund (OPF)</i>				
Contractually Required Contribution	\$ 1,085,687	\$ 995,530	\$ 944,340	\$ 1,003,574
Contributions in Relation to the Contractually Required Contribution	<u>(1,085,687)</u>	<u>(995,530)</u>	<u>(944,340)</u>	<u>(1,003,574)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's Covered Payroll	\$ 5,142,188	\$ 4,705,273	\$ 4,469,975	\$ 4,747,571
Contributions as a Percentage of Covered Payroll	21.11%	21.16%	21.13%	21.14%

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

See accompanying notes to the required supplementary information.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 716,711	\$ 740,152	\$ 775,938	n/a	n/a	n/a
<u>(716,711)</u>	<u>(740,152)</u>	<u>(775,938)</u>	n/a	n/a	n/a
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	n/a	n/a	n/a
\$ 5,972,592	\$ 6,167,933	\$ 5,968,754	n/a	n/a	n/a
12.00%	12.00%	13.00%	n/a	n/a	n/a
\$ 892,732	\$ 836,257	\$ 705,855	\$ 595,236	\$ 636,740	\$ 628,677
<u>(892,732)</u>	<u>(836,257)</u>	<u>(705,855)</u>	<u>(595,236)</u>	<u>(636,740)</u>	<u>(628,677)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 4,246,290	\$ 3,978,838	\$ 3,980,738	\$ 4,044,258	\$ 4,311,948	\$ 4,263,870
21.02%	21.02%	17.73%	14.72%	14.77%	14.74%

See accompanying notes to the required supplementary information.

This Page Intentionally Left Blank

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>			
City's Proportion of the Net OPEB Liability	0.047766%	0.046800%	0.047728%
City's Proportionate Share of the Net OPEB Liability	\$ 6,227,559	\$ 5,082,150	\$ 4,820,690
City's Covered Payroll	\$ 6,731,914	\$ 6,402,750	\$ 6,404,008
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	92.51%	79.37%	75.28%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.33%	54.14%	54.04%
<i>Ohio Police and Fire Pension Fund (OPF)</i>			
City's Proportion of the Net OPEB Liability	0.208528%	0.204259%	0.220524%
City's Proportionate Share of the Net OPEB Liability	\$ 1,898,968	\$ 11,573,046	\$ 10,467,778
City's Covered Payroll	\$ 4,705,273	\$ 4,469,975	\$ 4,747,571
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	40.36%	258.91%	220.49%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.57%	14.13%	15.96%

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

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

See accompanying notes to the required supplementary information.

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>				
Contractually Required Contribution	\$ 0	\$ 0	\$ 64,028	\$ 128,080
Contributions in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>(64,028)</u>	<u>(128,080)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's Covered Payroll (1)	\$ 6,872,686	\$ 6,731,914	\$ 6,402,750	\$ 6,404,008
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	1.00%	2.00%
<i>Ohio Police and Fire Pension Fund (OPF)</i>				
Contractually Required Contribution	\$ 25,711	\$ 23,526	\$ 22,350	\$ 24,139
Contributions in Relation to the Contractually Required Contribution	<u>(25,711)</u>	<u>(23,526)</u>	<u>(22,350)</u>	<u>(24,139)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's Covered Payroll	\$ 5,142,188	\$ 4,705,273	\$ 4,469,975	\$ 4,747,571
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%

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

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

See accompanying notes to the required supplementary information.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
\$ 20,831	\$ 19,894	\$ 144,182	\$ 272,988	\$ 291,057	\$ 287,811
<u>(20,831)</u>	<u>(19,894)</u>	<u>(144,182)</u>	<u>(272,988)</u>	<u>(291,057)</u>	<u>(287,811)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 4,246,290	\$ 3,978,838	\$ 3,980,738	\$ 4,044,258	\$ 4,311,948	\$ 4,263,870
0.50%	0.50%	3.62%	6.75%	6.75%	6.75%

See accompanying notes to the required supplementary information.

City of Berea
Cuyahoga County, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2019

Note 1 - Net Pension Liability

Changes in Assumptions – OPERS

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

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

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

Changes in Assumptions – OP&F

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

Note 2 - Net OPEB Liability

Changes in Assumptions - OPERS

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

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

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

Changes in Assumptions – OP&F

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

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

Changes in Benefit Terms – OP&F

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

**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

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

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

Nonmajor Special Revenue Funds

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

Animal Control Fund

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

Municipal Court Fund

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

Recreation Fund

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

State Highway Fund

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

Street Maintenance Fund

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

Contract Retainer Fund

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

Guarantee Deposits Fund

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

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.

Municipal Vehicle Tax Levy Fund

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

Law Enforcement Fund

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

Municipal Court Health Insurance Fund

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

First Offenders Diversion Fund

To account for court costs used to fund the cost of first offenders programs.

Probation Services Fund

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

Indigent Driver Alcohol Treatment Fund

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

DUI Education Fund

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

Theft Diversion Fund

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

Indigent Driving School Fund

To account for court fees, restricted for the payment of driving school fees charged to indigent defendants.

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

Nonmajor Special Revenue Funds

DUS Diversion Fund

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

Court Computer Fund

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

Court Computer Research Fund

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

Court Special Projects Fund

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

Indigent Defendant Alcohol Monitoring Fund

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

Municipal Court Magistrates Fund

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

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

Nonmajor Capital Projects Funds

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

Safety Capital Improvement Fund

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

Recreation Capital Improvement Fund

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

Court Capital Improvement Fund

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

Neighborhood Improvement Fund

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

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Investments	\$ 1,752,073	\$ 653,247	\$ 2,405,320
Accounts Receivable	73,734	22,959	96,693
Intergovernmental Receivable	556,148	32,746	588,894
Taxes Receivable	866,565	0	866,565
Special Assessments Receivable	647,703	0	647,703
Materials and Supplies Inventory	120,520	0	120,520
<i>Total Assets</i>	<u>\$ 4,016,743</u>	<u>\$ 708,952</u>	<u>\$ 4,725,695</u>
Liabilities			
Accounts Payable	\$ 71,462	\$ 14,476	\$ 85,938
Accrued Wages	70,343	14,716	85,059
Contracts Payable	0	480,839	480,839
Intergovernmental Payable	124,496	5,478	129,974
<i>Total Liabilities</i>	<u>266,301</u>	<u>515,509</u>	<u>781,810</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	815,549	0	815,549
Delinquent Property Taxes	51,016	0	51,016
Unavailable Revenue	1,042,627	0	1,042,627
<i>Total Deferred Inflows of Resources</i>	<u>1,909,192</u>	<u>0</u>	<u>1,909,192</u>
Fund Balances			
Nonspendable	120,520	0	120,520
Restricted	1,786,705	175,437	1,962,142
Committed	0	25,292	25,292
Unassigned	(65,975)	(7,286)	(73,261)
<i>Total Fund Balances</i>	<u>1,841,250</u>	<u>193,443</u>	<u>2,034,693</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 4,016,743</u>	<u>\$ 708,952</u>	<u>\$ 4,725,695</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, 2019

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Property Taxes	\$ 804,218	\$ 0	\$ 804,218
Special Assessments	650,343	0	650,343
Charges for Services	823,413	130,000	953,413
Licenses and Permits	0	39,214	39,214
Fines and Forfeitures	792,388	363,437	1,155,825
Intergovernmental	1,014,101	56,518	1,070,619
Interest	2,082	0	2,082
Contributions and Donations	20,307	0	20,307
Reimbursements	350	10,779	11,129
Other	438,358	0	438,358
	<u>4,545,560</u>	<u>599,948</u>	<u>5,145,508</u>
<i>Total Revenues</i>			
Expenditures			
Current:			
General Government	1,208,010	0	1,208,010
Security of Persons and Property	1,915,534	0	1,915,534
Public Health	98,426	0	98,426
Leisure Time Services	1,935,483	0	1,935,483
Transportation	903,695	0	903,695
Capital Outlay	0	2,494,108	2,494,108
Debt Service:			
Principal Retirement	7,484	16,358	23,842
Interest and Fiscal Charges	7,308	2,121	9,429
	<u>6,075,940</u>	<u>2,512,587</u>	<u>8,588,527</u>
<i>Total Expenditures</i>			
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,530,380)	(1,912,639)	(3,443,019)
Other Financing Sources (Uses)			
Transfers In	1,490,000	835,000	2,325,000
	<u>1,490,000</u>	<u>835,000</u>	<u>2,325,000</u>
<i>Net Change in Fund Balances</i>	(40,380)	(1,077,639)	(1,118,019)
<i>Fund Balances Beginning of Year,</i> <i>Restated, See Note 2</i>	1,881,630	1,271,082	3,152,712
	<u>1,881,630</u>	<u>1,271,082</u>	<u>3,152,712</u>
<i>Fund Balances End of Year</i>	<u>\$ 1,841,250</u>	<u>\$ 193,443</u>	<u>\$ 2,034,693</u>

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019

	Recreation Fund	State Highway Fund	Street Maintenance Fund	Contract Retainer Fund	Guarantee Deposits Fund
Assets					
Equity in Pooled Cash and Investments	\$ 48,482	\$ 14,016	\$ 56,135	\$ 262,398	\$ 208,977
Accounts Receivable	22,644	0	0	0	0
Intergovernmental Receivable	0	37,486	462,289	0	0
Taxes Receivable	0	0	0	0	0
Special Assessments Receivable	0	0	0	0	0
Materials and Supplies Inventory	0	0	120,520	0	0
<i>Total Assets</i>	<u>\$ 71,126</u>	<u>\$ 51,502</u>	<u>\$ 638,944</u>	<u>\$ 262,398</u>	<u>\$ 208,977</u>
Liabilities					
Accounts Payable	\$ 18,003	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages	38,573	0	19,172	0	0
Intergovernmental Payable	14,937	0	7,142	0	0
<i>Total Liabilities</i>	<u>71,513</u>	<u>0</u>	<u>26,314</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	0	0	0	0	0
Delinquent Property Taxes	0	0	0	0	0
Unavailable Revenue	0	25,643	316,227	0	0
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>25,643</u>	<u>316,227</u>	<u>0</u>	<u>0</u>
Fund Balances					
Nonspendable	0	0	120,520	0	0
Restricted	0	25,859	175,883	262,398	208,977
Unassigned	(387)	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>(387)</u>	<u>25,859</u>	<u>296,403</u>	<u>262,398</u>	<u>208,977</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 71,126</u>	<u>\$ 51,502</u>	<u>\$ 638,944</u>	<u>\$ 262,398</u>	<u>\$ 208,977</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019

	Fire Pension Fund	Police Pension Fund	Safe Students Fund	Public Safety Fund	Safe Passages Fund
Assets					
Equity in Pooled Cash and Investments	\$ 7,208	\$ 24,647	\$ 0	\$ 2,209	\$ 4,483
Accounts Receivable	0	0	0	0	1,250
Intergovernmental Receivable	24,182	24,182	0	0	0
Taxes Receivable	384,551	384,551	0	0	0
Special Assessments Receivable	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
<i>Total Assets</i>	<u>\$ 415,941</u>	<u>\$ 433,380</u>	<u>\$ 0</u>	<u>\$ 2,209</u>	<u>\$ 5,733</u>
Liabilities					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages	0	0	0	0	0
Intergovernmental Payable	46,661	50,782	0	0	0
<i>Total Liabilities</i>	<u>46,661</u>	<u>50,782</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	361,912	361,912	0	0	0
Delinquent Property Taxes	22,639	22,639	0	0	0
Unavailable Revenue	24,182	24,182	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>408,733</u>	<u>408,733</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances					
Nonspendable	0	0	0	0	0
Restricted	0	0	0	2,209	5,733
Unassigned	(39,453)	(26,135)	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>(39,453)</u>	<u>(26,135)</u>	<u>0</u>	<u>2,209</u>	<u>5,733</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 415,941</u>	<u>\$ 433,380</u>	<u>\$ 0</u>	<u>\$ 2,209</u>	<u>\$ 5,733</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019

	Street Lighting Fund	Community Hospital Fund	Municipal Vehicle Tax Fund	Law Enforcement Fund	Municipal Court Health Insurance Fund
Assets					
Equity in Pooled Cash and Investments	\$ 119,144	\$ 0	\$ 6,433	\$ 11,052	\$ 55,432
Accounts Receivable	0	0	0	0	3,911
Intergovernmental Receivable	0	4,690	3,319	0	0
Taxes Receivable	0	97,463	0	0	0
Special Assessments Receivable	647,703	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
<i>Total Assets</i>	<u>\$ 766,847</u>	<u>\$ 102,153</u>	<u>\$ 9,752</u>	<u>\$ 11,052</u>	<u>\$ 59,343</u>
Liabilities					
Accounts Payable	\$ 43,261	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0
<i>Total Liabilities</i>	<u>43,261</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	0	91,725	0	0	0
Delinquent Property Taxes	0	5,738	0	0	0
Unavailable Revenue	647,703	4,690	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>647,703</u>	<u>102,153</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances					
Nonspendable	0	0	0	0	0
Restricted	75,883	0	9,752	11,052	59,343
Unassigned	0	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>75,883</u>	<u>0</u>	<u>9,752</u>	<u>11,052</u>	<u>59,343</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 766,847</u>	<u>\$ 102,153</u>	<u>\$ 9,752</u>	<u>\$ 11,052</u>	<u>\$ 59,343</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019

	First Offenders Diversion Fund	Probation Services Fund	Indigent Driver Alcohol Treatment Fund	DUI Education Fund	Theft Diversion Fund
Assets					
Equity in Pooled Cash and Investments	\$ 0	\$ 1,445	\$ 454,197	\$ 30,551	\$ 303
Accounts Receivable	0	17,101	3,105	164	1,454
Intergovernmental Receivable	0	0	0	0	0
Taxes Receivable	0	0	0	0	0
Special Assessments Receivable	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
<i>Total Assets</i>	<u>\$ 0</u>	<u>\$ 18,546</u>	<u>\$ 457,302</u>	<u>\$ 30,715</u>	<u>\$ 1,757</u>
Liabilities					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages	0	10,327	0	0	0
Intergovernmental Payable	0	3,977	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>14,304</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	0	0	0	0	0
Delinquent Property Taxes	0	0	0	0	0
Unavailable Revenue	0	0	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances					
Nonsendable	0	0	0	0	0
Restricted	0	4,242	457,302	30,715	1,757
Unassigned	0	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>0</u>	<u>4,242</u>	<u>457,302</u>	<u>30,715</u>	<u>1,757</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 0</u>	<u>\$ 18,546</u>	<u>\$ 457,302</u>	<u>\$ 30,715</u>	<u>\$ 1,757</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019

	Indigent Driving School Fund	DUS Diversion Fund	Court Computer Fund	Court Computer Research Fund	Court Special Projects Fund
Assets					
Equity in Pooled Cash and Investments	\$ 0	\$ 239	\$ 183,894	\$ 12,237	\$ 115,734
Accounts Receivable	0	1,249	7,611	2,253	7,638
Intergovernmental Receivable	0	0	0	0	0
Taxes Receivable	0	0	0	0	0
Special Assessments Receivable	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
<i>Total Assets</i>	<u>\$ 0</u>	<u>\$ 1,488</u>	<u>\$ 191,505</u>	<u>\$ 14,490</u>	<u>\$ 123,372</u>
Liabilities					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,383
Accrued Wages	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,383</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	0	0	0	0	0
Delinquent Property Taxes	0	0	0	0	0
Unavailable Revenue	0	0	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances					
Nonspendable	0	0	0	0	0
Restricted	0	1,488	191,505	14,490	114,989
Unassigned	0	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>0</u>	<u>1,488</u>	<u>191,505</u>	<u>14,490</u>	<u>114,989</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 0</u>	<u>\$ 1,488</u>	<u>\$ 191,505</u>	<u>\$ 14,490</u>	<u>\$ 123,372</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019

	Indigent Defendant Alcohol Monitoring Fund	Municipal Court Magistrates Fund	Total Nonmajor Special Revenue Funds
	<u> </u>	<u> </u>	<u> </u>
Assets			
Equity in Pooled Cash and Investments	\$ 93,415	\$ 39,442	\$ 1,752,073
Accounts Receivable	690	4,664	73,734
Intergovernmental Receivable	0	0	556,148
Taxes Receivable	0	0	866,565
Special Assessments Receivable	0	0	647,703
Materials and Supplies Inventory	0	0	120,520
	<u> </u>	<u> </u>	<u> </u>
<i>Total Assets</i>	<u>\$ 94,105</u>	<u>\$ 44,106</u>	<u>\$ 4,016,743</u>
Liabilities			
Accounts Payable	\$ 1,815	\$ 0	\$ 71,462
Accrued Wages	0	2,271	70,343
Intergovernmental Payable	0	997	124,496
	<u> </u>	<u> </u>	<u> </u>
<i>Total Liabilities</i>	<u>1,815</u>	<u>3,268</u>	<u>266,301</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	0	0	815,549
Delinquent Property Taxes	0	0	51,016
Unavailable Revenue	0	0	1,042,627
	<u> </u>	<u> </u>	<u> </u>
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>1,909,192</u>
Fund Balances			
Nonspendable	0	0	120,520
Restricted	92,290	40,838	1,786,705
Unassigned	0	0	(65,975)
	<u> </u>	<u> </u>	<u> </u>
<i>Total Fund Balances (Deficit)</i>	<u>92,290</u>	<u>40,838</u>	<u>1,841,250</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 94,105</u>	<u>\$ 44,106</u>	<u>\$ 4,016,743</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, 2019

	Recreation Fund	State Highway Fund	Street Maintenance Fund	Contract Retainer Fund	Guarantee Deposits Fund
Revenues					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Special Assessments	0	0	0	0	0
Charges for Services	823,413	0	0	0	0
Fines and Forfeitures	0	0	0	0	0
Intergovernmental	0	63,626	784,728	0	0
Interest	0	909	1,173	0	0
Contributions and Donations	10,000	0	0	0	0
Reimbursements	0	0	350	0	0
Other	21,204	0	14,129	293,167	97,703
<i>Total Revenues</i>	<u>854,617</u>	<u>64,535</u>	<u>800,380</u>	<u>293,167</u>	<u>97,703</u>
Expenditures					
Current:					
General Government	0	0	0	250,327	85,703
Security of Persons and Property	0	0	0	0	0
Public Health	0	0	0	0	0
Leisure Time Services	1,935,483	0	0	0	0
Transportation	0	65,000	803,695	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>1,935,483</u>	<u>65,000</u>	<u>803,695</u>	<u>250,327</u>	<u>85,703</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,080,866)	(465)	(3,315)	42,840	12,000
Other Financing Sources (Uses)					
Transfers In	<u>1,095,000</u>	<u>0</u>	<u>70,000</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	14,134	(465)	66,685	42,840	12,000
<i>Fund Balances (Deficit) Beginning of Year, Restated, See Note 2</i>	<u>(14,521)</u>	<u>26,324</u>	<u>229,718</u>	<u>219,558</u>	<u>196,977</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ (387)</u>	<u>\$ 25,859</u>	<u>\$ 296,403</u>	<u>\$ 262,398</u>	<u>\$ 208,977</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, 2019

	Fire Pension Fund	Police Pension Fund	Safe Students Fund	Public Safety Fund	Safe Passages Fund
Revenues					
Property Taxes	\$ 357,591	\$ 357,591	\$ 0	\$ 0	\$ 0
Special Assessments	0	0	0	0	0
Charges for Services	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	0
Intergovernmental	48,421	48,421	20,000	0	0
Interest	0	0	0	0	0
Contributions and Donations	0	0	0	0	10,307
Reimbursements	0	0	0	0	0
Other	0	0	0	0	1,250
<i>Total Revenues</i>	<u>406,012</u>	<u>406,012</u>	<u>20,000</u>	<u>0</u>	<u>11,557</u>
Expenditures					
Current:					
General Government	0	0	0	0	0
Security of Persons and Property	562,645	511,844	20,000	6,527	8,424
Public Health	0	0	0	0	0
Leisure Time Services	0	0	0	0	0
Transportation	0	0	0	0	0
Debt Service:					
Principal Retirement	1,922	5,562	0	0	0
Interest and Fiscal Charges	1,876	5,432	0	0	0
<i>Total Expenditures</i>	<u>566,443</u>	<u>522,838</u>	<u>20,000</u>	<u>6,527</u>	<u>8,424</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(160,431)	(116,826)	0	(6,527)	3,133
Other Financing Sources (Uses)					
Transfers In	180,000	145,000	0	0	0
<i>Net Change in Fund Balances</i>	19,569	28,174	0	(6,527)	3,133
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(59,022)</u>	<u>(54,309)</u>	<u>0</u>	<u>8,736</u>	<u>2,600</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ (39,453)</u>	<u>\$ (26,135)</u>	<u>\$ 0</u>	<u>\$ 2,209</u>	<u>\$ 5,733</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, 2019

	Street Lighting Fund	Community Hospital Fund	Municipal Vehicle Tax Fund	Law Enforcement Fund	Municipal Court Health Insurance Fund
Revenues					
Property Taxes	\$ 0	\$ 89,036	\$ 0	\$ 0	\$ 0
Special Assessments	650,343	0	0	0	0
Charges for Services	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	61,911
Intergovernmental	0	9,390	39,515	0	0
Interest	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Reimbursements	0	0	0	0	0
Other	0	0	0	3,086	0
<i>Total Revenues</i>	<u>650,343</u>	<u>98,426</u>	<u>39,515</u>	<u>3,086</u>	<u>61,911</u>
Expenditures					
Current:					
General Government	0	0	0	0	81,427
Security of Persons and Property	805,477	0	0	617	0
Public Health	0	98,426	0	0	0
Leisure Time Services	0	0	0	0	0
Transportation	0	0	35,000	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>805,477</u>	<u>98,426</u>	<u>35,000</u>	<u>617</u>	<u>81,427</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(155,134)	0	4,515	2,469	(19,516)
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	0
<i>Net Change in Fund Balances</i>	(155,134)	0	4,515	2,469	(19,516)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>231,017</u>	<u>0</u>	<u>5,237</u>	<u>8,583</u>	<u>78,859</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 75,883</u>	<u>\$ 0</u>	<u>\$ 9,752</u>	<u>\$ 11,052</u>	<u>\$ 59,343</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, 2019

	First Offenders Diversion Fund	Probation Services Fund	Indigent Driver Alcohol Treatment Fund	DUI Education Fund	Theft Diversion Fund
Revenues					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Special Assessments	0	0	0	0	0
Charges for Services	0	0	0	0	0
Fines and Forfeitures	0	249,388	69,615	3,159	19,348
Intergovernmental	0	0	0	0	0
Interest	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Reimbursements	0	0	0	0	0
Other	0	6,035	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>255,423</u>	<u>69,615</u>	<u>3,159</u>	<u>19,348</u>
Expenditures					
Current:					
General Government	1,895	269,473	145,828	0	22,848
Security of Persons and Property	0	0	0	0	0
Public Health	0	0	0	0	0
Leisure Time Services	0	0	0	0	0
Transportation	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>1,895</u>	<u>269,473</u>	<u>145,828</u>	<u>0</u>	<u>22,848</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,895)	(14,050)	(76,213)	3,159	(3,500)
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	0
<i>Net Change in Fund Balances</i>	(1,895)	(14,050)	(76,213)	3,159	(3,500)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>1,895</u>	<u>18,292</u>	<u>533,515</u>	<u>27,556</u>	<u>5,257</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ 4,242</u>	<u>\$ 457,302</u>	<u>\$ 30,715</u>	<u>\$ 1,757</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, 2019

	Indigent Driving School Fund	DUS Diversion Fund	Court Computer Fund	Court Computer Research Fund	Court Special Projects Fund
Revenues					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Special Assessments	0	0	0	0	0
Charges for Services	0	0	0	0	0
Fines and Forfeitures	0	19,347	122,093	33,256	122,974
Intergovernmental	0	0	0	0	0
Interest	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Reimbursements	0	0	0	0	0
Other	0	0	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>19,347</u>	<u>122,093</u>	<u>33,256</u>	<u>122,974</u>
Expenditures					
Current:					
General Government	1,028	26,913	69,422	42,892	118,248
Security of Persons and Property	0	0	0	0	0
Public Health	0	0	0	0	0
Leisure Time Services	0	0	0	0	0
Transportation	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>1,028</u>	<u>26,913</u>	<u>69,422</u>	<u>42,892</u>	<u>118,248</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,028)	(7,566)	52,671	(9,636)	4,726
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	0
<i>Net Change in Fund Balances</i>	(1,028)	(7,566)	52,671	(9,636)	4,726
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>1,028</u>	<u>9,054</u>	<u>138,834</u>	<u>24,126</u>	<u>110,263</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ 1,488</u>	<u>\$ 191,505</u>	<u>\$ 14,490</u>	<u>\$ 114,989</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, 2019

	Indigent Defendant Alcohol Monitoring Fund	Municipal Court Magistrates Fund	Total Nonmajor Special Revenue Funds
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 804,218
Special Assessments	0	0	650,343
Charges for Services	0	0	823,413
Fines and Forfeitures	17,195	74,102	792,388
Intergovernmental	0	0	1,014,101
Interest	0	0	2,082
Contributions and Donations	0	0	20,307
Reimbursements	0	0	350
Other	0	1,784	438,358
<i>Total Revenues</i>	<u>17,195</u>	<u>75,886</u>	<u>4,545,560</u>
Expenditures			
Current:			
General Government	22,444	69,562	1,208,010
Security of Persons and Property	0	0	1,915,534
Public Health	0	0	98,426
Leisure Time Services	0	0	1,935,483
Transportation	0	0	903,695
Debt Service:			
Principal Retirement	0	0	7,484
Interest and Fiscal Charges	0	0	7,308
<i>Total Expenditures</i>	<u>22,444</u>	<u>69,562</u>	<u>6,075,940</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(5,249)	6,324	(1,530,380)
Other Financing Sources (Uses)			
Transfers In	<u>0</u>	<u>0</u>	<u>1,490,000</u>
<i>Net Change in Fund Balances</i>	(5,249)	6,324	(40,380)
<i>Fund Balances (Deficit) Beginning of Year, Restated, See Note 2</i>	<u>97,539</u>	<u>34,514</u>	<u>1,881,630</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 92,290</u>	<u>\$ 40,838</u>	<u>\$ 1,841,250</u>

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2019

	Safety Capital Improvement Fund	Recreation Capital Improvement Fund	Court Capital Improvement Fund	Neighborhood Improvement Fund	Total Nonmajor Capital Projects Funds
Assets					
Equity in Pooled Cash and Investments	\$ 44,362	\$ 8,117	\$ 587,201	\$ 13,567	\$ 653,247
Accounts Receivable	0	0	22,959	0	22,959
Intergovernmental Receivable	32,746	0	0	0	32,746
<i>Total Assets</i>	<u>\$ 77,108</u>	<u>\$ 8,117</u>	<u>\$ 610,160</u>	<u>\$ 13,567</u>	<u>\$ 708,952</u>
Liabilities					
Accounts Payable	\$ 10,317	\$ 0	\$ 3,500	\$ 659	\$ 14,476
Accrued Wages	0	0	0	14,716	14,716
Contracts Payable	49,616	0	431,223	0	480,839
Intergovernmental Payable	0	0	0	5,478	5,478
<i>Total Liabilities</i>	<u>59,933</u>	<u>0</u>	<u>434,723</u>	<u>20,853</u>	<u>515,509</u>
Fund Balances					
Restricted	0	0	175,437	0	175,437
Committed	17,175	8,117	0	0	25,292
Unassigned	0	0	0	(7,286)	(7,286)
<i>Total Fund Balances (Deficit)</i>	<u>17,175</u>	<u>8,117</u>	<u>175,437</u>	<u>(7,286)</u>	<u>193,443</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 77,108</u>	<u>\$ 8,117</u>	<u>\$ 610,160</u>	<u>\$ 13,567</u>	<u>\$ 708,952</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, 2019

	Safety Capital Improvement Fund	Recreation Capital Improvement Fund	Court Capital Improvement Fund	Neighborhood Improvement Fund	Total Nonmajor Capital Projects Funds
Revenues					
Charges for Services	\$ 130,000	\$ 0	\$ 0	\$ 0	\$ 130,000
Licenses and Permits	0	0	0	39,214	39,214
Fines and Forfeitures	0	0	363,437	0	363,437
Intergovernmental	56,518	0	0	0	56,518
Reimbursements	0	0	0	10,779	10,779
<i>Total Revenues</i>	<u>186,518</u>	<u>0</u>	<u>363,437</u>	<u>49,993</u>	<u>599,948</u>
Expenditures					
Capital Outlay	392,358	194,157	1,082,849	824,744	2,494,108
Debt Service:					
Principal Retirement	8,016	8,342	0	0	16,358
Interest and Fiscal Charges	317	1,804	0	0	2,121
<i>Total Expenditures</i>	<u>400,691</u>	<u>204,303</u>	<u>1,082,849</u>	<u>824,744</u>	<u>2,512,587</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(214,173)</u>	<u>(204,303)</u>	<u>(719,412)</u>	<u>(774,751)</u>	<u>(1,912,639)</u>
Other Financing Sources (Uses)					
Transfers In	115,000	20,000	0	700,000	835,000
<i>Net Change in Fund Balances</i>	(99,173)	(184,303)	(719,412)	(74,751)	(1,077,639)
<i>Fund Balances Beginning of Year</i>	<u>116,348</u>	<u>192,420</u>	<u>894,849</u>	<u>67,465</u>	<u>1,271,082</u>
<i>Fund Balances End of Year</i>	<u>\$ 17,175</u>	<u>\$ 8,117</u>	<u>\$ 175,437</u>	<u>\$ (7,286)</u>	<u>\$ 193,443</u>

This Page Intentionally Left Blank

**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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 1,765,952	\$ 1,765,952	\$ 0
Income Taxes	13,606,000	13,607,928	1,928
Other Local Taxes	288,500	291,487	2,987
Special Assessments	15,050	15,109	59
Charges for Services	376,404	379,880	3,476
Licenses and Permits	500,000	512,633	12,633
Fines and Forfeitures	64,900	65,627	727
Intergovernmental	730,045	730,152	107
Interest	185,000	187,956	2,956
Rent	71,600	71,698	98
Reimbursements	11,161	14,872	3,711
Other	201,407	202,126	719
<i>Total Revenues</i>	<u>17,816,019</u>	<u>17,845,420</u>	<u>29,401</u>
Expenditures			
Current:			
Security of Persons and Property:			
Police Department:			
Personal Services	2,928,179	2,907,378	20,801
Other	619,425	587,426	31,999
Total Police Department	<u>3,547,604</u>	<u>3,494,804</u>	<u>52,800</u>
Fire:			
Personal Services	2,395,268	2,374,691	20,577
Other	115,200	111,128	4,072
Total Fire Department	<u>2,510,468</u>	<u>2,485,819</u>	<u>24,649</u>
Total Security of Persons and Property	<u>6,058,072</u>	<u>5,980,623</u>	<u>77,449</u>
Leisure Time Services:			
Municipal Signage:			
Personal Services	76,900	76,775	125
Other	19,300	12,485	6,815
Total Municipal Signage	<u>96,200</u>	<u>89,260</u>	<u>6,940</u>
Public Grounds:			
Personal Services	580,371	579,266	1,105
Other	80,100	75,207	4,893
Total Public Grounds	<u>660,471</u>	<u>654,473</u>	<u>5,998</u>
Total Leisure Time Services	<u>756,671</u>	<u>743,733</u>	<u>12,938</u>
Community Development:			
Building Department:			
Personal Services	179,542	178,679	863
Other	73,700	59,402	14,298
Total Building Department	<u>253,242</u>	<u>238,081</u>	<u>15,161</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, 2019

	Final Budget	Actual	Variance with Final Budget
Engineering Department:			
Personal Services	\$ 102,562	\$ 102,504	\$ 58
Other	20,050	18,539	1,511
Total Engineering Department	<u>122,612</u>	<u>121,043</u>	<u>1,569</u>
Total Community Development	<u>375,854</u>	<u>359,124</u>	<u>16,730</u>
Public Works:			
Storm Sewers and Drains:			
Personal Services	22,500	21,867	633
Other	12,942	1,926	11,016
Total Storm Sewers and Drains	<u>35,442</u>	<u>23,793</u>	<u>11,649</u>
Refuse Collection and Disposal:			
Other	<u>1,029,100</u>	<u>1,029,064</u>	<u>36</u>
Leaf Collection:			
Personal Services	45,600	45,000	600
Other	21,440	17,358	4,082
Total Leaf Collection	<u>67,040</u>	<u>62,358</u>	<u>4,682</u>
Snow Removal:			
Personal Services	88,400	85,426	2,974
Other	82,060	81,687	373
Total Snow Removal	<u>170,460</u>	<u>167,113</u>	<u>3,347</u>
Total Public Works	<u>1,302,042</u>	<u>1,282,328</u>	<u>19,714</u>
General Government:			
Council:			
Personal Services	143,080	142,993	87
Other	7,400	6,852	548
Total Council	<u>150,480</u>	<u>149,845</u>	<u>635</u>
Mayor:			
Personal Services	151,957	151,957	0
Other	9,050	8,860	190
Total Mayor	<u>161,007</u>	<u>160,817</u>	<u>190</u>
Finance:			
Personal Services	251,642	246,362	5,280
Other	4,800	4,611	189
Total Finance	<u>256,442</u>	<u>250,973</u>	<u>5,469</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, 2019

	Final Budget	Actual	Variance with Final Budget
Law:			
Personal Services	\$ 273,190	\$ 269,968	\$ 3,222
Other	23,475	16,328	7,147
Total Law	<u>296,665</u>	<u>286,296</u>	<u>10,369</u>
Civil Service Commission:			
Other	1,300	26	1,274
Public Safety:			
Personal Services	43,919	41,279	2,640
Other	9,100	6,757	2,343
Total Public Safety	<u>53,019</u>	<u>48,036</u>	<u>4,983</u>
Municipal Fleet and Equipment:			
Personal Services	166,200	165,934	266
Other	180,600	160,977	19,623
Total Municipal Fleet and Equipment	<u>346,800</u>	<u>326,911</u>	<u>19,889</u>
Municipal Building:			
Personal Services	69,900	69,635	265
Other	327,255	317,846	9,409
Total Municipal Building	<u>397,155</u>	<u>387,481</u>	<u>9,674</u>
Service Administration:			
Personal Services	141,425	141,377	48
Other	21,420	14,659	6,761
Total Service Administration	<u>162,845</u>	<u>156,036</u>	<u>6,809</u>
Planning and Development:			
Other	11,200	10,558	642
Administration:			
Personal Services	2,310,303	2,272,207	38,096
Other	1,413,035	1,401,385	11,650
Total Administration	<u>3,723,338</u>	<u>3,673,592</u>	<u>49,746</u>
Total General Government	<u>5,560,251</u>	<u>5,450,571</u>	<u>109,680</u>
Debt Service:			
Principal Retirement	3,084	3,084	0
Interest and Fiscal Charges	99	99	0
Total Debt Service	<u>3,183</u>	<u>3,183</u>	<u>0</u>
<i>Total Expenditures</i>	<u>14,056,073</u>	<u>13,819,562</u>	<u>236,511</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>3,759,946</u>	<u>4,025,858</u>	<u>265,912</u> <i>(continued)</i>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
Other Financing Sources (Uses)			
Proceeds from Sale of Assets	\$ 23,600	\$ 23,814	\$ 214
Transfers Out	(4,127,800)	(4,127,800)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(4,104,200)</u>	<u>(4,103,986)</u>	<u>214</u>
<i>Net Change in Fund Balance</i>	(344,254)	(78,128)	266,126
<i>Fund Balance (Deficit) Beginning of Year</i>	3,372,619	3,372,619	0
Prior Year Encumbrances Appropriated	<u>70,275</u>	<u>70,275</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 3,098,640</u>	<u>\$ 3,364,766</u>	<u>\$ 266,126</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Animal Control Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 213	\$ 213	\$ 0
<i>Total Revenues</i>	<u>213</u>	<u>213</u>	<u>0</u>
Expenditures			
Current:			
Security of Persons and Property:			
Other	<u>223</u>	<u>223</u>	<u>0</u>
<i>Total Expenditures</i>	<u>223</u>	<u>223</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(10)	(10)	0
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>60</u>	<u>60</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 50</u></u>	<u><u>\$ 50</u></u>	<u><u>\$ 0</u></u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 1,512,000	\$ 1,514,353	\$ 2,353
Reimbursements	7,889	8,286	397
Other	25,111	25,111	0
<i>Total Revenues</i>	<u>1,545,000</u>	<u>1,547,750</u>	<u>2,750</u>
Expenditures			
Current:			
General Government:			
Municipal Court:			
Personal Services	1,619,597	1,582,911	36,686
Other	188,811	171,262	17,549
Total General Government	<u>1,808,408</u>	<u>1,754,173</u>	<u>54,235</u>
Debt Service:			
Principal Retirement	4,889	4,889	0
Interest and Fiscal Charges	300	300	0
Total Debt Service	<u>5,189</u>	<u>5,189</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,813,597</u>	<u>1,759,362</u>	<u>54,235</u>
<i>Net Change in Fund Balance</i>	(268,597)	(211,612)	56,985
<i>Fund Balance (Deficit) Beginning of Year</i>	282,239	282,239	0
Prior Year Encumbrances Appropriated	<u>18,194</u>	<u>18,194</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 31,836</u>	<u>\$ 88,821</u>	<u>\$ 56,985</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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 1,568,846	\$ 1,568,846	\$ 0
Intergovernmental	215,185	215,185	0
Investment Income	8,000	8,000	0
<i>Total Revenues</i>	<u>1,792,031</u>	<u>1,792,031</u>	<u>0</u>
Expenditures			
Current:			
General Government:			
Other	103,121	102,625	496
Debt Service:			
Principal Retirement	15,550,900	15,550,900	0
Interest and Fiscal Charges	833,006	833,006	0
Total Debt Service	<u>16,383,906</u>	<u>16,383,906</u>	<u>0</u>
<i>Total Expenditures</i>	<u>16,487,027</u>	<u>16,486,531</u>	<u>496</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(14,694,996)</u>	<u>(14,694,500)</u>	<u>496</u>
Other Financing Sources (Uses)			
Issuance of Notes	14,095,000	14,095,000	0
Premium on Debt Issued	124,537	124,537	0
Transfers In	250,000	250,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>14,469,537</u>	<u>14,469,537</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(225,459)	(224,963)	496
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>2,027,211</u>	<u>2,027,211</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,801,752</u>	<u>\$ 1,802,248</u>	<u>\$ 496</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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 784,128	\$ 782,339	\$ (1,789)
Rent	24,000	30,000	6,000
Reimbursements	72,240	73,185	945
Other	2,500	2,500	0
<i>Total Revenues</i>	<u>882,868</u>	<u>888,024</u>	<u>5,156</u>
Expenditures			
Capital Outlay	3,024,377	3,008,993	15,384
Debt Service:			
Principal Retirement	319,018	319,018	0
Interest and Fiscal Charges	17,079	17,079	0
Total Debt Service	<u>336,097</u>	<u>336,097</u>	<u>0</u>
<i>Total Expenditures</i>	<u>3,360,474</u>	<u>3,345,090</u>	<u>15,384</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,477,606)</u>	<u>(2,457,066)</u>	<u>20,540</u>
Other Financing Sources (Uses)			
Proceeds from Sale of Assets	900	900	0
Proceeds of OPWC Loans	186,232	186,232	0
Advances In	200,000	200,000	0
Advances Out	(400,000)	(400,000)	0
Transfers In	1,466,800	1,466,800	0
<i>Total Other Financing Sources (Uses)</i>	<u>1,453,932</u>	<u>1,453,932</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(1,023,674)	(1,003,134)	20,540
<i>Fund Balance (Deficit) Beginning of Year</i>	284,879	284,879	0
<i>Prior Year Encumbrances Appropriated</i>	<u>772,330</u>	<u>772,330</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 33,535</u>	<u>\$ 54,075</u>	<u>\$ 20,540</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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 806,294	\$ 823,079	\$ 16,785
Contributions and Donations	10,000	10,000	0
Other	21,204	21,204	0
<i>Total Revenues</i>	<u>837,498</u>	<u>854,283</u>	<u>16,785</u>
Expenditures			
Current:			
Leisure Time Services:			
Personal Services	1,077,753	1,074,811	2,942
Other	886,352	873,612	12,740
<i>Total Expenditures</i>	<u>1,964,105</u>	<u>1,948,423</u>	<u>15,682</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,126,607)</u>	<u>(1,094,140)</u>	<u>32,467</u>
Other Financing Sources (Uses)			
Transfers In	1,095,000	1,095,000	0
<i>Net Change in Fund Balance</i>	(31,607)	860	32,467
<i>Fund Balance (Deficit) Beginning of Year</i>	35,422	35,422	0
Prior Year Encumbrances Appropriated	8,815	8,815	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 12,630</u>	<u>\$ 45,097</u>	<u>\$ 32,467</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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 51,000	\$ 60,195	\$ 9,195
Investment Income	3,000	909	(2,091)
<i>Total Revenues</i>	<u>54,000</u>	<u>61,104</u>	<u>7,104</u>
Expenditures			
Current:			
Transportation:			
Other	70,000	65,000	5,000
<i>Total Expenditures</i>	<u>70,000</u>	<u>65,000</u>	<u>5,000</u>
<i>Net Change in Fund Balance</i>	(16,000)	(3,896)	12,104
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>17,911</u>	<u>17,911</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,911</u>	<u>\$ 14,015</u>	<u>\$ 12,104</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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 739,000	\$ 742,413	\$ 3,413
Investment Income	1,000	1,173	173
Refunds and Reimbursements	0	350	350
Other	14,000	14,129	129
<i>Total Revenues</i>	<u>754,000</u>	<u>758,065</u>	<u>4,065</u>
Expenditures			
Current:			
Transportation:			
Personal Services	647,829	637,473	10,356
Other	156,050	155,336	714
<i>Total Expenditures</i>	<u>803,879</u>	<u>792,809</u>	<u>11,070</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(49,879)</u>	<u>(34,744)</u>	<u>15,135</u>
Other Financing Sources (Uses)			
Transfers In	70,000	70,000	0
<i>Net Change in Fund Balance</i>	20,121	35,256	15,135
<i>Fund Balance (Deficit) Beginning of Year</i>	18,447	18,447	0
Prior Year Encumbrances Appropriated	844	844	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 39,412</u>	<u>\$ 54,547</u>	<u>\$ 15,135</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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Other	\$ 290,000	\$ 293,167	\$ 3,167
<i>Total Revenues</i>	<u>290,000</u>	<u>293,167</u>	<u>3,167</u>
Expenditures			
Current:			
General Government:			
Other	450,000	250,327	199,673
<i>Total Expenditures</i>	<u>450,000</u>	<u>250,327</u>	<u>199,673</u>
<i>Net Change in Fund Balance</i>	(160,000)	42,840	202,840
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>219,560</u>	<u>219,560</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 59,560</u>	<u>\$ 262,400</u>	<u>\$ 202,840</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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Other	\$ 97,000	\$ 97,703	\$ 703
<i>Total Revenues</i>	<u>97,000</u>	<u>97,703</u>	<u>703</u>
Expenditures			
Current:			
General Government:			
Other	100,000	85,703	14,297
<i>Total Expenditures</i>	<u>100,000</u>	<u>85,703</u>	<u>14,297</u>
<i>Net Change in Fund Balance</i>	(3,000)	12,000	15,000
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>196,977</u>	<u>196,977</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 193,977</u>	<u>\$ 208,977</u>	<u>\$ 15,000</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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 357,591	\$ 357,591	\$ 0
Intergovernmental	48,421	48,421	0
<i>Total Revenues</i>	<u>406,012</u>	<u>406,012</u>	<u>0</u>
Expenditures			
Current:			
Security of Persons and Property:			
Personal Services	584,464	583,379	1,085
<i>Total Expenditures</i>	<u>584,464</u>	<u>583,379</u>	<u>1,085</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(178,452)</u>	<u>(177,367)</u>	<u>1,085</u>
Other Financing Sources (Uses)			
Transfers In	180,000	180,000	0
<i>Net Change in Fund Balance</i>	1,548	2,633	1,085
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>4,574</u>	<u>4,574</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 6,122</u>	<u>\$ 7,207</u>	<u>\$ 1,085</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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 357,591	\$ 357,591	\$ 0
Intergovernmental	48,421	48,421	0
<i>Total Revenues</i>	<u>406,012</u>	<u>406,012</u>	<u>0</u>
Expenditures			
Current:			
Security of Persons and Property:			
Personal Services	544,072	542,811	1,261
<i>Total Expenditures</i>	<u>544,072</u>	<u>542,811</u>	<u>1,261</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(138,060)</u>	<u>(136,799)</u>	<u>1,261</u>
Other Financing Sources (Uses)			
Transfers In	145,000	145,000	0
<i>Net Change in Fund Balance</i>	6,940	8,201	1,261
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>16,446</u>	<u>16,446</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 23,386</u>	<u>\$ 24,647</u>	<u>\$ 1,261</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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 20,000	\$ 20,000	\$ 0
<i>Total Revenues</i>	<u>20,000</u>	<u>20,000</u>	<u>0</u>
Expenditures			
Current:			
Security of Persons and Property:			
Other	20,000	20,000	0
<i>Total Expenditures</i>	<u>20,000</u>	<u>20,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues	\$ 0	\$ 0	\$ 0
Expenditures			
Current:			
Security of Persons and Property:			
Personal Services	9,000	6,813	2,187
<i>Total Expenditures</i>	9,000	6,813	2,187
<i>Net Change in Fund Balance</i>	(9,000)	(6,813)	2,187
<i>Fund Balance (Deficit) Beginning of Year</i>	8,822	8,822	0
Prior Year Encumbrances Appropriated	200	200	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 22	\$ 2,209	\$ 2,187

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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Contributions and Donations	\$ 10,000	\$ 10,307	\$ 307
<i>Total Revenues</i>	<u>10,000</u>	<u>10,307</u>	<u>307</u>
Expenditures			
Current:			
Security of Persons and Property:			
Other	10,000	8,606	1,394
<i>Total Expenditures</i>	<u>10,000</u>	<u>8,606</u>	<u>1,394</u>
<i>Net Change in Fund Balance</i>	0	1,701	1,701
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>2,782</u>	<u>2,782</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 2,782</u>	<u>\$ 4,483</u>	<u>\$ 1,701</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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Special Assessments	\$ 650,000	\$ 650,343	\$ 343
<i>Total Revenues</i>	<u>650,000</u>	<u>650,343</u>	<u>343</u>
Expenditures			
Current:			
Security of Persons and Property:			
Other	906,000	871,686	34,314
<i>Total Expenditures</i>	<u>906,000</u>	<u>871,686</u>	<u>34,314</u>
<i>Net Change in Fund Balance</i>	(256,000)	(221,343)	34,657
<i>Fund Balance (Deficit) Beginning of Year</i>	74,164	74,164	0
Prior Year Encumbrances Appropriated	<u>200,464</u>	<u>200,464</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 18,628</u>	<u>\$ 53,285</u>	<u>\$ 34,657</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Hospital Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 89,036	\$ 89,036	\$ 0
Intergovernmental	9,390	9,390	0
<i>Total Revenues</i>	<u>98,426</u>	<u>98,426</u>	<u>0</u>
Expenditures			
Current:			
Public Health and Welfare:			
Other	98,426	98,426	0
<i>Total Expenditures</i>	<u>98,426</u>	<u>98,426</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 39,500	\$ 39,630	\$ 130
<i>Total Revenues</i>	<u>39,500</u>	<u>39,630</u>	<u>130</u>
Expenditures			
Current:			
Transportation:			
Other	41,000	35,000	6,000
<i>Total Expenditures</i>	<u>41,000</u>	<u>35,000</u>	<u>6,000</u>
<i>Net Change in Fund Balance</i>	(1,500)	4,630	6,130
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>1,805</u>	<u>1,805</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 305</u></u>	<u><u>\$ 6,435</u></u>	<u><u>\$ 6,130</u></u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Other	\$ 3,086	\$ 3,086	\$ 0
<i>Total Revenues</i>	<u>3,086</u>	<u>3,086</u>	<u>0</u>
Expenditures			
Current:			
Security of Persons and Property:			
Other	4,622	617	4,005
<i>Total Expenditures</i>	<u>4,622</u>	<u>617</u>	<u>4,005</u>
<i>Net Change in Fund Balance</i>	(1,536)	2,469	4,005
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>8,583</u>	<u>8,583</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 7,047</u>	<u>\$ 11,052</u>	<u>\$ 4,005</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Health Insurance Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 62,000	\$ 62,562	\$ 562
<i>Total Revenues</i>	<u>62,000</u>	<u>62,562</u>	<u>562</u>
Expenditures			
Current:			
General Government:			
Other	88,623	81,427	7,196
<i>Total Expenditures</i>	<u>88,623</u>	<u>81,427</u>	<u>7,196</u>
<i>Net Change in Fund Balance</i>	(26,623)	(18,865)	7,758
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>74,297</u>	<u>74,297</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 47,674</u></u>	<u><u>\$ 55,432</u></u>	<u><u>\$ 7,758</u></u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
First Offenders Diversion Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues	\$ 0	\$ 0	\$ 0
Expenditures			
Current:			
General Government:			
Other	1,895	1,895	0
<i>Total Expenditures</i>	1,895	1,895	0
<i>Net Change in Fund Balance</i>	(1,895)	(1,895)	0
<i>Fund Balance (Deficit) Beginning of Year</i>	1,895	1,895	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Probation Services Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 252,700	\$ 252,863	\$ 163
Other	6,000	6,035	35
<i>Total Revenues</i>	<u>258,700</u>	<u>258,898</u>	<u>198</u>
Expenditures			
Current:			
General Government:			
Personal Services	248,040	247,002	1,038
Other	22,913	22,892	21
<i>Total Expenditures</i>	<u>270,953</u>	<u>269,894</u>	<u>1,059</u>
<i>Net Change in Fund Balance</i>	(12,253)	(10,996)	1,257
<i>Fund Balance (Deficit) Beginning of Year</i>	5,609	5,609	0
Prior Year Encumbrances Appropriated	6,832	6,832	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 188</u>	<u>\$ 1,445</u>	<u>\$ 1,257</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Driver Alcohol Treatment Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 70,000	\$ 70,046	\$ 46
<i>Total Revenues</i>	<u>70,000</u>	<u>70,046</u>	<u>46</u>
Expenditures			
Current:			
General Government:			
Other	300,000	187,461	112,539
<i>Total Expenditures</i>	<u>300,000</u>	<u>187,461</u>	<u>112,539</u>
<i>Net Change in Fund Balance</i>	(230,000)	(117,415)	112,585
<i>Fund Balance (Deficit) Beginning of Year</i>	498,777	498,777	0
Prior Year Encumbrances Appropriated	<u>31,888</u>	<u>31,888</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 300,665</u>	<u>\$ 413,250</u>	<u>\$ 112,585</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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 3,295	\$ 3,295	\$ 0
<i>Total Revenues</i>	<u>3,295</u>	<u>3,295</u>	<u>0</u>
Expenditures			
Current:			
Security of Persons and Property:			
Other	26,000	0	26,000
<i>Total Expenditures</i>	<u>26,000</u>	<u>0</u>	<u>26,000</u>
<i>Net Change in Fund Balance</i>	(22,705)	3,295	26,000
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>27,255</u>	<u>27,255</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 4,550</u></u>	<u><u>\$ 30,550</u></u>	<u><u>\$ 26,000</u></u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Theft Diversion Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 19,744	\$ 19,744	\$ 0
<i>Total Revenues</i>	<u>19,744</u>	<u>19,744</u>	<u>0</u>
Expenditures			
Current:			
General Government:			
Personal Services	23,495	23,467	28
<i>Total Expenditures</i>	<u>23,495</u>	<u>23,467</u>	<u>28</u>
<i>Net Change in Fund Balance</i>	(3,751)	(3,723)	28
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>4,026</u>	<u>4,026</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 275</u></u>	<u><u>\$ 303</u></u>	<u><u>\$ 28</u></u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Driving School Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues	\$ 0	\$ 0	\$ 0
Expenditures			
Current:			
General Government:			
Other	1,028	1,028	0
<i>Total Expenditures</i>	1,028	1,028	0
<i>Net Change in Fund Balance</i>	(1,028)	(1,028)	0
<i>Fund Balance (Deficit) Beginning of Year</i>	1,028	1,028	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
DUS Diversion Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 18,793	\$ 18,793	\$ 0
<i>Total Revenues</i>	<u>18,793</u>	<u>18,793</u>	<u>0</u>
Expenditures			
Current:			
General Government:			
Personal Services	28,000	28,000	0
<i>Total Expenditures</i>	<u>28,000</u>	<u>28,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(9,207)	(9,207)	0
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>9,446</u>	<u>9,446</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 239</u>	<u>\$ 239</u>	<u>\$ 0</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Computer Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 123,000	\$ 123,285	\$ 285
<i>Total Revenues</i>	<u>123,000</u>	<u>123,285</u>	<u>285</u>
Expenditures			
Current:			
General Government:			
Other	177,000	70,519	106,481
<i>Total Expenditures</i>	<u>177,000</u>	<u>70,519</u>	<u>106,481</u>
<i>Net Change in Fund Balance</i>	(54,000)	52,766	106,766
<i>Fund Balance (Deficit) Beginning of Year</i>	130,126	130,126	0
Prior Year Encumbrances Appropriated	450	450	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 76,576</u>	<u>\$ 183,342</u>	<u>\$ 106,766</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Computer Research Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 33,000	\$ 33,654	\$ 654
<i>Total Revenues</i>	<u>33,000</u>	<u>33,654</u>	<u>654</u>
Expenditures			
Current:			
General Government:			
Other	52,000	43,930	8,070
<i>Total Expenditures</i>	<u>52,000</u>	<u>43,930</u>	<u>8,070</u>
<i>Net Change in Fund Balance</i>	(19,000)	(10,276)	8,724
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>21,700</u>	<u>21,700</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 2,700</u>	<u>\$ 11,424</u>	<u>\$ 8,724</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Special Projects Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 124,000	\$ 124,586	\$ 586
<i>Total Revenues</i>	<u>124,000</u>	<u>124,586</u>	<u>586</u>
Expenditures			
Current:			
General Government:			
Other	150,000	113,892	36,108
<i>Total Expenditures</i>	<u>150,000</u>	<u>113,892</u>	<u>36,108</u>
<i>Net Change in Fund Balance</i>	(26,000)	10,694	36,694
<i>Fund Balance (Deficit) Beginning of Year</i>	101,177	101,177	0
Prior Year Encumbrances Appropriated	<u>3,864</u>	<u>3,864</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 79,041</u>	<u>\$ 115,735</u>	<u>\$ 36,694</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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 17,092	\$ 17,311	\$ 219
<i>Total Revenues</i>	<u>17,092</u>	<u>17,311</u>	<u>219</u>
Expenditures			
Current:			
General Government:			
Other	40,000	31,457	8,543
<i>Total Expenditures</i>	<u>40,000</u>	<u>31,457</u>	<u>8,543</u>
<i>Net Change in Fund Balance</i>	(22,908)	(14,146)	8,762
<i>Fund Balance (Deficit) Beginning of Year</i>	88,711	88,711	0
Prior Year Encumbrances Appropriated	<u>9,195</u>	<u>9,195</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 74,998</u></u>	<u><u>\$ 83,760</u></u>	<u><u>\$ 8,762</u></u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Magistrates Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 74,300	\$ 74,906	\$ 606
Other	1,700	1,784	84
<i>Total Revenues</i>	<u>76,000</u>	<u>76,690</u>	<u>690</u>
Expenditures			
Current:			
General Government:			
Personal Services	82,067	68,910	13,157
<i>Total Expenditures</i>	<u>82,067</u>	<u>68,910</u>	<u>13,157</u>
<i>Net Change in Fund Balance</i>	(6,067)	7,780	13,847
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>31,662</u>	<u>31,662</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 25,595</u></u>	<u><u>\$ 39,442</u></u>	<u><u>\$ 13,847</u></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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 30,000	\$ 30,334	\$ 334
Charges for Services	130,000	130,000	0
<i>Total Revenues</i>	<u>160,000</u>	<u>160,334</u>	<u>334</u>
Expenditures			
Capital Outlay:			
Other	359,171	354,823	4,348
Debt Service			
Principal Retirement	8,016	8,016	0
Interest and Fiscal Charges	317	317	0
Total Debt Service	<u>8,333</u>	<u>8,333</u>	<u>0</u>
<i>Total Expenditures</i>	<u>367,504</u>	<u>363,156</u>	<u>4,348</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(207,504)</u>	<u>(202,822)</u>	<u>4,682</u>
Other Financing Sources (Uses)			
Transfers In	115,000	115,000	0
<i>Net Change in Fund Balance</i>	(92,504)	(87,822)	4,682
<i>Fund Balance (Deficit) Beginning of Year</i>	81,090	81,090	0
<i>Prior Year Encumbrances Appropriated</i>	<u>42,066</u>	<u>42,066</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 30,652</u>	<u>\$ 35,334</u>	<u>\$ 4,682</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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 150,000	\$ 150,000	\$ 0
<i>Total Revenues</i>	<u>150,000</u>	<u>150,000</u>	<u>0</u>
Expenditures			
Capital Outlay:			
Other	210,840	210,699	141
Debt Service			
Principal Retirement	8,342	8,342	0
Interest and Fiscal Charges	1,804	1,804	0
Total Debt Service	<u>10,146</u>	<u>10,146</u>	<u>0</u>
<i>Total Expenditures</i>	<u>220,986</u>	<u>220,845</u>	<u>141</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(70,986)</u>	<u>(70,845)</u>	<u>141</u>
Other Financing Sources (Uses)			
Transfers In	20,000	20,000	0
<i>Net Change in Fund Balance</i>	(50,986)	(50,845)	141
<i>Fund Balance (Deficit) Beginning of Year</i>	729	729	0
Prior Year Encumbrances Appropriated	58,232	58,232	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 7,975</u>	<u>\$ 8,116</u>	<u>\$ 141</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Capital Improvement Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 365,000	\$ 367,080	\$ 2,080
<i>Total Revenues</i>	<u>365,000</u>	<u>367,080</u>	<u>2,080</u>
Expenditures			
Capital Outlay:			
Other	1,100,000	1,085,219	14,781
<i>Total Expenditures</i>	<u>1,100,000</u>	<u>1,085,219</u>	<u>14,781</u>
<i>Net Change in Fund Balance</i>	(735,000)	(718,139)	16,861
<i>Fund Balance (Deficit) Beginning of Year</i>	859,529	859,529	0
Prior Year Encumbrances Appropriated	<u>14,588</u>	<u>14,588</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 139,117</u>	<u>\$ 155,978</u>	<u>\$ 16,861</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Neighborhood Improvement Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Licenses and Permits	\$ 38,000	\$ 39,214	\$ 1,214
Reimbursements	10,000	10,779	779
<i>Total Revenues</i>	<u>48,000</u>	<u>49,993</u>	<u>1,993</u>
Expenditures			
Capital Outlay:			
Personal Services	522,017	514,139	7,878
Other	320,560	319,975	585
<i>Total Expenditures</i>	<u>842,577</u>	<u>834,114</u>	<u>8,463</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(794,577)</u>	<u>(784,121)</u>	<u>10,456</u>
Other Financing Sources (Uses)			
Transfers In	700,000	700,000	0
<i>Net Change in Fund Balance</i>	(94,577)	(84,121)	10,456
<i>Fund Balance (Deficit) Beginning of Year</i>	90,903	90,903	0
Prior Year Encumbrances Appropriated	6,563	6,563	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 2,889</u>	<u>\$ 13,345</u>	<u>\$ 10,456</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, 2019

	Medical Benefits Fund	Property/ Liability Insurance Fund	Workers Compensation Fund	Totals
Assets				
Current Assets:				
Equity in Pooled Cash and Investments	\$ 99,431	\$ 3,110	\$ 176,269	\$ 278,810
Accounts Receivable	17,506	0	0	17,506
Prepaid Items	0	0	185,309	185,309
<i>Total Assets</i>	<u>116,937</u>	<u>3,110</u>	<u>361,578</u>	<u>481,625</u>
Liabilities				
Current Liabilities:				
Claims Payable	168,271	0	0	168,271
<i>Total Liabilities</i>	<u>168,271</u>	<u>0</u>	<u>0</u>	<u>168,271</u>
Net Position				
Unrestricted (Deficit)	<u>\$ (51,334)</u>	<u>\$ 3,110</u>	<u>\$ 361,578</u>	<u>\$ 313,354</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, 2019

	Medical Benefits Fund	Property/ Liability Insurance Fund	Workers Compensation Fund	Totals
Operating Revenues				
Charges for Services	\$ 2,829,083	\$ 335,000	\$ 0	\$ 3,164,083
Reimbursements	11,209	6,796	10,294	28,299
Other	17,506	0	0	17,506
<i>Total Operating Revenues</i>	<u>2,857,798</u>	<u>341,796</u>	<u>10,294</u>	<u>3,209,888</u>
Operating Expenses				
Contractual Services	483,310	329,720	276,720	1,089,750
Claims	2,383,818	21,562	0	2,405,380
Other	12,374	0	0	12,374
<i>Total Operating Expenses</i>	<u>2,879,502</u>	<u>351,282</u>	<u>276,720</u>	<u>3,507,504</u>
<i>Operating Income (Loss)</i>	(21,704)	(9,486)	(266,426)	(297,616)
<i>Net Position Beginning of Year</i>	<u>(29,630)</u>	<u>12,596</u>	<u>628,004</u>	<u>610,970</u>
<i>Net Position End of Year</i>	<u>\$ (51,334)</u>	<u>\$ 3,110</u>	<u>\$ 361,578</u>	<u>\$ 313,354</u>

City of Berea
Cuyahoga County, Ohio
Combining Statement of Cash Flow-
Internal Service Funds
For the Year Ended December 31, 2019

	Medical Benefits Fund	Property/ Liability Insurance Fund	Workers Compensation Fund	Total Internal Service Funds
Cash Flows From Operating Activities				
Cash Received from Customers	\$ 2,951,705	\$ 341,796	\$ 10,294	\$ 3,303,795
Cash Payments for Contractual Services	(495,684)	(330,262)	(243,156)	(1,069,102)
Cash Payments for Claims	(2,423,245)	(21,562)	0	(2,444,807)
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>32,776</u>	<u>(10,028)</u>	<u>(232,862)</u>	<u>(210,114)</u>
<i>Net Increase (Decrease) in Cash and Investments</i>	32,776	(10,028)	(232,862)	(210,114)
<i>Cash and Investments Beginning of Year</i>	<u>66,655</u>	<u>13,138</u>	<u>409,131</u>	<u>488,924</u>
<i>Cash and Investments End of Year</i>	<u>\$ 99,431</u>	<u>\$ 3,110</u>	<u>\$ 176,269</u>	<u>\$ 278,810</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities				
Operating Income (Loss)	\$ (21,704)	\$ (9,486)	\$ (266,426)	\$ (297,616)
Adjustments:				
(Increase) Decrease in Assets:				
Accounts Receivable	93,907	0	0	93,907
Prepays	0	0	33,564	33,564
Increase (Decrease) in Liabilities:				
Accounts Payable	0	(542)	0	(542)
Claims Payable	(39,427)	0	0	(39,427)
<i>Total Adjustments</i>	<u>54,480</u>	<u>(542)</u>	<u>33,564</u>	<u>87,502</u>
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>\$ 32,776</u>	<u>\$ (10,028)</u>	<u>\$ (232,862)</u>	<u>\$ (210,114)</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, 2019

	Regional Sewer Fund	State Highway Patrol Fund	Ohio Board of Building Standards Fund	Metroparks Fund
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Assets				
Equity in Pooled Cash and Investments	\$ 1,205,625	\$ 1,079	\$ 126	\$ 5,510
Cash in Segregated Accounts	0	0	0	0
Accounts Receivable	2,087,700	325	0	599
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Total Assets</i>	3,293,325	1,404	126	6,109
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Liabilities				
Accounts Payable	1,190,485	0	0	0
Due to Other Governments	2,102,840	1,404	126	6,109
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Total Liabilities</i>	3,293,325	1,404	126	6,109
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Position				
Unrestricted	\$ 0	\$ 0	\$ 0	\$ 0
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

(continued)

City of Berea
Cuyahoga County, Ohio
Combining Statement of Fiduciary Net Position
Custodial Funds
December 31, 2019

	<u>Municipal Court Fund</u>	<u>Total</u>
Assets		
Equity in Pooled Cash and Investments	\$ 0	\$ 1,212,340
Cash in Segregated Accounts	333,878	333,878
Accounts Receivable	<u>0</u>	<u>2,088,624</u>
<i>Total Assets</i>	<u>333,878</u>	<u>3,634,842</u>
Liabilities		
Accounts Payable	0	1,190,485
Due to Other Governments	<u>333,878</u>	<u>2,444,357</u>
<i>Total Liabilities</i>	<u>333,878</u>	<u>3,634,842</u>
Net Position		
Unrestricted	<u>\$ 0</u>	<u>\$ 0</u>

City of Berea
Cuyahoga County, Ohio
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2019

	Regional Sewer Fund	State Highway Patrol Fund	Ohio Board of Building Standards Fund	Metroparks Fund
Additions				
Licenses, Permits & Fees for Other Government:	\$ 0	\$ 0	\$ 5,657	\$ 0
Fines & Forfeitures for Other Governments:	0	3,786	0	5,835
Collections for Other Governments:	5,120,274	0	0	0
<i>Total Additions</i>	<u>5,120,274</u>	<u>3,786</u>	<u>5,657</u>	<u>5,835</u>
Deductions				
Licenses, Permits & Fee Distributions to Other Government:	0	0	5,657	0
Fines & Forfeitures Distributions to Other Governments:	0	3,786	0	5,835
Distributions to Other Governments:	5,120,274	0	0	0
<i>Total Deductions</i>	<u>5,120,274</u>	<u>3,786</u>	<u>5,657</u>	<u>5,835</u>
<i>Change in Net Position</i>	0	0	0	0
<i>Net Position Beginning of Year - Restated</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Position End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2019

	Municipal Court Fund	Total
Additions		
Licenses, Permits & Fees for Other Government:	\$ 0	\$ 5,657
Fines & Forfeitures for Other Governments	2,103,237	2,112,858
Collections for Other Governments	0	5,120,274
<i>Total Additions</i>	2,103,237	7,238,789
Deductions		
Licenses, Permits & Fee Distributions to Other Government:	0	5,657
Fines & Forfeitures Distributions to Other Government:	2,103,237	2,112,858
Distributions to Other Governments	0	5,120,274
<i>Total Deductions</i>	2,103,237	7,238,789
<i>Change in Net Position</i>	0	0
<i>Net Position Beginning of Year - Restated</i>	0	0
<i>Net Position End of Year</i>	\$ 0	\$ 0

This Page Intentionally Left Blank

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 one of the largest liabilities reported by the City at December 31, 2019 and is reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions—An Amendment of GASB Statement 27*. In a previous year, the City adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revised accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

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

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

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

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

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

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

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

The following schedules are summarized accrual basis financial statements for the fiscal year ending December 31, 2019, that report the financial statements including the impact of GASB 68 and GASB 75 and excluding the impact of GASB 68 and GASB 75.

City of Berea
Cuyahoga County, Ohio
Supplemental Schedule
Statement of Net Position - Including GASB 68 and GASB 75
December 31, 2019

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	\$ 8,003,463	\$ 339,679	\$ 8,343,142
Receivables:			
Accounts	216,948	1,594,300	1,811,248
Intergovernmental	1,292,900	166,629	1,459,529
Taxes	8,622,677	499,877	9,122,554
Special Assessments	661,834	0	661,834
Loans Receivable	1,097,769	0	1,097,769
Prepaid Items	185,309	0	185,309
Materials and Supplies Inventory	130,510	78,810	209,320
Assets Held for Resale	785,000	0	785,000
Nondepreciable Capital Assets	17,476,796	2,852,982	20,329,778
Depreciable Capital Assets (Net)	71,732,180	36,261,387	107,993,567
<i>Total Assets</i>	<u>110,205,386</u>	<u>41,793,664</u>	<u>151,999,050</u>
Deferred Outflows of Resources			
Pension	8,361,119	850,358	9,211,477
OPEB	1,711,081	123,472	1,834,553
<i>Total Deferred Outflows of Resources</i>	<u>10,072,200</u>	<u>973,830</u>	<u>11,046,030</u>
Liabilities			
Accounts Payable	292,091	54,885	346,976
Accrued Wages and Benefits	638,734	75,022	713,756
Contracts Payable	814,753	333,570	1,148,323
Intergovernmental Payable	324,607	28,139	352,746
Accrued Interest Payable	232,756	163,033	395,789
Claims Payable	168,271	0	168,271
Matured Compensated Absences Payable	11,947	0	11,947
Notes Payable	6,060,000	0	6,060,000
Long Term Liabilities:			
Due Within One Year	9,384,123	738,721	10,122,844
Due In More Than One Year:			
Net Pension Liability	27,941,746	2,730,088	30,671,834
Net OPEB Liability	6,881,016	1,245,511	8,126,527
Other Amounts Due in More Than One Year	15,406,250	11,376,093	26,782,343
<i>Total Liabilities</i>	<u>68,156,294</u>	<u>16,745,062</u>	<u>84,901,356</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Fiscal Year	4,195,659	470,449	4,666,108
Pension	858,933	37,899	896,832
OPEB	1,208,720	4,703	1,213,423
<i>Total Deferred Inflows of Resources</i>	<u>6,263,312</u>	<u>513,051</u>	<u>6,776,363</u>
Net Position			
Net Investment in Capital Assets	60,123,026	28,028,357	88,151,383
Restricted for:			
Street Lighting	723,586	0	723,586
Street Maintenance and Repair	596,873	0	596,873
Court Operations and Capital Outlay	555,764	0	555,764
Security Operations	16,506	0	16,506
Drug and Alcohol Programs	580,307	0	580,307
Other Purposes	569,816	0	569,816
Unrestricted	(17,307,898)	(2,518,976)	(19,826,874)
<i>Total Net Position</i>	<u>\$ 45,857,980</u>	<u>\$ 25,509,381</u>	<u>\$ 71,367,361</u>

City of Berea
Cuyahoga County, Ohio
Supplemental Schedule
Statement of Net Position - Excluding GASB 68 and GASB 75
December 31, 2019

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	\$ 8,003,463	\$ 339,679	\$ 8,343,142
Receivables:			
Accounts	216,948	1,594,300	1,811,248
Intergovernmental	1,292,900	166,629	1,459,529
Taxes	8,622,677	499,877	9,122,554
Special Assessments	661,834	0	661,834
Loans Receivable	1,097,769	0	1,097,769
Prepaid Items	185,309	0	185,309
Materials and Supplies Inventory	130,510	78,810	209,320
Assets Held for Resale	785,000	0	785,000
Nondepreciable Capital Assets	17,476,796	2,852,982	20,329,778
Depreciable Capital Assets (Net)	71,732,180	36,261,387	107,993,567
<i>Total Assets</i>	<u>110,205,386</u>	<u>41,793,664</u>	<u>151,999,050</u>
Deferred Outflows of Resources			
Pension	0	0	0
OPEB	0	0	0
<i>Total Deferred Outflows of Resources</i>	<u>0</u>	<u>0</u>	<u>0</u>
Liabilities			
Accounts Payable	292,091	54,885	346,976
Accrued Wages and Benefits	638,734	75,022	713,756
Contracts Payable	814,753	333,570	1,148,323
Intergovernmental Payable	324,607	28,139	352,746
Accrued Interest Payable	232,756	163,033	395,789
Claims Payable	168,271	0	168,271
Matured Compensated Absences Payable	11,947	0	11,947
Notes Payable	6,060,000	0	6,060,000
Long Term Liabilities:			
Due Within One Year	9,384,123	738,721	10,122,844
Due In More Than One Year:			
Net Pension Liability	0	0	0
Net OPEB Liability	0	0	0
Other Amounts Due in More Than One Year	15,406,250	11,376,093	26,782,343
<i>Total Liabilities</i>	<u>33,333,532</u>	<u>12,769,463</u>	<u>46,102,995</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Fiscal Year	4,195,659	470,449	4,666,108
Pension	0	0	0
OPEB	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>4,195,659</u>	<u>470,449</u>	<u>4,666,108</u>
Net Position			
Net Investment in Capital Assets	60,123,026	28,028,357	88,151,383
Restricted for:			
Street Lighting	723,586	0	723,586
Street Maintenance and Repair	596,873	0	596,873
Court Operations and Capital Outlay	555,764	0	555,764
Security Operations	16,506	0	16,506
Drug and Alcohol Programs	580,307	0	580,307
Other Purposes	569,816	0	569,816
Unrestricted	9,510,317	525,395	10,035,712
<i>Total Net Position</i>	<u>\$ 72,676,195</u>	<u>\$ 28,553,752</u>	<u>\$ 101,229,947</u>

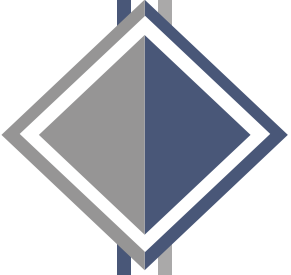
City of Berea
Cuyahoga County, Ohio
Supplemental Schedule
Statement of Activities - Including GASB 68 and GASB 75
For the Year Ended December 31, 2019

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General Government	\$ 11,044,960	\$ 3,276,562	\$ 0	\$ 0	\$ (7,768,398)	\$ 0	\$ (7,768,398)
Security of Persons and Property	279,373	1,213,185	130,471	56,518	1,120,801	0	1,120,801
Public Health	98,426	0	9,285	0	(89,141)	0	(89,141)
Leisure Time Services	4,896,558	823,413	10,000	0	(4,063,145)	0	(4,063,145)
Community Development	525,712	42,596	0	0	(483,116)	0	(483,116)
Public Works	1,290,056	0	0	0	(1,290,056)	0	(1,290,056)
Transportation	4,361,420	30,000	1,004,689	1,040,605	(2,286,126)	0	(2,286,126)
Interest and Fiscal Charges	779,809	0	0	0	(779,809)	0	(779,809)
<i>Total Governmental Activities</i>	<u>23,276,314</u>	<u>5,385,756</u>	<u>1,154,445</u>	<u>1,097,123</u>	<u>(15,638,990)</u>	<u>0</u>	<u>(15,638,990)</u>
Business-Type Activities							
Water Revenue	4,380,281	2,662,207	144,225	470,804	0	(1,103,045)	(1,103,045)
Sewer Revenue	1,298,255	847,301	0	741,593	0	290,639	290,639
<i>Total Business-Type Activities</i>	<u>5,678,536</u>	<u>3,509,508</u>	<u>144,225</u>	<u>1,212,397</u>	<u>0</u>	<u>(812,406)</u>	<u>(812,406)</u>
<i>Total Primary Government</i>	<u>\$ 28,954,850</u>	<u>\$ 8,895,264</u>	<u>\$ 1,298,670</u>	<u>\$ 2,309,520</u>	<u>(15,638,990)</u>	<u>(812,406)</u>	<u>(16,451,396)</u>
General Revenues:							
Property Taxes Levied for:							
General Purposes					1,775,765	0	1,775,765
Police and Fire Pension					718,994	0	718,994
Community Hospital					89,607	0	89,607
Debt Service					1,577,337	0	1,577,337
Water Improvements					0	467,176	467,176
Income Taxes Levied for:							
General Purposes					13,810,887	0	13,810,887
Other Taxes					259,625	0	259,625
Grants and Entitlements not Restricted to Specific Programs							
Investment Earnings					984,079	0	984,079
Miscellaneous					502,171	0	502,171
					702,151	0	702,151
<i>Total General Revenues</i>					<u>20,420,616</u>	<u>467,176</u>	<u>20,887,792</u>
Transfers					(91,000)	91,000	0
<i>Total General Revenues and Transfers</i>					<u>20,329,616</u>	<u>558,176</u>	<u>20,887,792</u>
<i>Change in Net Position</i>					4,690,626	(254,230)	4,436,396
<i>Net Position Beginning of Year</i> <i>Restated, See Note 2</i>					<u>41,167,354</u>	<u>25,763,611</u>	<u>66,930,965</u>
<i>Net Position End of Year</i>					<u>\$ 45,857,980</u>	<u>\$ 25,509,381</u>	<u>\$ 71,367,361</u>

City of Berea
Cuyahoga County, Ohio
Supplemental Schedule
Statement of Activities - Excluding GASB 68 and GASB 75
For the Year Ended December 31, 2019

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General Government	\$ 9,452,329	\$ 3,276,562	\$ 0	\$ 0	\$ (6,175,767)	\$ 0	\$ (6,175,767)
Security of Persons and Property	8,457,319	1,213,185	130,471	56,518	(7,057,145)	0	(7,057,145)
Public Health	98,426	0	9,285	0	(89,141)	0	(89,141)
Leisure Time Services	4,558,061	823,413	10,000	0	(3,724,648)	0	(3,724,648)
Community Development	394,616	42,596	0	0	(352,020)	0	(352,020)
Public Works	1,290,056	0	0	0	(1,290,056)	0	(1,290,056)
Transportation	4,190,939	30,000	1,004,689	1,040,605	(2,115,645)	0	(2,115,645)
Interest and Fiscal Charges	779,809	0	0	0	(779,809)	0	(779,809)
<i>Total Governmental Activities</i>	<u>29,221,555</u>	<u>5,385,756</u>	<u>1,154,445</u>	<u>1,097,123</u>	<u>(21,584,231)</u>	<u>0</u>	<u>(21,584,231)</u>
Business-Type Activities							
Water Revenue	4,012,123	2,662,207	144,225	470,804	0	(734,887)	(734,887)
Sewer Revenue	1,195,922	847,301	0	741,593	0	392,972	392,972
<i>Total Business-Type Activities</i>	<u>5,208,045</u>	<u>3,509,508</u>	<u>144,225</u>	<u>1,212,397</u>	<u>0</u>	<u>(341,915)</u>	<u>(341,915)</u>
<i>Total Primary Government</i>	<u>\$ 34,429,600</u>	<u>\$ 8,895,264</u>	<u>\$ 1,298,670</u>	<u>\$ 2,309,520</u>	<u>(21,584,231)</u>	<u>(341,915)</u>	<u>(21,926,146)</u>
General Revenues:							
Property Taxes Levied for:							
					1,775,765	0	1,775,765
					718,994	0	718,994
					89,607	0	89,607
					1,577,337	0	1,577,337
					0	467,176	467,176
Income Taxes Levied for:							
					13,810,887	0	13,810,887
					259,625	0	259,625
Grants and Entitlements not Restricted to Specific Programs							
					984,079	0	984,079
					502,171	0	502,171
					702,151	0	702,151
<i>Total General Revenues</i>					<u>20,420,616</u>	<u>467,176</u>	<u>20,887,792</u>
Transfers					<u>(91,000)</u>	<u>91,000</u>	<u>0</u>
<i>Total General Revenues and Transfers</i>					<u>20,329,616</u>	<u>558,176</u>	<u>20,887,792</u>
<i>Change in Net Position</i>					<u>(1,254,615)</u>	<u>216,261</u>	<u>(1,038,354)</u>
<i>Net Position Beginning of Year</i>							
					<u>73,930,810</u>	<u>28,337,491</u>	<u>102,268,301</u>
<i>Excluding GASB 68 and GASB 75, Restated, See Note 2</i>							
<i>Net Position End of Year</i>					<u>\$ 72,676,195</u>	<u>\$ 28,553,752</u>	<u>\$ 101,229,947</u>

This Page Intentionally Left Blank



STATISTICAL SECTION

Statistical Section

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

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

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

NOTES:

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

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

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

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

With the implementation of GASB 54 for 2011, there have been minor reclassifications of funds (example special revenue funds consolidated with the general fund for GAAP purposes). Prior year amounts have not been adjusted to reflect this change.

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

	2019	Restated 2018	Restated 2017	Restated 2016
Governmental Activities				
Net Investment in Capital Assets	\$ 60,123,026	\$ 60,306,385	\$ 61,240,064	\$ 60,290,157
Restricted:				
Capital Projects	0	0	0	95,998
Debt Service	0	0	0	0
Street Lighting	723,586	838,318	927,517	1,000,015
Street Maintenance and Repair	596,873	416,385	514,761	509,831
Court Operations and Capital Outlay	555,764	1,246,931	772,984	464,471
Security Operations	16,506	45,798	48,674	98,668
Drug and Alcohol Programs	580,307	659,638	657,029	609,676
Other Purposes *	569,816	499,751	70,985	19,064
Unrestricted	<u>(17,307,898)</u>	<u>(22,845,852)</u>	<u>(20,129,273)</u>	<u>(2,804,391)</u>
<i>Total Governmental Activities Net Position</i>	<u>\$ 45,857,980</u>	<u>\$ 41,167,354</u>	<u>\$ 44,102,741</u>	<u>\$ 60,283,489</u>
Business Type - Activities				
Net Investment in Capital Assets	\$ 28,028,357	\$ 27,589,952	\$ 25,155,850	\$ 25,111,856
Restricted:				
Renewal and Replacement	0	0	101,453	22,905
Unrestricted	<u>(2,518,976)</u>	<u>(1,826,341)</u>	<u>(602,320)</u>	<u>(324,507)</u>
<i>Total Business-Type Activities Net Position</i>	<u>\$ 25,509,381</u>	<u>\$ 25,763,611</u>	<u>\$ 24,654,983</u>	<u>\$ 24,810,254</u>
Primary Government				
Net Investment in Capital Assets	\$ 88,151,383	\$ 87,896,337	\$ 86,395,914	\$ 85,402,013
Restricted	3,042,852	3,706,821	3,093,403	2,820,628
Unrestricted	<u>(19,826,874)</u>	<u>(24,672,193)</u>	<u>(20,731,593)</u>	<u>(3,128,898)</u>
<i>Total Primary Government Net Position</i>	<u>\$ 71,367,361</u>	<u>\$ 66,930,965</u>	<u>\$ 68,757,724</u>	<u>\$ 85,093,743</u>

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

2015	Restated 2014	2013	2012	Restated 2011	Restated 2010
\$ 52,594,409	\$ 55,271,913	\$ 57,752,563	\$ 57,295,806	\$ 58,992,954	\$ 61,091,099
0	0	0	0	673,065	915,815
2,983,819	2,973,127	2,779,034	2,642,411	2,347,649	1,292,551
980,414	969,411	872,108	1,042,402	1,067,706	1,055,354
468,849	445,028	527,701	478,130	446,422	376,397
1,756,269	1,667,683	1,417,252	306,864	386,601	0
75,583	107,601	147,168	0	0	0
541,728	468,872	418,540	0	0	0
18,276	187,931	353,155	449,324	167,605	701,198
(5,512,168)	(7,909,245)	6,806,855	5,917,006	4,476,698	3,736,574
<u>\$ 53,907,179</u>	<u>\$ 54,182,321</u>	<u>\$ 71,074,376</u>	<u>\$ 68,131,943</u>	<u>\$ 68,558,700</u>	<u>\$ 69,168,988</u>
\$ 25,256,979	\$ 23,457,040	\$ 23,626,242	\$ 23,368,937	\$ 24,600,139	\$ 20,243,615
0	0	0	0	0	0
699,079	2,431,856	2,993,113	3,040,813	2,018,042	2,326,082
<u>\$ 25,956,058</u>	<u>\$ 25,888,896</u>	<u>\$ 26,619,355</u>	<u>\$ 26,409,750</u>	<u>\$ 26,618,181</u>	<u>\$ 22,569,697</u>
\$ 77,851,388	\$ 78,728,953	\$ 81,378,805	\$ 80,664,743	\$ 83,593,093	\$ 81,334,714
6,824,938	6,819,653	6,514,958	4,919,131	5,089,048	4,341,315
(4,813,089)	(5,477,389)	9,799,968	8,957,819	6,494,740	6,062,656
<u>\$ 79,863,237</u>	<u>\$ 80,071,217</u>	<u>\$ 97,693,731</u>	<u>\$ 94,541,693</u>	<u>\$ 95,176,881</u>	<u>\$ 91,738,685</u>

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

	2019	2018	2017	Restated 2016
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$ 3,276,562	\$ 3,714,419	\$ 2,927,888	\$ 2,907,910
Security of Persons and Property	1,213,185	1,148,978	1,194,563	1,169,955
Public Health	0	0	0	0
Leisure Time Services	823,413	772,094	566,981	691,324
Community Development	42,596	73,551	29,295	37,322
Transportation	30,000	109,894	455,406	392,551
Subtotal - Charges for Services	<u>5,385,756</u>	<u>5,818,936</u>	<u>5,174,133</u>	<u>5,199,062</u>
Operating Grants and Contributions:				
General Government	0	27,000	94,102	138,625
Security of Persons and Property	130,471	118,718	305,754	137,757
Public Health	9,285	9,609	13,518	31,443
Leisure Time Services	10,000	0	5,156	2,206
Community Development	0	0	0	4,000
Transportation	1,004,689	684,304	905,236	826,739
Subtotal - Operating Grants and Contributions	<u>1,154,445</u>	<u>839,631</u>	<u>1,323,766</u>	<u>1,140,770</u>
Capital Grants and Contributions:				
General Government	0	0	0	0
Security of Persons and Property	56,518	655,243	0	0
Leisure Time Services	0	1,050,000	124,474	7,374,955
Community Development	0	191,948	100,000	158,233
Transportation	1,040,605	1,296,861	2,972,276	734,723
Subtotal - Capital Grants and Contributions	<u>1,097,123</u>	<u>3,194,052</u>	<u>3,196,750</u>	<u>8,267,911</u>
<i>Total Governmental Activities Program Revenues</i>	<u>7,637,324</u>	<u>9,852,619</u>	<u>9,694,649</u>	<u>14,607,743</u>
Business-Type Activities:				
Charges for Services:				
Water	2,662,207	2,536,461	2,835,081	2,741,241
Sewer	847,301	668,593	766,578	775,627
Operating Grants and Contributions				
Water	144,225	63,182	75,449	74,695
Capital Grants and Contributions				
Water	470,804	652,508	338,134	254,996
Sewer	741,593	1,804,830	345,401	354,777
<i>Total Business-Type Activities Program Revenues</i>	<u>4,866,130</u>	<u>5,725,574</u>	<u>4,360,643</u>	<u>4,201,336</u>
<i>Total Primary Government Program Revenues</i>	<u>\$ 12,503,454</u>	<u>\$ 15,578,193</u>	<u>\$ 14,055,292</u>	<u>\$ 18,809,079</u>
Expenses				
Governmental Activities:				
General Government	\$ 11,044,960	\$ 9,747,695	\$ 9,846,448	\$ 8,331,714
Security of Persons and Property	279,373	9,650,672	8,841,071	8,565,299
Public Health	98,426	97,319	117,192	118,279
Leisure Time Services	4,896,558	4,649,331	4,521,353	3,340,337
Community Development	525,712	393,983	554,587	388,886
Public Works	1,290,056	1,248,969	1,272,715	1,266,920
Transportation	4,361,420	5,308,281	4,001,193	3,649,374
Interest and Fiscal Charges	779,809	736,910	627,337	648,626
<i>Total Governmental Activities Expenses</i>	<u>23,276,314</u>	<u>31,833,160</u>	<u>29,781,896</u>	<u>26,309,435</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.

2015	2014	2013	2012	Restated 2011	2010
\$ 2,884,065	\$ 2,678,278	\$ 2,661,404	\$ 2,707,588	\$ 2,427,949	\$ 2,635,408
1,136,291	1,166,634	1,156,701	1,182,585	994,746	1,047,395
4,203	7,848	0	33,801	22,574	39,309
700,292	643,457	577,155	541,377	529,841	477,076
41,245	32,363	36,471	26,005	62,478	33,774
246,661	256,028	248,202	257,220	228,046	296,627
<u>5,012,757</u>	<u>4,784,608</u>	<u>4,679,933</u>	<u>4,748,576</u>	<u>4,265,634</u>	<u>4,529,589</u>
10,000	10,000	118,308	25,000	106,815	64,590
89,870	107,585	42,888	79,039	5,428	39,925
15,708	22,263	27,618	46,060	59,250	75,831
4,500	0	0	17,223	8,035	58,733
4,861	0	300	0	0	0
791,526	804,587	983,318	808,899	718,812	856,311
<u>916,465</u>	<u>944,435</u>	<u>1,172,432</u>	<u>976,221</u>	<u>898,340</u>	<u>1,095,390</u>
0	0	941,534	0	0	0
0	0	0	0	0	0
1,191,998	0	3,665,728	0	0	0
0	0	0	0	0	0
345,893	0	0	761,383	725,879	3,418,094
<u>1,537,891</u>	<u>0</u>	<u>4,607,262</u>	<u>761,383</u>	<u>725,879</u>	<u>3,418,094</u>
<u>7,467,113</u>	<u>5,729,043</u>	<u>10,459,627</u>	<u>6,486,180</u>	<u>5,889,853</u>	<u>9,043,073</u>
2,507,159	2,496,104	2,591,376	2,663,002	2,698,896	2,578,894
791,863	743,737	766,431	757,684	693,806	656,827
75,620	74,177	74,604	63,815	81,972	0
7,343	0	0	91,142	0	606,839
5,278	0	0	75,000	0	466,728
<u>3,387,263</u>	<u>3,314,018</u>	<u>3,432,411</u>	<u>3,650,643</u>	<u>3,474,674</u>	<u>4,309,288</u>
\$ 10,854,376	\$ 9,043,061	\$ 13,892,038	\$ 10,136,823	\$ 9,364,527	\$ 13,352,361
\$ 7,664,155	\$ 8,291,476	\$ 7,164,279	\$ 6,992,774	\$ 6,201,327	\$ 7,766,608
7,359,179	6,753,040	6,852,063	6,755,965	6,441,638	6,974,204
151,785	151,971	134,122	155,326	187,320	211,300
2,919,372	3,223,496	4,534,669	3,262,399	2,714,029	3,559,520
353,620	514,483	396,804	465,302	455,883	543,755
1,247,527	1,243,488	1,167,454	1,167,636	1,370,499	1,337,335
3,420,711	3,965,988	3,346,244	4,557,209	1,335,639	2,965,627
582,951	478,972	588,644	435,179	450,989	613,938
<u>23,699,300</u>	<u>24,622,914</u>	<u>24,184,279</u>	<u>23,791,790</u>	<u>19,157,324</u>	<u>23,972,287</u>

(continued)

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

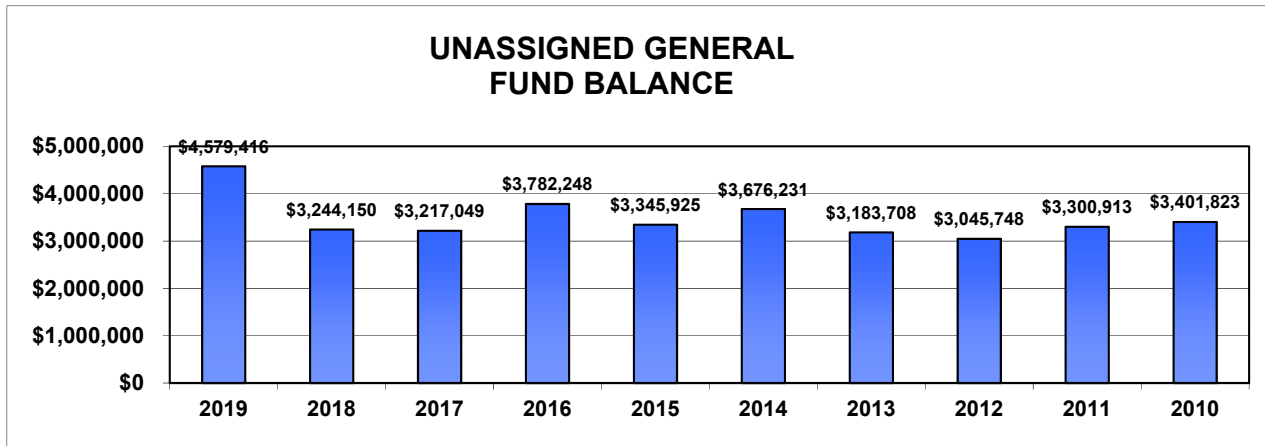
	2019	2018	2017	Restated 2016
Business-Type Activities				
Water	\$ 4,380,281	\$ 4,260,794	\$ 3,577,909	\$ 4,875,037
Sewer	1,298,255	1,421,578	1,077,872	1,053,185
<i>Total Business-Type Activities Expenses</i>	<u>5,678,536</u>	<u>5,682,372</u>	<u>4,655,781</u>	<u>5,928,222</u>
<i>Total Primary Government Program Expenses</i>	<u>28,954,850</u>	<u>37,515,532</u>	<u>34,437,677</u>	<u>32,237,657</u>
Net (Expense)/Revenue				
Governmental Activities	(15,638,990)	(21,980,541)	(20,087,247)	(11,701,692)
Business-Type Activities	(812,406)	43,202	(295,138)	(1,726,886)
<i>Total Primary Government Net Expense</i>	<u>(16,451,396)</u>	<u>(21,937,339)</u>	<u>(20,382,385)</u>	<u>(13,428,578)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes:				
Property and Other Local Taxes Levied For:				
General Purposes	\$ 1,775,765	\$ 1,619,709	\$ 1,601,003	\$ 1,582,799
Other Purposes *	2,385,938	2,180,142	2,154,612	2,133,441
Municipal Income Taxes levied for:				
General Purposes	13,810,887	14,039,940	12,904,124	13,048,547
Grants and Entitlements not Restricted to				
Specific Programs	984,079	799,109	829,061	833,594
Investment Income	502,171	37,474	66,491	206,755
Other Taxes	259,625	295,898	250,729	307,904
Miscellaneous	702,151	264,660	203,802	96,362
Unrestricted Donations	0	0	785,000	0
Transfers	(91,000)	(605,000)	(590,000)	(131,400)
Extraordinary Item	0	0	0	0
<i>Total Governmental Activities</i>	<u>20,329,616</u>	<u>18,631,932</u>	<u>18,204,822</u>	<u>18,078,002</u>
Business-Type Activities				
Property Taxes levied for:				
Water Improvements	467,176	456,895	453,634	449,682
Transfers	91,000	605,000	590,000	131,400
Miscellaneous	0	3,531	0	0
<i>Total Business-Type Activities</i>	<u>558,176</u>	<u>1,065,426</u>	<u>1,043,634</u>	<u>581,082</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>20,887,792</u>	<u>19,697,358</u>	<u>19,248,456</u>	<u>18,659,084</u>
Change in Net Position				
Governmental Activities	4,690,626	(3,348,609)	(1,882,425)	6,376,310
Business-Type Activities	(254,230)	1,108,628	748,496	(1,145,804)
<i>Total Primary Government Change in Net Position</i>	<u>\$ 4,436,396</u>	<u>\$ (2,239,981)</u>	<u>\$ (1,133,929)</u>	<u>\$ 5,230,506</u>

* Includes Police and Fire Pension and Debt Service

2015	2014	2013	2012	Restated 2011	2010
\$ 3,976,228	\$ 3,705,293	\$ 3,652,775	\$ 3,655,963	\$ 3,580,655	\$ 3,658,374
954,252	946,637	838,650	922,985	481,780	700,903
4,930,480	4,651,930	4,491,425	4,578,948	4,062,435	4,359,277
28,629,780	29,274,844	28,675,704	28,370,738	23,219,759	28,331,564
(16,232,187)	(18,893,871)	(13,724,652)	(17,305,610)	(13,267,471)	(14,929,214)
(1,543,217)	(1,337,912)	(1,059,014)	(928,305)	(587,761)	(49,989)
(17,775,404)	(20,231,783)	(14,783,666)	(18,233,915)	(13,855,232)	(14,979,203)
\$ 1,723,505	\$ 1,547,123	\$ 1,664,090	\$ 1,643,154	\$ 1,669,355	\$ 1,572,247
2,101,086	2,297,347	2,243,409	2,341,007	2,394,337	2,310,144
11,813,246	11,050,350	11,876,563	11,446,700	10,601,210	10,479,704
988,566	1,068,337	1,317,382	1,244,125	1,675,190	2,307,793
101,924	119,998	15,527	128,363	137,585	136,442
336,730	284,641	272,968	278,888	260,819	283,047
51,988	51,552	88,056	57,616	94,120	201,081
0	0	0	0	0	0
(1,160,000)	(1,163,000)	(810,910)	(261,000)	(4,175,433)	32,922
0	(174,900)	0	0	0	0
15,957,045	15,081,448	16,667,085	16,878,853	12,657,183	17,323,380
450,379	449,104	456,699	448,972	458,166	453,075
1,160,000	1,163,000	810,910	261,000	4,175,433	(32,922)
0	0	1,010	9,902	2,646	5,677
1,610,379	1,612,104	1,268,619	719,874	4,636,245	425,830
17,567,424	16,693,552	17,935,704	17,598,727	17,293,428	17,749,210
(275,142)	(3,812,423)	2,942,433	(426,757)	(610,288)	2,394,166
67,162	274,192	209,605	(208,431)	4,048,484	375,841
\$ (207,980)	\$ (3,538,231)	\$ 3,152,038	\$ (635,188)	\$ 3,438,196	\$ 2,770,007

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

	2019	Restated 2018	2017	Restated 2016
General Fund				
Nonspendable	\$ 51,432	\$ 57,180	\$ 61,395	\$ 63,365
Committed	1,211,984	1,629,589	1,299,960	1,341,207
Assigned	196,788	58,246	134,385	104,751
Unassigned	4,579,416	3,244,150	3,217,049	3,782,248
Total General Fund	6,039,620	4,989,165	4,712,789	5,291,571
All Other Governmental Funds				
Nonspendable	120,520	139,272	154,335	191,624
Restricted	1,962,142	2,509,159	2,031,231	1,747,703
Committed	1,676,947	2,302,698	3,685,650	2,806,089
Unassigned	(4,331,012)	(4,250,640)	(3,956,306)	(4,093,608)
Total All Other Governmental Funds	(571,403)	700,489	1,914,910	651,808
Total Governmental Funds	\$ 5,468,217	\$ 5,689,654	\$ 6,627,699	\$ 5,943,379



2015	2014	2013	2012	Restated 2011	Restated 2010
\$ 70,707	\$ 79,707	\$ 79,091	\$ 43,383	\$ 47,891	\$ 24,344
989,402	906,735	1,094,998	1,274,241	927,075	831,180
122,676	16,501	269,616	174,933	6,106	0
3,345,925	3,676,231	3,183,708	3,045,748	3,300,913	3,401,823
4,528,710	4,679,174	4,627,413	4,538,305	4,281,985	4,257,347
152,760	140,227	308,599	165,852	145,798	1,088,175
5,817,924	5,628,560	5,293,239	4,736,896	4,511,298	4,307,437
9,776,259	2,568,923	1,992,296	2,369,907	1,663,444	490,670
0	(10,775)	(24,599)	(180,214)	(234,632)	(230,943)
15,746,943	8,326,935	7,569,535	7,092,441	6,085,908	5,655,339
\$ 20,275,653	\$ 13,006,109	\$ 12,196,948	\$ 11,630,746	\$ 10,367,893	\$ 9,912,686

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

	2019	2018	2017	Restated 2016
Revenues				
Property and Other Taxes	\$ 4,396,511	\$ 4,042,641	\$ 4,035,283	\$ 4,029,967
Municipal Income Taxes	14,350,327	13,857,990	13,169,693	12,964,761
Special Assessments	665,452	664,686	672,143	697,250
Charges for Services	1,333,506	1,255,271	1,211,063	1,170,989
Licenses and Permits	551,847	660,432	425,217	469,101
Fines and Forfeitures	2,695,457	3,072,449	2,891,810	2,771,839
Intergovernmental	2,930,422	4,723,726	4,983,408	2,821,548
Interest	504,253	42,009	77,112	222,633
Contributions and Donations	20,307	9,843	891,834	55,275
Other	803,849	370,120	325,119	185,120
<i>Total Revenues</i>	<u>28,251,931</u>	<u>28,699,167</u>	<u>28,682,682</u>	<u>25,388,483</u>
Expenditures				
Current:				
General Government	8,117,671	8,092,820	7,848,082	7,098,947
Security of Persons and Property	7,938,766	7,622,174	7,150,207	7,169,095
Public Health	98,426	97,319	117,192	118,279
Leisure Time Services	2,682,186	2,562,905	2,246,657	2,182,361
Community Development	360,376	367,898	470,334	365,529
Public Works	1,273,974	1,229,101	1,247,725	1,238,247
Transportation	903,695	1,041,911	966,075	707,046
Capital Outlay	5,027,011	6,758,246	7,583,352	15,329,450
Debt Service:				
Principal Retirement	9,479,513	9,677,601	8,114,869	12,136,653
Interest and Fiscal Charges	871,233	855,135	722,211	766,722
<i>Total Expenditures</i>	<u>36,752,851</u>	<u>38,305,110</u>	<u>36,466,704</u>	<u>47,112,329</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(8,500,920)</u>	<u>(9,605,943)</u>	<u>(7,784,022)</u>	<u>(21,723,846)</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	24,714	16,552	63,142	13,240
Issuance of General Obligation Bonds	0	0	0	2,875,000
Premium on Debt Issuance	124,537	107,790	111,472	107,690
Payment to Refunding Bond Escrow Agent	0	0	0	(2,775,000)
Issuance of Notes	8,035,000	8,550,900	8,200,900	6,642,500
Inception of Capital Lease	0	167,680	52,168	657,954
Issuance of Loans	186,232	272,654	630,660	1,588
Discount on Debt Issued	0	0	0	0
Transfers In	4,041,800	3,839,000	3,704,824	3,594,800
Transfers Out	(4,132,800)	(4,444,000)	(4,294,824)	(3,726,200)
<i>Total Other Financing Sources (Uses)</i>	<u>8,279,483</u>	<u>8,510,576</u>	<u>8,468,342</u>	<u>7,391,572</u>
Extraordinary Item	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>\$ (221,437)</u>	<u>\$ (1,095,367)</u>	<u>\$ 684,320</u>	<u>\$ (14,332,274)</u>
Debt Service as a Percentage of Noncapital Expenditures	32%	32%	30%	51%

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.

2015	2014	2013	2012	2011	2010
\$ 4,108,059	\$ 4,013,444	\$ 3,984,795	\$ 4,185,749	\$ 4,187,409	\$ 4,167,796
11,522,435	11,823,354	11,114,942	10,758,113	10,454,513	10,922,715
690,267	687,958	695,079	688,970	682,786	700,167
1,090,799	1,046,221	983,567	1,151,937	1,056,890	1,113,097
501,837	359,641	393,275	397,561	363,372	480,979
2,561,010	2,536,488	2,428,863	2,481,137	2,189,582	2,364,651
2,383,109	2,083,875	2,926,659	2,842,680	2,897,594	3,274,546
115,730	134,515	29,048	158,337	137,585	136,442
28,411	51,111	52,163	45,230	62,932	258,686
175,675	159,448	250,293	68,545	116,901	165,369
<u>23,177,332</u>	<u>22,896,055</u>	<u>22,858,684</u>	<u>22,778,259</u>	<u>22,149,564</u>	<u>23,584,448</u>
7,218,501	7,183,125	6,431,561	6,767,192	6,714,835	6,791,331
6,873,297	6,354,515	6,505,370	6,431,807	6,458,138	6,663,889
151,785	151,971	134,122	155,326	187,320	211,300
2,138,513	2,034,896	1,852,113	1,781,720	1,614,757	1,544,300
372,423	291,721	404,860	462,267	471,003	503,772
1,217,697	1,215,079	1,148,881	1,144,731	1,350,451	1,327,127
902,569	925,472	776,220	799,062	851,322	890,006
4,687,901	4,152,414	4,371,739	3,479,757	3,113,744	3,195,787
8,488,251	5,466,560	7,142,238	6,309,664	5,324,475	7,241,978
613,929	486,428	607,363	480,758	503,506	623,917
<u>32,664,866</u>	<u>28,262,181</u>	<u>29,374,467</u>	<u>27,812,284</u>	<u>26,589,551</u>	<u>28,993,407</u>
<u>(9,487,534)</u>	<u>(5,366,126)</u>	<u>(6,515,783)</u>	<u>(5,034,025)</u>	<u>(4,439,987)</u>	<u>(5,408,959)</u>
0	2,722	20,700	3,025	0	1,817
6,748,000	0	4,005,000	0	0	2,725,000
373,578	42,965	88,152	45,518	5,703	14,728
0	0	0	0	0	0
10,795,500	7,467,500	4,514,500	6,112,550	4,810,000	3,850,000
0	0	158,952	0	0	136,953
0	0	146,131	202,650	459,491	817,961
0	0	0	0	0	(34,143)
3,426,000	3,347,410	3,132,525	2,988,224	3,495,100	2,615,670
<u>(4,586,000)</u>	<u>(4,510,410)</u>	<u>(4,983,975)</u>	<u>(3,249,224)</u>	<u>(3,875,100)</u>	<u>(2,788,670)</u>
<u>16,757,078</u>	<u>6,350,187</u>	<u>7,081,985</u>	<u>6,102,743</u>	<u>4,895,194</u>	<u>7,339,316</u>
<u>0</u>	<u>(174,900)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$ 7,269,544</u>	<u>\$ 809,161</u>	<u>\$ 566,202</u>	<u>\$ 1,068,718</u>	<u>\$ 455,207</u>	<u>\$ 1,930,357</u>
33%	23%	38%	26%	24%	33%

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	
2019	7.95	3.00	1.40	4.45	16.80	82.10
2018	7.95	3.00	1.40	4.45	16.80	82.20
2017	7.95	3.00	1.40	4.45	16.80	82.20
2016	7.95	3.00	1.40	4.45	16.80	82.20
2015	7.95	3.00	1.40	4.45	16.80	78.00
2014	7.95	3.00	1.40	4.45	16.80	78.70
2013	7.95	3.00	1.40	4.45	16.80	78.90
2012	7.95	3.00	1.40	4.45	16.80	78.90
2011	7.95	3.00	1.40	4.85	17.20	75.00
2010	7.95	3.00	1.40	4.85	17.20	75.00

Source: Cuyahoga County Fiscal Officer

Notes: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generate the property tax revenue billed in that year. The City's basic property tax rate may be increased only by a majority vote of the City's residents

Charter millage is consistently applied to all types of property

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

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

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

<u>Olmsted Falls School District</u>	<u>Polaris JVSD</u>	<u>Cuyahoga Co & Special Taxing Districts (1)</u>
99.70	3.09	24.33
100.00	3.09	23.93
100.00	3.09	23.93
100.40	3.09	23.43
102.20	2.40	23.43
102.20	2.40	23.43
102.20	2.40	20.80
102.20	2.40	20.80
93.00	2.40	20.80
93.00	2.40	20.60

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
2019	\$ 393,733,580	\$ 1,124,953,086	\$ 11,832,970	\$ 13,446,557
2018	368,945,630	1,054,130,371	10,757,950	12,224,943
2017	361,784,080	1,033,668,800	9,572,450	10,877,784
2016	360,410,630	1,029,744,657	8,980,160	10,204,727
2015	370,843,110	1,059,551,743	8,714,150	9,902,443
2014	373,633,920	1,067,525,486	8,242,980	9,367,023
2013	375,142,810	1,071,836,600	6,823,640	7,754,136
2012	369,786,280	1,056,532,229	6,522,740	7,412,205
2011	368,473,230	1,052,780,657	6,323,310	7,185,580
2010	382,502,610	1,092,864,600	6,122,200	6,957,045

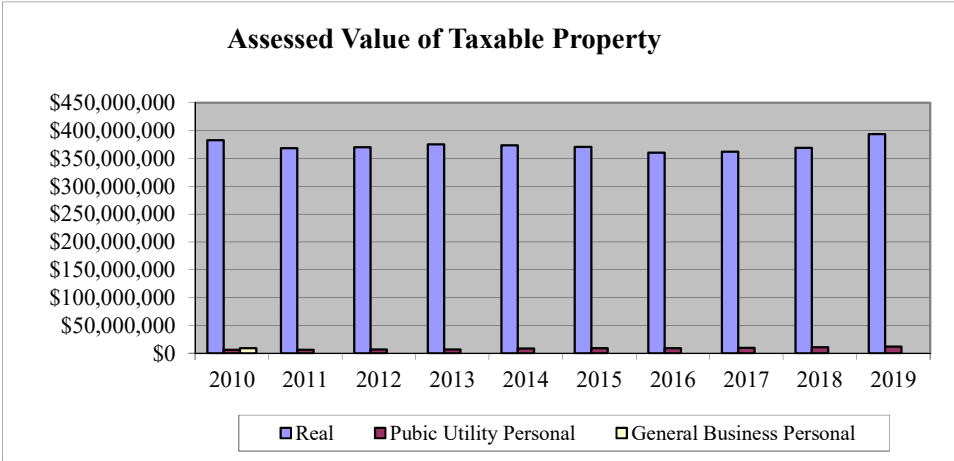
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

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. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax was phased out beginning in 2006. Both types of general business tangible personal property were assessed at 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2010.

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

Tangible Personal Property						
General Business			Total			
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	Total Direct Tax Rate (1)	
\$ 0	\$ 0	\$ 405,566,550	\$ 1,138,399,643	35.63	16.80	
0	0	379,703,580	1,066,355,314	35.61	16.80	
0	0	371,356,530	1,044,546,584	35.55	16.80	
0	0	369,390,790	1,039,949,384	35.52	16.80	
0	0	379,557,260	1,069,454,186	35.49	16.80	
0	0	381,876,900	1,076,892,508	35.46	16.80	
0	0	381,966,450	1,079,590,736	35.38	16.80	
0	0	376,309,020	1,063,944,433	35.37	17.20	
0	0	374,796,540	1,059,966,237	35.36	17.20	
9,177,032	146,832,512	397,801,842	1,246,654,157	31.91	17.20	



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

Year	Total Tax Levy	Current Tax Collections (1)	Percent of Current Tax Collections to Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percentage of Total Tax Collections to Tax Levy (2)	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
2019	\$ 5,189,600	\$ 5,048,301	97.28%	\$ 135,581	\$ 5,183,882	99.89%	\$ 291,880	5.62%
2018	4,852,805	4,697,807	96.81	103,289	4,801,096	98.93	241,169	4.97
2017	4,823,222	4,702,417	97.50	115,653	4,818,070	99.89	260,740	5.41
2016	4,776,087	4,606,276	96.44	140,313	4,746,589	99.38	267,600	5.60
2015	4,904,908	4,650,168	94.81	166,405	4,816,573	98.20	274,176	5.59
2014	4,960,785	4,589,981	92.53	155,960	4,745,941	95.67	340,201	6.86
2013	5,109,458	4,584,738	89.73	231,718	4,816,456	94.27	343,237	6.72
2012	5,120,268	4,808,337	93.91	176,746	4,985,083	97.36	245,275	4.79
2011	5,352,662	4,800,181	89.68	188,563	4,988,744	93.20	320,968	6.00
2010	5,288,742	4,739,815	89.62	176,105	4,915,920	92.95	368,250	6.96

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
 2019 and 2010

Taxpayer	2019	
	Real Property Assessed Valuation (1)	Percentage Of Real Assessed Valuation
Baldwin Wallace University	\$ 14,284,540	3.63%
Cleveland Electric Illuminating Co.	7,569,210	1.92%
Tower in the Park LTD	4,341,580	1.10%
Columbia Gas	3,675,620	0.93%
A&F Machine Products Co.	2,928,370	0.74%
West Valley Plaza	2,744,710	0.70%
Berea Properties Company	2,333,890	0.59%
American Transmission System	2,304,900	0.59%
Echo Berea Associates, LLC	2,062,990	0.52%
680 North LLC	1,670,970	0.42%
Total	\$ 43,916,780	11.14%
Total Assessed Valuation	\$ 393,733,580	

Taxpayer	2010	
	Real Property Assessed Valuation (1)	Percentage Of Real Assessed Valuation
Cleveland Electric Illuminating Co.	\$ 4,957,220	1.30%
Tower in the Park LTD	3,710,010	0.97%
Echo Berea Associates, LLC	2,914,530	0.76%
West Valley Plaza	2,726,580	0.71%
Berea Properties Co.	2,694,910	0.70%
A&F Machine Products Co.	2,494,220	0.65%
OHI Asset II LLC	2,482,880	0.65%
Western Reserve Revitalization	2,372,380	0.62%
Berea Square Co., LLC	1,873,380	0.49%
Tuthill Corporation	1,713,600	0.45%
Total	\$ 27,939,710	7.30%
Total Assessed Valuation	\$ 382,502,610	

Source: County Fiscal Officer

(1) The amounts presented represent the assessed values upon which 2018 and 2009 collection were based.

City of Berea, Ohio
Principal Taxpayers - Municipal Tax
 2019 and 2010

<u>2019</u>	
Taxpayer	Percentage of Tax Collected
Cleveland Browns Football	24.77%
Baldwin Wallace College	7.10%
Berea City School District	3.39%
Ohio Guidestone	2.07%
City of Berea	1.93%
Ohio Turnpike Commission	1.23%
Minute Men Select Inc	1.03%
Polyone Corp	1.01%
Standby Screw Machine Products	0.84%
OHNH Emp LLC	0.76%
Total	<u>44.13%</u>

<u>2010</u>	
Taxpayer	Percentage of Tax Collected
Cleveland Browns Football	26.15%
Baldwin Wallace College	8.23%
Berea City School District	6.12%
OHNH EMP LLC	2.27%
City of Berea	2.24%
Berea Childrens Home	1.83%
Ohio Turnpike Commission	1.69%
ColorMatrix Corp.	1.24%
Amerimark Direct LLC	1.13%
Standby Screw Machine Products	1.00%
Total	<u>51.90%</u>

Source: Regional Income Tax Agency

City of Berea, Ohio
Principal Employers
2019 and 2010

<u>2019</u>		
<u>Employer</u>	<u>Number of Employees</u>	<u>Percentage of Total City Employment</u>
Baldwin Wallace College	3,065	24.50%
Cleveland Browns Football	601	4.80%
Ohio Guidestone	598	4.78%
Berea City School District	494	3.95%
Minute Men Select	475	3.80%
OHNH EMP LLC	341	2.73%
City of Berea	307	2.45%
Standby Screw Machine Products	120	0.96%
Ohio Turnpike Commission	114	0.91%
Polyone Corp	96	0.77%
Total	<u>6,211</u>	<u>49.65%</u>
Total Employment within the City	<u>12,509</u>	
<u>2010</u>		
<u>Employer</u>	<u>Number of Employees</u>	<u>Percentage of Total City Employment</u>
Baldwin Wallace College	3,054	24.16%
Berea City School District	983	7.78%
OHNH EMP LLC	741	5.86%
Berea Childrens Home	514	4.07%
Cleveland Browns Football	422	3.34%
AmeriMark Direct LLC	339	2.68%
City of Berea	301	2.38%
Ohio Turnpike Commission	123	0.97%
ColorMatrix Corp.	120	0.95%
Standby Screw Machine Products	116	0.92%
Total	<u>6,713</u>	<u>53.11%</u>
Total Employment within the City	<u>12,642</u>	

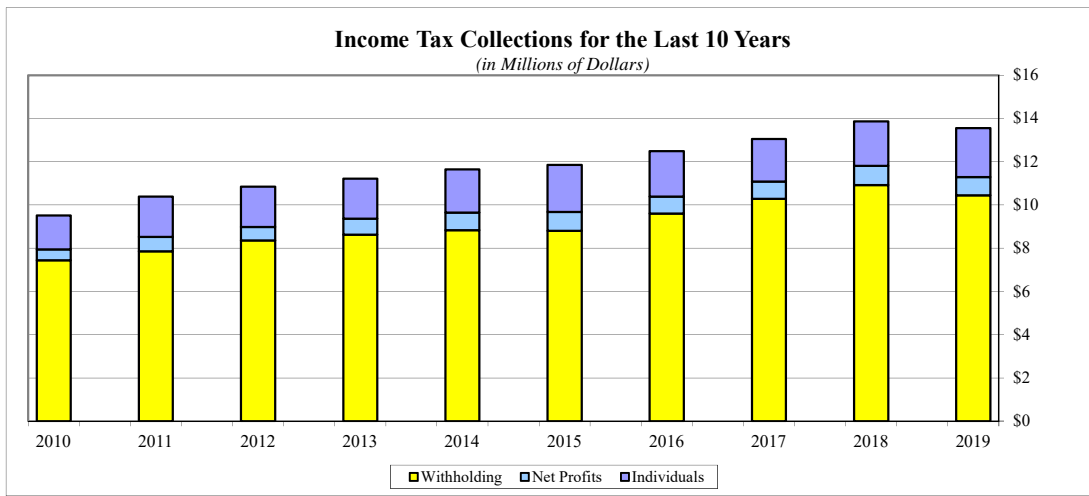
Source: Regional Income Tax Agency

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

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits
2019	2.00%	\$ 13,549,844	\$ 10,453,851	77.15%	\$ 835,998	6.17%
2018	2.00	13,861,048	10,916,826	78.76	885,405	6.39
2017	2.00	13,066,877	10,288,504	78.74	798,743	6.11
2016	2.00	12,484,319	9,610,022	76.98	770,752	6.17
2015	2.00	11,855,447	8,802,385	74.25	875,618	7.39
2014	2.00	11,647,041	8,840,177	75.90	803,005	6.89
2013	2.00	11,221,745	8,620,645	76.82	752,151	6.70
2012	2.00	10,842,275	8,361,782	77.12	616,294	5.68
2011	2.00	10,392,189	7,855,099	75.59	670,592	6.45
2010	2.00	9,521,371	7,434,689	78.08	502,912	5.28

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

Source: Regional Income Tax Agency



	Taxes From Individuals	Percentage of Taxes from Individuals
\$	2,259,995	16.68%
	2,058,817	14.85
	1,971,799	15.09
	2,103,545	16.85
	2,177,444	18.36
	2,003,858	17.20
	1,848,949	16.48
	1,864,200	17.19
	1,866,498	17.96
	1,583,770	16.63

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

Year	Governmental Activities					
	General Obligation Debt	Urban Renewal Bond	Capital Leases	Notes Payable	Loan Payable	OPWC
2019	\$ 12,479,800	\$ 0	\$ 350,695	\$ 8,035,000	\$ 160,000	\$ 2,462,046
2018	13,353,062	0	521,740	8,295,000	200,000	2,396,798
2017	14,581,324	0	500,034	8,200,900	200,000	2,247,697
2016	15,799,586	0	618,176	6,642,500	0	1,922,038
2015	16,850,848	0	66,600	10,795,500	0	2,025,628
2014	10,679,632	0	128,370	7,467,500	0	2,083,284
2013	11,540,570	0	214,233	4,514,500	0	2,093,417
2012	8,235,000	50,000	164,023	6,112,550	0	1,957,419
2011	9,410,000	270,000	263,112	4,810,000	0	1,943,695
2010	10,545,000	480,000	387,241	3,850,000	0	1,484,204

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	Capital Lease	Loan Payable	Notes Payable	OWDA and OPWC	Total Primary Government	Total Personal Income	Percentage of Personal Income(1)	Per Capita(1)
\$ 105,000	\$ 25,641	\$ 213,437	\$ 0	\$ 11,656,140	\$ 35,487,759	\$ 533,594,466	6.65%	\$ 1,907
110,000	40,326	232,840	0	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	0	271,648	0	12,283,126	37,657,074	462,718,855	8.14%	1,972
122,000	32,233	291,052	0	11,287,518	41,471,379	462,718,855	8.96%	2,172
0	63,111	320,157	1,160,000	11,856,305	33,758,359	462,718,855	7.30%	1,768
0	92,690	329,859	1,138,000	12,503,391	32,426,660	462,718,855	7.01%	1,698
0	121,025	349,263	1,537,450	12,086,163	30,612,893	462,718,855	6.62%	1,603
0	148,169	388,070	40,000	12,973,559	30,246,605	462,718,855	6.54%	1,584
0	26,526	388,070	0	13,280,182	30,441,223	443,702,227	6.86%	1,594

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

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

Source: City Financial Records

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

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

Year	(1) Population	Assessed Valuation(2)	Gross Bonded Debt(3)	Debt Service Monies Available	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita
2019	18,609	\$ 405,566,550	\$ 20,619,800	\$ 0	\$ 20,619,800	5.08%	\$ 1,108.06
2018	19,093	379,703,580	22,013,962	0	22,013,962	5.80	1,152.99
2017	19,093	371,356,530	22,897,224	0	22,897,224	6.03	1,199.25
2016	19,093	369,390,790	22,562,086	0	22,562,086	6.08	1,181.69
2015	19,093	379,557,260	27,768,348	2,878,542	24,889,806	6.56	1,303.61
2014	19,093	381,876,900	19,307,132	2,812,637	16,494,495	4.32	863.90
2013	19,093	381,966,450	17,193,070	2,549,373	14,643,697	3.83	766.97
2012	19,093	376,309,020	15,935,000	2,433,220	13,501,780	3.59	707.16
2011	19,093	374,796,540	14,530,000	2,107,573	12,422,427	3.31	650.63
2010	19,093	397,801,842	14,875,000	1,036,136	13,838,864	3.48	724.81

(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.

This page intentionally left blank

City of Berea, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2019

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct			
City of Berea	\$ 23,487,541	100.00%	\$ 23,487,541
<i>Total Direct Debt</i>	<u>23,487,541</u>		<u>23,487,541</u>
Overlapping			
Berea City School District	109,130,000	26.57%	28,995,841
Olmsted Falls School District	30,404,960	4.63%	1,407,750
Polaris Career Center	1,880,000	7.77%	146,076
Cuyahoga Community College	207,010,000	1.33%	2,753,233
Cuyahoga County	<u>211,780,000</u>	1.33%	<u>2,816,674</u>
<i>Total Overlapping Debt</i>	<u>560,204,960</u>		<u>36,119,574</u>
Grand Total	<u>\$ 583,692,501</u>		<u>\$ 59,607,115</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

	2019	2018	2017	2016
Total Assessed Property Value	\$ 405,566,550	\$ 379,703,580	\$ 371,356,530	\$ 369,390,790
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	42,584,488	39,868,876	38,992,436	38,786,033
Debt Outstanding:				
General Obligation Bonds and Notes	20,619,800	22,013,962	22,897,224	22,562,086
Total Gross Indebtedness	20,619,800	22,013,962	22,897,224	22,562,086
Less:				
General Obligation Bonds and Notes	0	0	0	0
Amount Available in Debt Service Fund	0	0	0	0
Total Net Debt Applicable to Debt Limit	20,619,800	22,013,962	22,897,224	22,562,086
Legal Debt Margin Within 10 ½ % Limitations	\$ 21,964,688	\$ 17,854,914	\$ 16,095,212	\$ 16,223,947
Legal Debt Margin as a Percentage of the Debt Limit	51.58%	44.78%	41.28%	41.83%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	22,306,160	20,883,697	20,424,609	20,316,493
Total Gross Indebtedness	20,619,800	22,013,962	22,897,224	22,562,086
Less:				
General Obligation Bonds and Notes	0	0	0	0
Amount Available in Debt Service Fund	0	0	0	0
Net Debt Within 5 ½ % Limitations	20,619,800	22,013,962	22,897,224	22,562,086
Unvoted Legal Debt Margin Within 5 ½ % Limitations	\$ 1,686,360	\$ (1,130,265)	\$ (2,472,615)	\$ (2,245,593)
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	7.56%	-5.41%	-12.11%	-11.05%

Source: City Financial Records

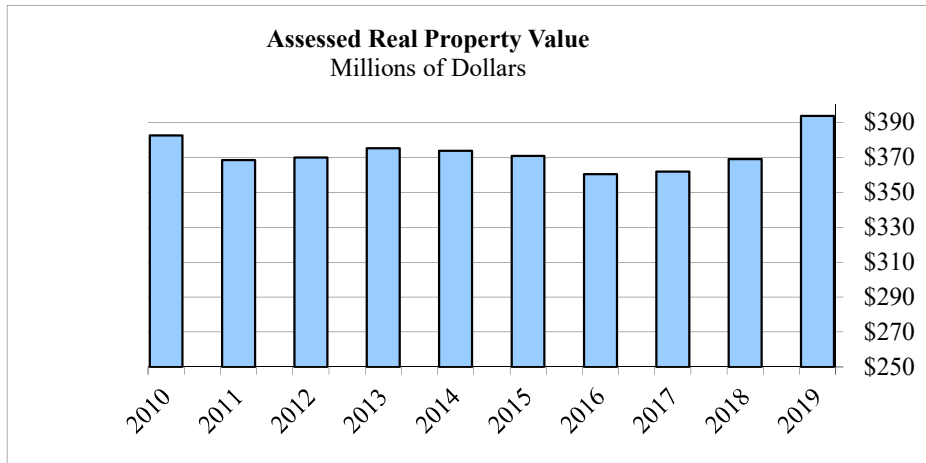
2015	2014	2013	2012	2011	2010
<u>\$ 379,557,260</u>	<u>\$ 381,876,900</u>	<u>\$ 381,966,450</u>	<u>\$ 376,309,020</u>	<u>\$ 374,796,540</u>	<u>\$ 397,801,842</u>
<u>39,853,512</u>	<u>40,097,075</u>	<u>40,106,477</u>	<u>39,512,447</u>	<u>39,353,637</u>	<u>41,769,193</u>
<u>27,768,348</u>	<u>18,147,132</u>	<u>16,055,070</u>	<u>14,397,550</u>	<u>14,530,000</u>	<u>14,875,000</u>
<u>27,768,348</u>	<u>18,147,132</u>	<u>16,055,070</u>	<u>14,397,550</u>	<u>14,530,000</u>	<u>14,875,000</u>
<u>(7,000,000)</u>	<u>0</u>	<u>0</u>	<u>(50,000)</u>	<u>(270,000)</u>	<u>(480,000)</u>
<u>(2,878,542)</u>	<u>(2,812,637)</u>	<u>(2,549,373)</u>	<u>(2,433,220)</u>	<u>(2,107,573)</u>	<u>(1,036,136)</u>
<u>17,889,806</u>	<u>15,334,495</u>	<u>13,505,697</u>	<u>11,914,330</u>	<u>12,152,427</u>	<u>13,358,864</u>
<u>\$ 21,963,706</u>	<u>\$ 24,762,580</u>	<u>\$ 26,600,780</u>	<u>\$ 27,598,117</u>	<u>\$ 27,201,210</u>	<u>\$ 28,410,329</u>
55.11%	61.76%	66.33%	69.85%	69.12%	68.02%
<u>20,875,649</u>	<u>21,003,230</u>	<u>21,008,155</u>	<u>20,696,996</u>	<u>20,613,810</u>	<u>21,879,101</u>
<u>27,768,348</u>	<u>18,147,132</u>	<u>16,055,070</u>	<u>14,397,550</u>	<u>14,530,000</u>	<u>14,875,000</u>
<u>(7,000,000)</u>	<u>0</u>	<u>0</u>	<u>(50,000)</u>	<u>(270,000)</u>	<u>(480,000)</u>
<u>(2,878,542)</u>	<u>(2,812,637)</u>	<u>(2,549,373)</u>	<u>(2,433,220)</u>	<u>(2,107,573)</u>	<u>(1,036,136)</u>
<u>17,889,806</u>	<u>15,334,495</u>	<u>13,505,697</u>	<u>11,914,330</u>	<u>12,152,427</u>	<u>13,358,864</u>
<u>\$ 2,985,843</u>	<u>\$ 5,668,735</u>	<u>\$ 7,502,458</u>	<u>\$ 8,782,666</u>	<u>\$ 8,461,383</u>	<u>\$ 8,520,237</u>
14.30%	26.99%	35.71%	42.43%	41.05%	38.94%

City of Berea, Ohio
Demographic and Economic Statistics
Last Ten Years

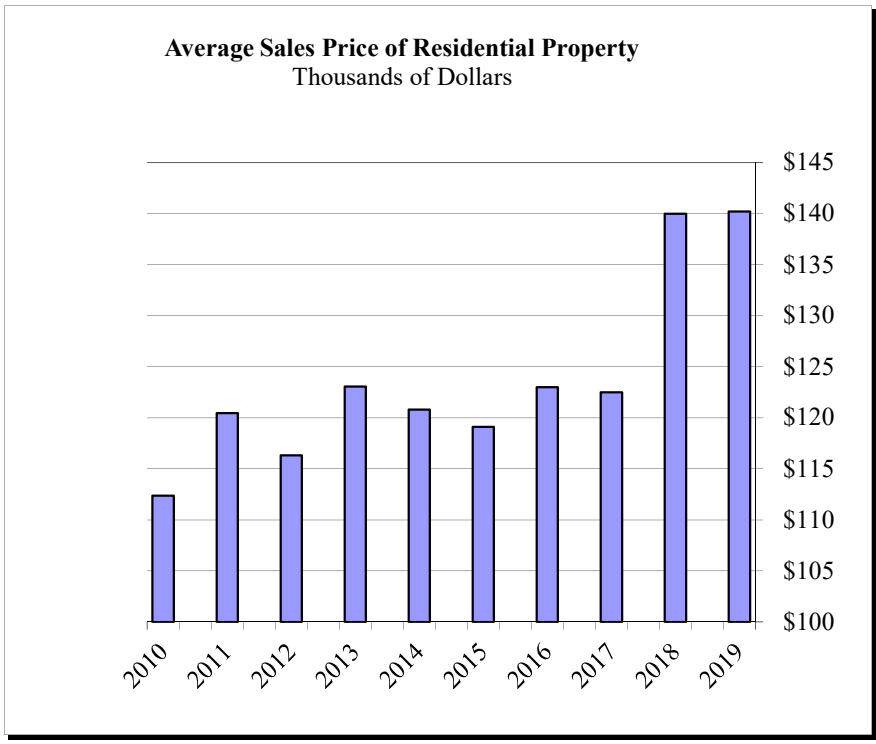
Year	Population (1)	Total Personal Income (5)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)
2019	18,609	\$ 533,594,466	\$ 28,674	\$ 59,229	37.1
2018	19,093	462,718,855	24,235	50,278	37.1
2017	19,093	462,718,855	24,235	50,278	37.1
2016	19,093	462,718,855	24,235	50,278	37.1
2015	19,093	462,718,855	24,235	50,278	37.1
2014	19,093	462,718,855	24,235	50,278	37.1
2013	19,093	462,718,855	24,235	50,278	37.1
2012	19,093	462,718,855	24,235	50,278	37.1
2011	19,093	462,718,855	24,235	50,278	37.1
2010	19,093	443,702,227	23,239	46,522	35.9

The unemployment rate for the City is not available, but is considered to be similar to the County rate.

- (1) Source: U. S. Census
 - (a) 2000 Federal Census
 - (b) 2010 Federal Census
 - (c) 2019 - census.gov
- (2) Source: Ohio Department of Education
- (3) Source: Bureau of Labor Statistics
- (4) Source: Cuyahoga County Auditor
- (5) Computation of per capita personal income multiplied by population



Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	Cuyahoga County Unemployment Rate (3)	Average Sales Price of Residential Property (4)	Total Assessed Real Property Value (4)
3,350	6,114	3.6%	\$ 140,200	\$ 393,733,580
3,350	6,198	4.0%	140,000	368,945,630
3,350	6,379	4.9%	122,500	361,784,080
3,350	6,537	5.3%	123,000	360,416,630
3,350	6,736	4.0%	119,100	370,843,110
3,350	6,910	6.0%	120,821	373,633,920
3,350	7,111	7.2%	123,056	375,142,810
3,350	7,121	8.6%	116,313	369,786,280
3,350	7,000	8.0%	120,453	368,473,230
3,450	7,099	8.6%	112,380	382,502,610



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

Function/Program	2019	2018	2017	2016	2015
General Government					
Council	5.0	5.0	5.0	5.0	5.0
Finance	4.5	4.5	5.0	4.5	4.5
Law	4.5	4.5	4.0	4.0	3.5
Administration	17.5	20.5	13.5	19.0	10.5
Engineer	3.5	3.0	3.0	3.0	3.5
Civil Service	0.0	0.0	0.0	0.0	0.0
Court	32.5	33.0	31.0	30.0	28.0
Public Building	3.5	3.0	4.5	2.5	2.0
Security of Persons and Property					
Police	30.0	32.5	32.0	31.0	28.0
Police - Auxiliary	4.0	3.0	3.5	3.5	3.5
Police - Dispatchers/Office	2.5	2.5	2.5	2.5	4.0
Police - Animal Wardens	0.5	0.5	0.5	0.5	0.5
Police - School guards/Parking Control	1.0	1.5	1.0	1.5	1.5
Fire	24.0	23.0	23.0	23.0	23.0
Fire - Secretary - Other	0.0	0.0	0.0	0.0	0.0
Leisure Time Services					
Recreation - Admin	15.0	15.0	15.5	16.0	15.5
Recreation - Programs	17.5	15.0	14.0	14.0	13.5
Recreation - Pools	25.5	27.5	25.0	23.0	24.5
Jitney	4.0	4.0	4.0	4.5	3.0
Transportation					
Service	37.5	39.5	36.0	30.0	33.0
Basic Utility Services					
Water	15.0	13.5	17.5	13.5	12.5
Totals:	<u>247.5</u>	<u>251.0</u>	<u>240.5</u>	<u>231.0</u>	<u>219.5</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.

2014	2013	2012	2011	2010
5.0	5.0	5.0	5.0	6.0
4.5	4.5	4.5	4.5	4.5
2.0	1.0	1.0	2.0	2.0
11.0	6.5	6.0	5.5	8.0
3.5	3.0	2.0	2.0	2.0
0.0	0.0	0.0	0.0	0.0
30.5	28.0	29.5	30.0	30.5
2.0	8.5	6.5	8.5	7.0
30.0	31.5	30.5	30.5	32.0
3.5	2.5	4.0	4.0	4.0
7.0	8.0	7.5	7.5	7.5
0.5	1.0	0.5	0.5	1.0
1.5	2.0	1.5	1.5	2.0
22.0	21.0	21.0	22.0	23.0
0.0	0.0	0.0	0.0	0.0
16.5	15.5	19.0	16.0	21.0
14.5	13.5	15.0	15.0	11.0
21.5	19.5	18.0	23.0	22.5
3.0	3.5	3.5	3.5	3.5
30.0	32.0	30.0	32.0	34.0
12.5	14.5	15.0	14.0	21.0
<u>221.0</u>	<u>221.0</u>	<u>220.0</u>	<u>227.0</u>	<u>242.5</u>

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

Function/Program	2019	2018	2017	2016
General Government				
<i>Council and Clerk(1)</i>				
Number of Ordinances Passed	67	50	45	66
Number of Resolutions Passed	26	22	16	34
<i>Finance Department(2)</i>				
Number of checks/ vouchers issued	3,478	3,526	3,405	3,445
Amount of checks written (Accounts Payable - in thousands)	17,104	\$ 17,155	\$ 17,475	\$ 23,116
General Fund Interest earnings (cash basis)	\$ 187,955	\$ 216,569	\$ 143,802	\$ 193,312
Number of Journal Entries issued	462	474	525	515
Number of Budget Adjustments issued	3	3	7	8
Agency Ratings - Moody's Financial Services	AA2	AA2	AA2	AA2
General Fund Receipts (cash basis in thousands)	\$ 14,505	\$ 14,516	\$ 13,400	\$ 13,158
General Fund Expenditures (cash basis in thousands)	\$ 14,398	\$ 14,256	\$ 13,523	\$ 13,121
General Fund Cash Balances (in thousands)	\$ 2,276	\$ 2,170	\$ 1,910	\$ 1,981
<i>Municipal Court(3)</i>				
Total Civil/Small claims cases filed	3,085	2,629	2,578	2,030
Number of Berea civil/small claims cases	539	506	502	399
Total Criminal cases filed	1,745	2,074	1,880	2,145
Number of Berea felony cases	71	69	66	53
Number of Berea misdemeanor cases	352	456	472	401
<i>Civil Service(4)</i>				
Number of police entry tests administered	0	1	0	1
Number of fire entry tests administered	0	0	0	0
Number of police promotional tests administered	1	0	0	0
Number of fire promotional tests administered	0	0	0	0
Number of hires of Police Officers from certified lists	1	3	3	2
Number of hires of Fire/Medics from certified lists	0	0	0	0
Number of promotions from police certified lists	0	0	0	0
Number of promotions from fire certified lists	1	0	0	0
Security of Persons & Property				
<i>Police(5)</i>				
Total Calls for Services	16764	16,791	17,228	18,144
Number of traffic citations issued	1556	1,636	1,734	1,598
Number of parking citations issued	1397	2,137	1,806	2,519
Number of criminal arrests	1343	1,637	1,470	1,374
Animal Warden service calls responded to per annual report	71	137	126	222
Police Dept. Auxiliary hours worked			1,948	2,102
DUI Arrests	82	119	176	137
Motor Vehicle Accidents	312	265	293	276
Property damage accidents/Self reported traffic accidents	80	74	60	89
<i>Fire(6)</i>				
EMS Calls	2320	2,170	2,226	2,742
Ambulance Billing Collections (net)	470,410	\$ 445,712	\$ 417,486	\$ 453,662
Fire Calls	663	600	616	615
Fires with Loss	10	25	19	10
Fires with Losses exceeding \$10K	2	4	7	7
Fire Losses \$	\$ 525,000	\$ 500,000	\$ 500,000	\$ 750,000
Fire Safety Inspections	387	411	389	244

	2015	2014	2013	2012	2011	2010
	70	75	71	74	53	66
	15	17	15	16	15	15
	3,316	3,389	1,806	3,396	3,456	3,494
\$	16,619	\$ 17,269	\$ 19,028	\$ 16,298	\$ 15,718	\$ 16,403
\$	129,245	\$ 128,796	\$ 74,755	\$ 96,590	\$ 116,562	\$ 148,186
	417	304	315	278	266	280
	6	6	5	6	5	4
	AA2	AA2	AA2	AA2	AA2	AA2
\$	12,808	\$ 12,160	\$ 12,216	\$ 13,720	\$ 13,596	\$ 13,823
\$	12,665	\$ 12,043	\$ 11,812	\$ 13,519	\$ 13,646	\$ 13,759
\$	1,996	\$ 1,853	\$ 1,735	\$ 1,331	\$ 1,130	\$ 1,180
	2,762	2,908	2,697	2,529	3,183	3,462
	566	589	577	576	802	817
	2,364	2,316	1,963	1,900	1,641	1,539
	38	30	22	4	9	9
	387	385	410	445	390	400
	0	1	0	1	0	145
	0	0	0	1	0	179
	0	2	0	0	0	2
	0	0	0	2	0	1
	4	1	0	2	3	0
	1	2	0	2	6	0
	1	4	0	0	2	0
	1	0	0	1	5	0
	16,219	9,202	7,553	8,094	28,192	24,723
	989	1,523	1,898	2,334	1,666	1,995
	1,135	1,608	1,898	2,479	2,289	2,156
	750	1,176	1,186	1,429	1,243	1,335
	664	349	230	1,720	1,163	1,209
	2,096	2,128	2,089	2,229	2,137	2,209
	65	97	82	85	95	97
	231	327	298	292	274	305
	106	101	90	84	90	88
	1,919	1,916	1,755	1,689	1,715	1,622
\$	410,456	\$ 427,296	\$ 404,008	\$ 385,006	\$ 355,938	\$ 351,982
	617	565	426	441	254	227
	11	43	28	19	6	5
	6	0	2	3	4	2
\$	351,500	\$ 5,300	\$ 60,000	\$ 714,500	\$ 286,250	\$ 210,100
	180	300	350	230	836	876

(continued)

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

Function/Program	2019	2018	2017	2016
Leisure Time Services				
<i>Recreation(2)</i>				
Outdoor swimming pool receipts	\$ 115,488	\$ 103,402	\$ 112,627	\$ 108,372
Membership receipts	\$ 206,663	\$ 187,600	\$ 184,641	\$ 163,084
Program fees (Includes indoor and outdoor rec programs)	\$ 207,314	\$ 254,162	\$ 241,764	\$ 237,832
<i>Building Department(7)</i>				
Construction Permits Issued	1,529	1,667	1,335	1,453
Estimated Value of Construction	\$ 49,333,707	\$ 87,363,903	\$ 22,673,883	\$ 27,238,831
Amount of Revenue generated from permits	\$ 417,357	\$ 524,372	\$ 324,689	\$ 361,469
Number of contract registrations issued	447	613	390	574
Amount of Revenue generated from contract registrations	\$ 90,875	\$ 61,875	\$ 80,625	\$ 67,500
Number of rental inspections performed*	0	0	0	735
Number of point of sale inspections	63	414	414	382
<i>Engineer Contracted Services(8)</i>				
Dollar amount of Construction overseen by Engineer	\$ 2,709,044	\$ 5,171,216	\$ 4,734,175	\$ 4,237,877
Transportation(8,10)				
Street Improvements - asphalt overlay (linear feet)	15,787	10,510	10,510	10,510
Street Repair (Curbs, aprons, berms, asphalt) (hours)	10,297	16,862	16,907	14,245
Municipal Signs (hours)	2,507	2,945	2,028	2,524
Paint Striping (hours)	16	381	243	198
Street Cleaning (hours)	398	602	694	710
Snow & Ice Removal regular hours	5,960	2,925	2,275	1,429
Snow & Ice Removal overtime hours	1,186	1,206	782	624
Sewer Crew (hours)	4,978	4,771	4,824	4,737
Leaf collection (hours)	1,342	1,991	2,025	1,907
Number of Trees Planted per year	86	181	48	55
Tons of snow melting salt purchased (Nov-Mar)	1,484	1,498	3,733	3,014
Cost of salt purchased	\$ 121,946	\$ 101,079	\$ 40,056	\$ 125,742
Water Department(9)				
Average Water Rate per 1000 gallons of water used	\$ 4.09	\$ 4.09	\$ 4.09	\$ 4.09
Wastewater Department(9)				
Average Wastewater Rates per 1000 gallons of water used	11.98	\$ 11.98	\$ 11.28	\$ 10.65
Average daily flow (Millions of gallons per day)	1.8	1.80	1.80	1.90

- 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

2015	2014	2013	2012	2011	2010
\$ 97,645	\$ 87,834	\$ 83,694	\$ 94,715	\$ 87,184	\$ 78,107
\$ 171,594	\$ 173,949	\$ 188,740	\$ 187,664	\$ 188,758	\$ 199,473
\$ 228,339	\$ 172,533	\$ 151,096	\$ 149,361	\$ 119,983	\$ 82,992
1,439	1,235	1,278	1,365	1,481	1,551
\$ 19,280,049	\$ 14,571,224	\$ 18,812,145	\$ 31,824,793	\$ 36,768,876	\$ 34,130,240
\$ 386,808	\$ 175,946	\$ 274,278	\$ 289,842	\$ 299,738	\$ 431,117
579	513	527	560	570	523
\$ 70,750	\$ 64,125	\$ 65,875	\$ 56,000	\$ 57,000	\$ 50,100
289	587	529	481	470	198
254	344	192	190	169	183
\$ 3,433,017	\$ 2,071,675	\$ 3,755,000	\$ 1,779,077	\$ 1,625,020	\$ 5,707,254
10,510	10,560	10,510	4,752	13,186	10,757
14,778	14,831	11,057	12,675	15,609	16,455
2,656	2,223	3,567	4,169	4,023	3,972
561	448	1,146	2,022	1,948	2,028
838	733	1,037	1,732	1,714	1,993
2,452	3,004	1,290	89	1,717	1,381
544	1,099	729	600	689	1,158
5,647	6,291	6,149	2,973	4,403	5,164
2,000	1,836	1,907	1,300	1,605	1,831
0	78	105	118	101	58
3,048	4,900	2,971	1,866	3,081	3,979
\$ 155,555	\$ 149,046	\$ 94,943	\$ 85,076	\$ 142,537	\$ 180,833
\$ 4.09	\$ 4.09	\$ 4.09	\$ 4.71	\$ 4.71	\$ 4.09
\$ 9.57	\$ 8.63	\$ 7.75	\$ 7.01	\$ 6.40	\$ 6.33
2.00	2.00	2.20	1.96	2.04	2.00

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

Function/Program	2019	2018	2017	2016
General Government				
Number of Buildings	4	4	4	4
Square footage of Buildings:				
City Hall/Municipal Court	20,900	20,900	20,900	20,900
Water Plant	19,100	19,100	19,100	19,100
Service Garage	25,400	25,400	25,400	25,400
Recreation Center	33,000	33,000	33,000	33,000
Administrative Vehicles	8	8	8	8
Inspection Vehicles	4	4	4	4
Municipal Court Vehicles	1	1	1	1
Police				
Stations	1	1	1	1
Square footage of station	9,700	9,700	9,700	9,700
Vehicles	28	28	28	28
Fire				
Stations	1	1	1	1
Square footage of station	7,900	7,900	7,900	7,900
Vehicles:				
Aerial Tower	1	1	1	1
Pumpers	2	2	2	2
Rescue Ambulances	2	2	2	2
Utility	1	1	1	1
Staff vehicles	2	2	2	2
Recreation				
Number of Parks	5	5	5	5
Number of Pools	2	2	2	2
Number of Racquetball Courts	1	1	1	1
Number of Basketball Courts	3	3	3	3
Number of Baseball Diamonds	4	4	4	4
Number of Soccer Fields	3	3	3	3
Number of Playground Areas	6	6	6	6
Number of Vehicles	5	5	5	5
Other Public Works				
Streets (miles)	73.4	73.4	73.4	73.4
Service Vehicles	40	40	40	40
Wastewater				
Sanitary Sewers (miles)	75.5	75.5	75.5	75.5
Storm Sewers (miles)	90.5	90.5	90.5	90.5
Vehicles	2	2	2	2
Water Department				
Water Lines (miles)	84.0	84.0	84.0	84.0
Vehicles	8	8	8	8

Source: City of Berea Service Department

2015	2014	2013	2012	2011	2010
4	4	4	4	4	4
17,000	17,000	17,000	17,000	17,000	17,000
19,100	19,100	19,100	19,100	19,100	19,100
25,400	25,400	25,400	25,400	25,400	25,400
33,000	33,000	33,000	33,000	33,000	33,000
10	10	11	12	11	9
4	4	3	3	3	3
1	1	1	1	1	1
1	1	1	1	1	1
9,700	9,700	9,700	9,700	9,700	9,700
28	28	24	26	22	23
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	3	2	2
2	2	2	3	3	3
1	1	0	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	2
3	3	3	3	2	2
4	4	4	4	4	4
3	3	3	3	3	2
6	5	5	5	4	4
4	4	4	4	3	2
73.4	73.4	89.8	90.3	90.3	89.9
35	35	38	42	43	39
75.5	75.5	76.2	73.5	73.5	73.5
90.5	90.5	53.5	53.5	53.5	73.5
2	2	2	2	2	2
84.0	84.0	83.9	80.3	80.3	77.0
6	6	7	8	7	6

This page intentionally left blank.

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 11/19/2020

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

This report is a matter of public record and is available online at
www.ohioauditor.gov