



OHIO AUDITOR OF STATE
KEITH FABER



**VILLAGE OF NORTHFIELD
SUMMIT COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Village of Northfield
Summit County
10455 Northfield Road
Northfield, Ohio 44067

To the Village Council:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Village of Northfield, Summit County, Ohio (the Village), which comprises the cash balances, receipts and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village, as of December 31, 2023 and 2022, or the changes in financial position thereof for the years then ended.

Basis for Opinions

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

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the financial statements are prepared by the Village on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Village of Northfield
Summit County
Independent Auditor's Report
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We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 21, 2025, on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. 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 Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

KEITH FABER
Ohio Auditor of State



Tiffany L Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

August 21, 2025

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Village of Northfield, Ohio

Summit County

*Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2023*

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$343,237	\$3,478,123	\$0	\$3,821,360
Municipal Income Tax	7,515,567	0	0	7,515,567
Intergovernmental	211,958	401,183	0	613,141
Special Assessments	442	0	0	442
Charges for Services	620	343,465	0	344,085
Fines, Licenses and Permits	80,717	2,675	0	83,392
Earnings on Investments	579,414	15,063	0	594,477
Miscellaneous	258,210	35	0	258,245
<i>Total Cash Receipts</i>	<i>8,990,165</i>	<i>4,240,544</i>	<i>0</i>	<i>13,230,709</i>
Cash Disbursements				
Current:				
Security of Persons and Property	1,923,397	1,639,699	0	3,563,096
Public Health Services	21,781	0	0	21,781
Community Environment	10,367	0	0	10,367
Basic Utility Services	1,103,526	0	0	1,103,526
Transportation	0	183,166	19,556	202,722
General Government	1,379,950	3,765,748	0	5,145,698
Capital Outlay	919,130	99,855	0	1,018,985
Debt Service:				
Principal Retirement	0	211,989	0	211,989
Interest and Fiscal Charges	0	10,054	0	10,054
<i>Total Cash Disbursements</i>	<i>5,358,151</i>	<i>5,910,511</i>	<i>19,556</i>	<i>11,288,218</i>
<i>Excess of Receipts Over (Under) Disbursements</i>	<i>3,632,014</i>	<i>(1,669,967)</i>	<i>(19,556)</i>	<i>1,942,491</i>
Other Financing Receipts (Disbursements)				
Sale of Capital Assets	3,650	0	0	3,650
Transfers In	0	1,105,000	0	1,105,000
Transfers Out	(1,105,000)	0	0	(1,105,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<i>(1,101,350)</i>	<i>1,105,000</i>	<i>0</i>	<i>3,650</i>
<i>Net Change in Fund Cash Balances</i>	<i>2,530,664</i>	<i>(564,967)</i>	<i>(19,556)</i>	<i>1,946,141</i>
<i>Fund Cash Balances, January 1</i>	<i>6,758,187</i>	<i>2,985,617</i>	<i>25,060</i>	<i>9,768,864</i>
<i>Fund Cash Balances, December 31</i>	<i>\$9,288,851</i>	<i>\$2,420,650</i>	<i>\$5,504</i>	<i>\$11,715,005</i>

See accompanying notes to the basic financial statements

Village of Northfield, Ohio*Summit County**Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Proprietary Fund Types
For the Year Ended December 31, 2023*

	<u>Proprietary Fund Type</u>
	<u>Enterprise</u>
Operating Cash Receipts	
Charges for Services	\$283,730
Miscellaneous	6,031
	<u>289,761</u>
Operating Cash Disbursements	
Personal Services	163,578
Contractual Services	79,020
Supplies and Materials	9,752
Other	6,006
	<u>258,356</u>
<i>Total Operating Cash Receipts</i>	<u>31,405</u>
<i>Total Operating Cash Disbursements</i>	<u>31,405</u>
Non-Operating Receipts (Disbursements)	
Special Assessments	40,909
Intergovernmental Receipts	9,203
Capital Outlay	(850)
Principal Retirement	(85,096)
	<u>(35,834)</u>
<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	<u>(4,429)</u>
<i>Net Change in Fund Cash Balances</i>	<u>(4,429)</u>
<i>Fund Cash Balances, January 1</i>	<u>134,928</u>
<i>Fund Cash Balances, December 31</i>	<u>\$130,499</u>

See accompanying notes to the basic financial statements

Village of Northfield, Ohio

Summit County

*Combined Statement of Additions, Deductions
and Changes in Fund Balances (Regulatory Cash Basis)*

All Fiduciary Fund Types

For the Year Ended December 31, 2023

Additions

Fines, Licenses and Permits for Distribution

Fiduciary Fund Types

Custodial

Total Additions

\$0

Deductions

Distributions to Other Governments

\$0

Total Deductions

0

Net Change in Fund Balances

0

Fund Cash Balances, January 1

16,403

Fund Cash Balances, December 31

\$16,403

See accompanying notes to the basic financial statements

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2023**

1. Summary of Significant Accounting Policies

A. Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of Northfield, Summit County, (the Village) as a body corporate and politic. A publicly-elected, six member Council directs the Village. The Village provides general governmental services including maintenance of roads, sanitary sewer/storm sewer facilities, park operations, building and zoning, police, fire protection and emergency medical services.

Jointly Governed Organization:

The Northfield Macedonia Union Cemetery

Note 13 to the financial statements provides additional information for this entity.

The Village's management believes these financial statements present all activities for which the Village is financially accountable.

B. Accounting Basis/Basis of Presentation

These financial statements follow the accounting basis permitted by the financial provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit. This basis is similar to the cash receipts and disbursements accounting basis. The Village recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters permitted by the financial reporting provisions of Ohio Revised Code section 117.38 and Ohio Administrative Code Section 117-2-03 (C).

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary fund types and a combined statement of additions, deductions, and changes in fund balances (regulatory cash basis) for all fiduciary fund types which are organized on a fund type basis.

C. Deposits and Investments

The Village's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Investment in Star Ohio is measured 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.

D. Fund Accounting

The Village 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. The funds of the Village are presented below:

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2023**

1. Summary of Significant Accounting Policies (continued)

D. Fund Accounting (continued)

1. General Fund

The General Fund reports all financial resources except those required to be accounted for in another fund. The general fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio.

2. Special Revenue Funds

These funds account for proceeds from specific sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The Village had the following significant Special Revenue Funds:

Fire Rescue/Ambulance Levy Fund - This fund receives property tax money and charges for services for the operation of the fire department and EMS services.

Street Construction, Maintenance and Repair Fund – This fund receives gasoline tax and motor vehicle license tax money for constructing, maintaining and repairing Village streets.

Northfield Park Tax Increment Financing Fund – This fund accounts for property tax increases within the TIF district and the public improvement expenditures allowed within the TIF agreement.

3. Capital Projects Funds

This fund accounts for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The Village only had the following capital projects fund:

Ledge Road Improvement Fund - This fund receives proceeds from the Ohio Public Works Commission and operating transfers from the General Fund for various road projects.

4. Enterprise Funds

This fund accounts for operations that are similar to private business enterprises, where management intends to recover the significant costs of providing certain goods or services through user charges. The Village had the following significant Enterprise Fund:

Sanitary Sewer Fund - This fund receives charges for services from residents to cover sewer service costs.

5. Fiduciary Funds

Fiduciary funds include private purpose trust funds, investment trust funds, and custodial funds. Trust funds account for assets held under a trust agreement. The Village had no private purpose or investment trust funds.

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2023**

1. Summary of Significant Accounting Policies (continued)

D. Fund Accounting (continued)

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Village retains various refundable performance bonds related to past public works projects.

E. Budgetary Process

The Ohio Revised Code requires that each fund (except certain custodial funds) be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the legal level of control and appropriations may not exceed estimated resources. The Village's legal level of control is the Personal Service, Capital, and Other Operating by Program level for the General Fund and the Personal Service, Capital, and Other Operating level for all other funds. The Village Council must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

3. Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried forward to the subsequent year.

A summary of 2023 budgetary activity appears in Note 3.

F. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Village must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

1. Nonspendable

The Village classifies assets as nonspendable when legally or contractually required to maintain the amounts intact. For regulatory purposes nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Village and the nonexpendable portion of the corpus in permanent funds.

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2023**

1. Summary of Significant Accounting Policies (continued)

F. Fund Accounting (continued)

2. Restricted

Fund balance is *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.

3. Committed

Council can *commit* amounts via formal action (resolution). The Village must adhere to these commitments unless the Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

4. Assigned

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Village Council or a Village official delegated that authority by resolution, or by State Statute.

5. Unassigned

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Village 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. For regulatory purposes, limited disclosure related to fund balance is included in Note 12.

G. Capital Assets

The Village records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

H. Accumulated Leave

Village employees earn sick and vacation time that can be used for time off. In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2023**

1. Summary of Significant Accounting Policies (continued)

I. Settlement Monies

Ohio has reached settlement agreements with various distributors of opioids which are subject to the OneOhio memorandum of understanding. The original settlement was reached in 2021 with annual payments anticipated through 2038. For 2023, distributions of \$3,738 are reflected as miscellaneous revenue in the OneOhio Special Revenue Fund in the accompanying financial statements.

2. Equity in Pooled Deposits and Investments

The Village maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amounts of deposits and investments at December 31 were as follows:

	<u>2023</u>
Demand deposits	\$199,925
Cash on Hand	<u>1,000</u>
Total deposits	200,925
STAR Ohio	<u>11,660,982</u>
 Total deposits and investments	<u>\$11,861,907</u>

Deposits: Deposits are insured by the Federal Depository Insurance Corporation or collateralized through 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.

Investments: Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

3. Budgetary Activity

Budgetary activity for the years ending December 31, 2023 follows:

2023 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 7,302,582	\$ 8,993,815	\$ 1,691,233
Special Revenue	5,904,233	5,345,544	(558,689)
Capital Projects	302,756	-	(302,756)
Enterprise	<u>516,609</u>	<u>339,873</u>	<u>(176,736)</u>
Total	<u>\$ 14,026,180</u>	<u>\$ 14,679,232</u>	<u>\$ 653,052</u>

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2023**

3. Budgetary Activity (continued)

2023 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation	Budgetary	Variance
	Authority	Expenditures	
General	\$ 8,131,706	\$ 6,602,736	\$ 1,528,970
Special Revenue	8,270,810	5,910,511	2,360,299
Capital Projects	25,060	19,556	5,504
Enterprise	497,139	344,301	152,838
Total	\$ 16,924,715	\$ 12,877,104	\$ 4,047,611

4. Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Village.

Summit County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Village.

5. Local Income Tax

The Village levies a municipal income tax of 2 percent on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

Employers within the Village withhold income tax on employee compensation and remit the tax to the Village either monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2023**

6. Debt

Debt outstanding at December 31, 2023 was as follows:

	Principal	Interest Rate
Fire Engine	\$453,413	1.99%
OPWC Loan #CH08F	22,410	0.00%
OPWC Loan #CH05G	125,400	0.00%
OPWC Loan #CU03J	184,014	0.00%
OPWC Loan #CH15M	100,305	0.00%
OPWC Loan #CH09K	193,950	0.00%
OPWC Loan #CH05O	338,357	0.00%
OPWC Loan #CH08U	432,587	0.00%
OPWC Loan #CH06U	1,631,066	0.00%
Total	<u>\$3,481,502</u>	

The Fire Engine note relates to a 2022 Pierce Enforcer Fire Engine. Debt service payments will be paid in yearly installments of \$61,869, including interest, over 10 years.

OPWC Loan #CH08F relates to a \$448,200 general street reconstruction project. The loan payments will be paid in semi-annual installments of \$11,205 over 20 years. Forty percent of the loan will be paid from the sewer use charges and the remaining from the Special Revenue Street Construction Maintenance, and Repair Fund.

OPWC Loan #CH05G relates to a \$627,005 general street reconstruction project. The loan payments will be paid in semi-annual installments of \$15,675 over 20 years. Forty percent of the loan will be paid from the sewer use charges and the remaining from the Special Revenue Street Construction, Maintenance and Repair Fund.

OPWC Loan #CH09K relates to a \$525,755 general street construction project. The loan payments will be paid in semi-annual installments of \$13,144 over 20 years. Forty percent of the loan will be paid from the sewer use charges and the remaining from the Special Revenue Street Construction, Maintenance and Repair Fund.

OPWC Loan #CH15M relates to a \$267,480 general street construction project. The loan payments will be paid in semi-annual installments of \$6,687 over 20 years. Forty percent of the loan will be paid from the sewer use charges and the remaining from the Special Revenue, Street Construction, Maintenance and Repair Fund.

OPWC Loan #CH05O relates to a \$644,490 general street construction project. The loan payments will be paid in semi-annual installments of \$16,112 over 20 years. Forty percent of the loan will be paid from the sewer use charges and the remaining from the Special Revenue Street Construction, Maintenance and Repair Fund.

OPWC Loan #CU03J relates to a \$387,900 general street reconstruction project. The loan payments will be paid in semi-annual installments of \$6,465 over 30 years. Forty percent of the loan will be paid from the sewer use charges and the remaining from the Special Revenue Street Construction, Maintenance and Repair Fund.

OPWC Loan #CH08U relates to a \$576,783 general street construction project. The loan payments will be paid in semi-annual installments of \$14,420 over 20 years.

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2023**

6. Debt (continued)

OPWC Loan #CH06U relates to a \$1,812,295 general street construction project. The loan payments will be paid in semi-annual installments of \$60,410 over 30 years.

The Village has entered into finance purchase agreements for vehicles where ownership of the underlying asset transfers to the Village by the end of the contract. The Village disbursed \$61,869 to pay these costs for the fiscal year ended June 30, 2023.

Amortization of the above debt, including interest, is scheduled as follows:

<u>Year Ending December 31:</u>	<u>OPWC Loans</u>	<u>Finance Purchases</u>
2024	\$227,826	\$61,869
2025	205,415	61,869
2026	205,415	61,869
2027	205,415	61,869
2028	174,065	61,869
2029-2033	758,028	185,607
2034-2038	527,006	-
2039-2043	302,050	-
2044-2048	302,050	-
2049-2050	120,820	-
Total	\$3,028,090	\$494,952

7. Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some Village employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2023.

Ohio Police and Fire Retirement System

Some Village Certified Fire Fighters and all full-time Police Officers belong to the Ohio Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contributions rates. OP&F participants contributed 12.25 percent of their wages. The Village contributed to OP&F an amount equal to 19.5 percent of full-time police members' wages and 24 percent of full-time fire fighters' wages. The Village has paid all contributions required through December 31, 2023.

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2023**

7. Defined Benefit Pension Plans (continued)

Social Security

Several Village employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2023.

8. Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. OP&F uses 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. For calendar year 2023, the portion of OPERS allocated to health care was 0 percent of members in the traditional pension plan and 2 percent for members in the combined plan. For 2023, the portion of employer contributions OPERS allocated to health care of members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves. OP&F contributes 0.5 percent to fund these benefits reimbursed for health care expenses.

9. Construction and Contractual Commitments

The Village has entered into an agreement with Vendrick Construction for the renovation and expansion of the existing Fire Station. The total contract award is \$3.45 million with the remaining construction commitment of \$2.035 million and an anticipated completion date of June, 2024.

10. Risk Management

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Errors and omissions
- Commercial inland marine
- Law enforcement liability
- Public officials liability
- Employer's liability
- Commercial excess liability

The Village also provides health insurance, life, dental and vision coverage to all full-time employees.

11. Contingent Liabilities

The Village may be a defendant in various lawsuits. Although management cannot presently determine the outcome of these suits, management believes that the resolution of these matters will not materially adversely affect the Village's financial condition.

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2023**

12. Fund Balances

Included in fund balance are amounts the Village cannot spend, including the balance of unclaimed monies which cannot be spent for five years and the unexpendable corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Enterprise	Total
Nonspendable:				
Unclaimed Monies	\$138,373	-	-	\$138,373
Corpus	-	-	-	-
Outstanding Encumbrances	<u>139,584</u>	<u>-</u>	<u>-</u>	<u>139,584</u>
<i>Total</i>	<u><u>\$277,957</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$277,957</u></u>

13. Jointly Governed Organizations

The Northfield Macedonia Union Cemetery is a jointly governed organization consisting of the City of Macedonia, Northfield Village, Northfield Center Township and Sagamore Hills Township. The jointly governed organization was formed based on the boundaries in relation to the cemetery. Each of the communities contributes a nominal fee for the maintenance of the cemetery. This fee is calculated based on the community's tax value. The Board is appointed on a rotational basis by the respective four communities. During fiscal year 2023, the Village's fees were \$10,367.

14. COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency ended in April, 2023. During 2023, the Village received COVID-19 funding. The Village will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

15. Subsequent Events

On April 10, 2024, the Village approved a resolution to enter into an agreement with S&S Interiors, Inc for the design and construction of a Police Department Building. The total contract award is \$1,351,200, with an anticipated completion date of July 2025.

Village of Northfield, Ohio

Summit County

*Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2022*

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$335,478	\$2,044,513	\$0	\$2,379,991
Municipal Income Tax	6,442,788	0	0	6,442,788
Intergovernmental	391,041	278,845	0	669,886
Special Assessments	2,829	0	0	2,829
Charges for Services	750	302,280	0	303,030
Fines, Licenses and Permits	103,959	2,377	0	106,336
Earnings on Investments	151,231	8,172	0	159,403
Miscellaneous	158,531	14	0	158,545
<i>Total Cash Receipts</i>	<i>7,586,607</i>	<i>2,636,201</i>	<i>0</i>	<i>10,222,808</i>
Cash Disbursements				
Current:				
Security of Persons and Property	1,956,924	1,393,255	0	3,350,179
Public Health Services	21,630	0	0	21,630
Community Environment	10,528	0	0	10,528
Basic Utility Services	1,034,935	0	0	1,034,935
Transportation	0	286,151	424,775	710,926
General Government	1,277,320	1,263,613	0	2,540,933
Capital Outlay	658,574	21,743	0	680,317
Debt Service:				
Principal Retirement	22,851	240,053	0	262,904
Interest and Fiscal Charges	670	12,794	0	13,464
<i>Total Cash Disbursements</i>	<i>4,983,432</i>	<i>3,217,609</i>	<i>424,775</i>	<i>8,625,816</i>
<i>Excess of Receipts Over (Under) Disbursements</i>	<i>2,603,175</i>	<i>(581,408)</i>	<i>(424,775)</i>	<i>1,596,992</i>
Other Financing Receipts (Disbursements)				
Sale of Capital Assets	28,500	0	0	28,500
Transfers In	0	905,000	302,756	1,207,756
Transfers Out	(1,207,756)	0	0	(1,207,756)
<i>Total Other Financing Receipts (Disbursements)</i>	<i>(1,179,256)</i>	<i>905,000</i>	<i>302,756</i>	<i>28,500</i>
<i>Net Change in Fund Cash Balances</i>	<i>1,423,919</i>	<i>323,592</i>	<i>(122,019)</i>	<i>1,625,492</i>
<i>Fund Cash Balances, January 1</i>	<i>5,334,268</i>	<i>2,662,025</i>	<i>147,079</i>	<i>8,143,372</i>
<i>Fund Cash Balances, December 31</i>	<i>\$6,758,187</i>	<i>\$2,985,617</i>	<i>\$25,060</i>	<i>\$9,768,864</i>

See accompanying notes to the basic financial statements

Village of Northfield, Ohio*Summit County**Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Proprietary Fund Types
For the Year Ended December 31, 2022*

	<u>Proprietary Fund Type</u>
	<u>Enterprise</u>
Operating Cash Receipts	
Charges for Services	\$265,931
Miscellaneous	6,006
<i>Total Operating Cash Receipts</i>	<u>271,937</u>
Operating Cash Disbursements	
Personal Services	189,973
Contractual Services	289,523
Supplies and Materials	18,352
Other	6,006
<i>Total Operating Cash Disbursements</i>	<u>503,854</u>
<i>Operating Income (Loss)</i>	<u>(231,917)</u>
Non-Operating Receipts (Disbursements)	
Special Assessments	32,245
Intergovernmental Receipts	195,603
Capital Outlay	(10,105)
Principal Retirement	(85,096)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>132,647</u>
<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	<u>(99,270)</u>
<i>Net Change in Fund Cash Balances</i>	<u>(99,270)</u>
<i>Fund Cash Balances, January 1</i>	<u>234,198</u>
<i>Fund Cash Balances, December 31</i>	<u>\$134,928</u>

See accompanying notes to the basic financial statements

Village of Northfield, Ohio

Summit County

*Combined Statement of Additions, Deductions
and Changes in Fund Balances (Regulatory Cash Basis)*

All Fiduciary Fund Types

For the Year Ended December 31, 2022

	Fiduciary Fund Types
	<u>Custodial</u>
Additions	
Fines, Licenses and Permits for Distribution	<u>\$24,756</u>
<i>Total Additions</i>	<u>24,756</u>
Deductions	
Distributions to Other Governments	<u>\$33,781</u>
<i>Total Deductions</i>	<u>33,781</u>
<i>Net Change in Fund Balances</i>	<u>(9,025)</u>
<i>Fund Cash Balances, January 1</i>	<u>25,428</u>
<i>Fund Cash Balances, December 31</i>	<u>\$16,403</u>

See accompanying notes to the basic financial statements

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2022**

Summary of Significant Accounting Policies

A. Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Village of Northfield, Summit County, (the Village) as a body corporate and politic. A publicly-elected, six member Council directs the Village. The Village provides general governmental services including maintenance of roads, sanitary sewer/storm sewer facilities, park operations, building and zoning, police, fire protection and emergency medical services.

Jointly Governed Organization:

The Northfield Macedonia Union Cemetery

Note 12 to the financial statements provides additional information for this entity.

The Village's management believes these financial statements present all activities for which the Village is financially accountable.

B. Accounting Basis/Basis of Presentation

These financial statements follow the accounting basis permitted by the financial provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit. This basis is similar to the cash receipts and disbursements accounting basis. The Village recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters permitted by the financial reporting provisions of Ohio Revised Code section 117.38 and Ohio Administrative Code Section 117-2-03 (C).

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary fund types and a combined statement of additions, deductions, and changes in fund balances (regulatory cash basis) for all fiduciary fund types which are organized on a fund type basis.

C. Deposits and Investments

The Village's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Investment in Star Ohio is measured 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.

D. Fund Accounting

The Village 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. The funds of the Village are presented below:

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2022**

1. Summary of Significant Accounting Policies (continued)

D. Fund Accounting (continued)

1. General Fund

The General Fund reports all financial resources except those required to be accounted for in another fund. The general fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio.

2. Special Revenue Funds

These funds account for proceeds from specific sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The Village had the following significant Special Revenue Funds:

Fire Rescue/Ambulance Levy Fund - This fund receives property tax money and charges for services for the operation of the fire department and EMS services.

Street Construction, Maintenance and Repair Fund – This fund receives gasoline tax and motor vehicle license tax money for constructing, maintaining and repairing Village streets.

Northfield Park Tax Increment Financing Fund – This fund accounts for property tax increases within the TIF district and the public improvement expenditures allowed within the TIF agreement.

3. Capital Projects Funds

This fund accounts for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The Village only had the following capital projects fund:

Ledge Road Improvement Fund - This fund receives proceeds from the Ohio Public Works Commission for various road projects.

4. Enterprise Funds

This fund accounts for operations that are similar to private business enterprises, where management intends to recover the significant costs of providing certain goods or services through user charges. The Village had the following significant Enterprise Fund:

Sanitary Sewer Fund - This fund receives charges for services from residents to cover sewer service costs.

5. Fiduciary Funds

Fiduciary funds include private purpose trust funds, investment trust funds, and custodial funds. Trust funds account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Village's own programs. The Village had no private purpose trust or investment trust funds.

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2022**

1. Summary of Significant Accounting Policies (continued)

D. Fund Accounting (continued)

Custodial funds are purely custodial in nature and are used to hold resources for individual, organization or other government. The Village's significant custodial fund accounts for Mayor's court fines and bonds. The Village Council suspended Mayor's Court activities effective March 10, 2022. The Village retains various refundable performance bonds related to past public works projects.

E. Budgetary Process

The Ohio Revised Code requires that each fund (except certain custodial funds) be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the legal level of control and appropriations may not exceed estimated resources. The Village's legal level of control is the Personal Service, Capital, and Other Operating by Program level for the General Fund and the Personal Service, Capital, and Other Operating level for all other funds. The Village Council must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

3. Encumbrances

The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried forward to the subsequent year.

A summary of 2022 budgetary activity appears in Note 3.

F. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Village must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

1. Nonspendable

The Village classifies assets as nonspendable when legally or contractually required to maintain the amounts intact. For regulatory purposes nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Village and the nonexpendable portion of the corpus in permanent funds.

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2022**

1. Summary of Significant Accounting Policies (continued)

F. Fund Balance (Continued)

2. Restricted

Fund balance is *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.

3. Committed

Council can commit amounts via formal action (resolution). The Village must adhere to these commitments unless the Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

4. Assigned

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Village Council or a Village official delegated that authority by resolution, or by State Statute.

5. Unassigned

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Village 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. For regulatory purposes, limited disclosure related to fund balance is included in Note 11.

G. Capital Assets

The Village records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

H. Accumulated Leave

Village employees earn sick and vacation time that can be used for time off. In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2022**

2. Equity in Pooled Deposits and Investments

The Village maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amounts of deposits and investments at December 31 were as follows:

	<u>2022</u>
Demand deposits	\$328,213
Cash on Hand	<u>1,000</u>
Total deposits	329,213
STAR Ohio	<u>9,590,982</u>
 Total deposits and investments	<u>\$9,920,195</u>

Deposits: Deposits are insured by the Federal Depository Insurance Corporation or collateralized through 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.

Investments: Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

3. Budgetary Activity

Budgetary activity for the years ending December 31, 2022 follows:

Fund Type	2022 Budgeted vs. Actual Receipts		
	Budgeted Receipts	Actual Receipts	Variance
General	\$ 7,277,747	\$ 7,615,107	\$ 337,360
Special Revenue	3,690,869	3,541,201	(149,668)
Capital Projects	302,756	302,756	-
Enterprise	<u>516,400</u>	<u>499,785</u>	<u>(16,615)</u>
Total	<u>\$ 11,787,772</u>	<u>\$ 11,958,849</u>	<u>\$ 171,077</u>

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2022**

3. Budgetary Activity (continued)

2022 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation	Budgetary	Variance
	Authority	Expenditures	
General	\$ 6,813,133	\$ 6,191,188	\$ 621,945
Special Revenue	3,464,432	3,223,355	241,077
Capital Projects	449,835	424,775	25,060
Enterprise	649,777	599,055	50,722
Total	<u>\$ 11,377,177</u>	<u>\$ 10,438,373</u>	<u>\$ 938,804</u>

4. Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Village.

Summit County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Village.

5. Local Income Tax

The Village levies a municipal income tax of 2 percent on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

Employers within the Village withhold income tax on employee compensation and remit the tax to the Village either monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2022**

6. Debt

Debt outstanding at December 31, 2022 was as follows:

	Principal	Interest Rate
Fire Engine	\$505,227	1.99%
OPWC Loan #CH10E	17,444	0.00%
OPWC Loan #CH08F	44,820	0.00%
OPWC Loan #CH05G	156,751	0.00%
OPWC Loan #CU03J	206,880	0.00%
OPWC Loan #CH15M	113,679	0.00%
OPWC Loan #CH09K	210,302	0.00%
OPWC Loan #CH05O	370,581	0.00%
OPWC Loan #CH08U	461,426	0.00%
OPWC Loan #CH06U	1,691,476	0.00%
Total	<u>\$3,778,586</u>	

The Fire Engine note relates to a 2022 Pierce Enforcer Fire Engine. Debt service payments will be paid in yearly installments of \$61,869, including interest, over 10 years.

The Ohio Public Works Commission (OPWC) Loan #CH10E relates to a \$348,880 general street reconstruction project. The loan payments will be paid in semi-annual installments of \$8,722 over 20 years. Thirty-five percent of the loan will be paid from the sewer use charges and the remaining from the Special Revenue Street Construction, Maintenance and Repair Fund.

OPWC Loan #CH08F relates to a \$448,200 general street reconstruction project. The loan payments will be paid in semi-annual installments of \$11,205 over 20 years. Forty percent of the loan will be paid from the sewer use charges and the remaining from the Special Revenue Street Construction Maintenance, and Repair Fund.

OPWC Loan #CH05G relates to a \$627,005 general street reconstruction project. The loan payments will be paid in semi-annual installments of \$15,675 over 20 years. Forty percent of the loan will be paid from the sewer use charges and the remaining from the Special Revenue Street Construction, Maintenance and Repair Fund.

OPWC Loan #CH09K relates to a \$525,755 general street construction project. The loan payments will be paid in semi-annual installments of \$13,144 over 20 years. Forty percent of the loan will be paid from the sewer use charges and the remaining from the Special Revenue Street Construction, Maintenance and Repair Fund.

OPWC Loan #CH15M relates to a \$267,480 general street construction project. The loan payments will be paid in semi-annual installments of \$6,687 over 20 years. Forty percent of the loan will be paid from the sewer use charges and the remaining from the Special Revenue, Street Construction, Maintenance and Repair Fund.

OPWC Loan #CH05O relates to a \$644,490 general street construction project. The loan payments will be paid in semi-annual installments of \$16,112 over 20 years. Forty percent of the loan will be paid from the sewer use charges and the remaining from the Special Revenue Street Construction, Maintenance and Repair Fund.

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2022**

6. Debt (continued)

OPWC Loan #CU03J relates to a \$387,900 general street reconstruction project. The loan payments will be paid in semi-annual installments of \$6,465 over 30 years. Forty percent of the loan will be paid from the sewer use charges and the remaining from the Special Revenue Street Construction, Maintenance and Repair Fund.

OPWC Loan #CH08U relates to a \$576,783 general street construction project. The loan payments will be paid in semi-annual installments of \$14,420 over 20 years.

OPWC Loan #CH06U relates to a \$1,812,295 general street construction project. The loan payments will be paid in semi-annual installments of \$60,410 over 30 years.

The Village has entered into finance purchase agreements for vehicles where ownership of the underlying asset transfers to the Village by the end of the contract. The Village disbursed \$116,193 to pay these costs for the fiscal year ended June 30, 2022.

Amortization of the above debt, including interest, is scheduled as follows:

<u>Year Ending December 31:</u>	<u>OPWC Loans</u>	<u>Finance Purchases</u>
2023	\$245,270	\$61,869
2024	227,826	61,869
2025	205,415	61,869
2026	205,415	61,869
2027	205,415	61,869
2028-2032	797,689	247,476
2033-2037	559,231	-
2038-2042	343,819	-
2043-2047	302,049	-
2048-2050	181,230	-
Total	\$3,273,359	\$556,821

7. Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some Village employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2022.

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2022**

7. Defined Benefit Pension Plans (continued)

Ohio Police and Fire Retirement System

Some Village Certified Fire Fighters and all full-time Police Officers belong to the Ohio Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contributions rates. OP&F participants contributed 12.25 percent of their wages. The Village contributed to OP&F an amount equal to 19.5 percent of full-time police members' wages and 24 percent of full-time fire fighters' wages. The Village has paid all contributions required through December 31, 2022.

Social Security

Several Village employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2022.

8. Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients.

Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan was 0% during calendar year 2022. For the Combined Plan, the portion of the employer contributions allocated to health care was 0% from January 1, 2022, to June 30, 2022, and was 2% from July 1, 2022, to December 31, 2022.

As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2023 remains at 0% for the Traditional Pension Plan and 2% for the Combined Plan. The 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 for Member-Directed Plan participants for 2022 was 4%. OP&F contributes .5 percent to fund these benefits.

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 was placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses.

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

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2022**

9. Risk Management

The Village has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Errors and omissions
- Commercial inland marine
- Law enforcement liability
- Public officials liability
- Employer's liability
- Commercial excess liability

The Village also provides health insurance, life, dental and vision coverage to all full-time employees.

10. Contingent Liabilities

The Village may be a defendant in various lawsuits. Although management cannot presently determine the outcome of these suits, management believes that the resolution of these matters will not materially adversely affect the Village's financial condition.

11. Fund Balances

Included in fund balance are amounts the Village cannot spend, including the balance of unclaimed monies which cannot be spent for five years and the unexpendable corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Enterprise	Total
Nonspendable:				
Unclaimed Monies	\$137,811	-	-	\$137,811
Corpus	-	-	-	-
Outstanding Encumbrances	0	5,746	0	5,746
<i>Total</i>	<u>\$137,811</u>	<u>\$5,746</u>	<u>\$0</u>	<u>\$143,557</u>

12. Jointly Governed Organizations

The Northfield Macedonia Union Cemetery is a jointly governed organization consisting of the City of Macedonia, Northfield Village, Northfield Center Township and Sagamore Hills Township. The jointly governed organization was formed based on the boundaries in relation to the cemetery. Each of the communities contributes a nominal fee for the maintenance of the cemetery. This fee is calculated based on the community's tax value. The Board is appointed on a rotational basis by the respective four communities. During fiscal year 2022, the Village's fees were \$10,528.

**Village of Northfield
Summit County
Notes to the Financial Statements
December 31, 2022**

13. Subsequent Events

On April 10, 2024, the Village approved a resolution to enter into an agreement with S&S Interiors, Inc for the design and construction of a Police Department Building. The total contract award is \$1,351,200, with an anticipated completion date of July 2025.

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OHIO AUDITOR OF STATE KEITH FABER



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

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

Village of Northfield
Summit County
10455 Northfield Road
Northfield, Ohio 44067

To the Village Council:

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*, the financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the years ended December 31, 2023 and 2022 and the related notes to the financial statements of the Village of Northfield, Summit County, Ohio (the Village) and have issued our report thereon dated August 21, 2025, wherein we noted the Village followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village'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 Village's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Village of Northfield
Summit County
Independent Auditor's Report On Internal Control Over
Financial Reporting And On Compliance And Other Matters
Required By *Government Auditing Standards*
Page 2

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village'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 Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KEITH FABER
Ohio Auditor of State



Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

August 21, 2025

The Village of Northfield

10455 NORTHFIELD ROAD
NORTHFIELD VILLAGE, OHIO 44067
330-467-7139
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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

DECEMBER 31, 2023 AND 2022

Finding Number	Finding Summary	Status	Additional Information
2021-001	Financial Reports – Financial Statement Adjustments	Partially Corrected	Repeated in Management Letter.
2021-002	Mayor's Court Cash Reconciliation	Fully Corrected	Cash Reconciliation was prepared and the Mayor's Court has been disbanded.

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OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF NORTHFIELD

SUMMIT COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 9/16/2025

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

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