



Dave Yost • Auditor of State



CITY OF BEREA  
CUYAHOGA COUNTY

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# Dave Yost • Auditor of State

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

City of Berea  
Cuyahoga County  
11 Berea Commons  
Berea, Ohio 44017

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Berea, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 29, 2015.

### ***Internal Control Over Financial Reporting***

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

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

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

***Compliance and Other Matters***

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

***Purpose of this Report***

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

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

June 29, 2015

# *City of Berea, Ohio*

## *Comprehensive Annual Financial Report*



*John Mucklo Park, rededicated 2014*

*For the year ended December 31, 2014*

*Mayor Cyril M. Kleem*



**CITY OF BEREA, OHIO**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

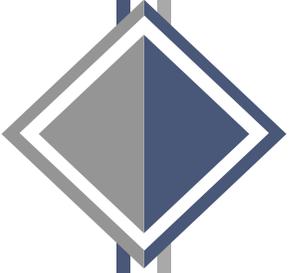
**FOR THE YEAR ENDED DECEMBER 31, 2014**

Issued by: Department of Finance  
Dana J. Kavander, CPA  
Director of Finance

**Cover Photo:** John Mucklo Park, named after John Mucklo, a Berea High School teacher and coach, who also served on City of Berea Council and was the City's first recreation director, was rededicated in 2014.

John Mucklo was a social studies, history and civics teacher for more than 40 years. He also served as a coach, assistant principal and grant-writer for the schools. He helped to found the Berea Recreation Department in 1945 and worked there part-time in the summers for 18 years and became the City's first recreation director. He was elected as a Berea Councilman-at-large in 1967 and served two three-year terms from 1968-1974. Mucklo died in 1977. The playground was renovated and enlarged as John Mucklo Park in 2014 to honor his dedication to sport and recreation in the City of Berea.





# INTRODUCTORY SECTION



**City of Berea**  
**Cuyahoga County, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2014*

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**Cuyahoga County, Ohio**  
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**Cuyahoga County, Ohio**  
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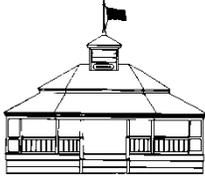
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**City of Berea**  
**Cuyahoga County, Ohio**  
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# CITY OF BEREA

*“The Grindstone City”*

**Cyril M. Kleem**  
*Mayor*

**Dana J. Kavander, CPA**  
**Director of Finance**

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Berea, Ohio 44017

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June 29, 2015

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, 2014.

This report enables the City to comply with Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis, and the Ohio Revised Code Section 117.38 which requires cities to file unaudited general purpose external financial statements with the Auditor of State within 150 days of fiscal year end.

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.

The Ohio Auditor of State has issued an unmodified (“clean”) opinion on the City of Berea’s financial statements for the year ended December 31, 2014. The independent auditor’s report is located at the front of the financial section of this report.

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

## **History of Berea**

Berea earned its name by the flip of a coin on September 27, 1836. Berea grew from an agricultural area to a quarry town in 1840. John Baldwin is credited with the discovery of a lathe to cut slabs of stone into grindstone, thus making “Berea sandstone” world famous. The grindstones were used to sharpen tools for farm, home and industry. The large sandstone from Berea quarries were used in prestigious

buildings in the United States and abroad. In the 1940's, grindstones were replaced with carbon grinding wheels, and cement was being used more often in construction. The City holds a "Grindstone Festival" every year to honor its past. (Berea Historical Society and "Men of Grit and Greatness" by W. F. Holzworth)

## **General Information**

Situated in the southwest portion of Cuyahoga County, Berea is ten miles from downtown Cleveland. The City's population from the 2010 Federal Census was 19,093 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, and 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 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 department and the Community Development, Engineering, and Housing Services department 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 the dispatch, Drug Abuse Resistance Education, Animal Control, Parking Control, Auxiliary, School Guards, Jail operations, and firearms training. The Detective Bureau oversees the City's investigative services and the Youth Diversion program.

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 110-foot Aerial Tower.

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's safe and the water lines are properly maintained. The department also handles the billing and collection for the City's water department and the Northeast Ohio Regional Sewer District. The Sewer division oversees the collection of sewage and the maintenance of the City's sewer lines.

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. The Recreation Department also supervises several baseball/softball fields and maintains several playgrounds throughout the City.

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** 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. 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.

## **Economic Condition and Outlook**

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. The City has seen an increase in commercial growth on the west side of the City as a result of the Bagley Road underpass project. Bagley Road was re-engineered as an underpass under the CSX railroad tracks. This has resulted in less traffic congestion due to the significant increase in train traffic and has opened the area up for significant economic growth with the improvement and expansion of existing businesses as well as the development of new business opportunities. The Helwig Whistle Stop retail space was developed featuring restaurants, office space and a day care center. Additional stand-alone retail and restaurant businesses have been added to this area as well as storefront improvements to existing commercial businesses.

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. This area is in transition and future development opportunities are numerous.

The City's north end is also the location of the 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's Rocco J. Colonna Industrial Park has continued to be an important contribution to the City's commercial employment and economic tax base with its many light industrial businesses. A commercial strip on the corridor includes a health food restaurant and Gold's Gym. Several businesses in the Rocco J. Colonna Industrial Park are expanding their buildings, made possible by low interest rates. The City of Berea continues to be in high demand for businesses looking for new locations to open a new business or to relocate their current business.

**Current Year Projects:** In 2014, the City's road program totaled over \$1.2 million and included 14 roads. The biggest road project was in the Wyleswood, Waterbury, and Walleyford Drive area and entailed a complete reconstruction of the streets in this residential neighborhood. In addition, Sprague Road was a joint project with the County for waterline and road improvement. The City is undertaking a multi-year program to upgrade its parks and playgrounds. In 2014, the Mucklo playground had a transformation with the replacement of its playground equipment with a handicapped accessible pirate-themed playground. In addition, plans are underway for upgrades to the Coe Lake area with designs for improved trails, fishing areas, shore restoration, pavilion replacement, and an amphitheater. In 2014, the Coe Lake pavilion was relocated to the Lou Groza Baseball Park in anticipation of a replacement pavilion in 2015 which will include separate areas for several parties, a fireplace, and outdoor patio.

**Future Outlook:** The future economic outlook for the City of Berea is encouraging. Despite the sagging economic condition nationwide, and Berea being an older community, most thought the City could not expand and grow. However, the City has seen significant changes. Several years ago, the City annexed land and additional housing was developed along with another smaller development which has helped bring higher tax bracket taxpayers that Berea has been seeking. The City anticipates continued development in both residential and commercial areas in both the City's North and Western portions of the City.

The City has completed both of its major railroad underpass/overpass projects. The completion of the overpass and underpass has resulted in an opportunity for new development. The completion of the western underpass brought new construction and development to the commercial area. The northern overpass that was recently completed includes increased land development opportunities. 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 has hired a company to assist in developing a plan for this area and anticipate some exciting improvements in this area in future development and new businesses.

The City implemented improved exterior maintenance and leasing ordinances. 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 make the necessary improvements to their homes.

## **Future Projects:**

The City is undertaking additional renovations to the First Avenue Revitalization Area which includes the Cleveland Browns Headquarters and Training Facility. The City and the Cleveland Browns have partnered up to make significant improvements to the Cleveland Browns headquarters as well as the City investing in improvements in infrastructure in this area. The City of Berea owns the facility and grounds known as the Cleveland Browns headquarters and training facility. The City and Cleveland Browns have agreed to amend the lease to provide funds for capital improvements to the facility and grounds. The amendment includes a commitment by the Cleveland Browns to remain in the facility through 2040 with an out-clause no sooner than 2029 and to contribute or participate in various community or civic events.

The City of Berea and the City of Strongsville have entered into an agreement for dispatch services to be provided by the City of Strongsville for Berea residents beginning in 2015.

The Berea Municipal Court is planning an addition to the municipal building by adding a second floor above the police station. The project is anticipated to begin in 2015 and will consist of new offices, waiting area, restrooms and judge's chambers.

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. Mucklo Park was redesigned and completed in 2014 and McKelvey Park will be completely remodeled in 2015 to include a splash pad, trees, tables and other passive recreation. In addition, plans are being reviewed for an amphitheater or outdoor stage overlooking the City's Coe Lake with construction scheduled in 2016. A new pavilion and a restoration project will begin in early 2015 which will add trees and groundcover to enhance the area, fishing areas, shore restoration and other site improvements to enhance the area.

## **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 so that all fund balances, especially the General Fund, maintain optimal balances.

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 over \$33 million dollars of 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, 2013. 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 eleven years ago. The City has received the Certificate of Achievement for the last eleven 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 on a timely basis 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 the Auditor of States' 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,



Dana J. Kavander, CPA  
Director of Finance

**CITY OF BEREА, OHIO  
PRINCIPAL OFFICIALS  
DECEMBER 31, 2014**

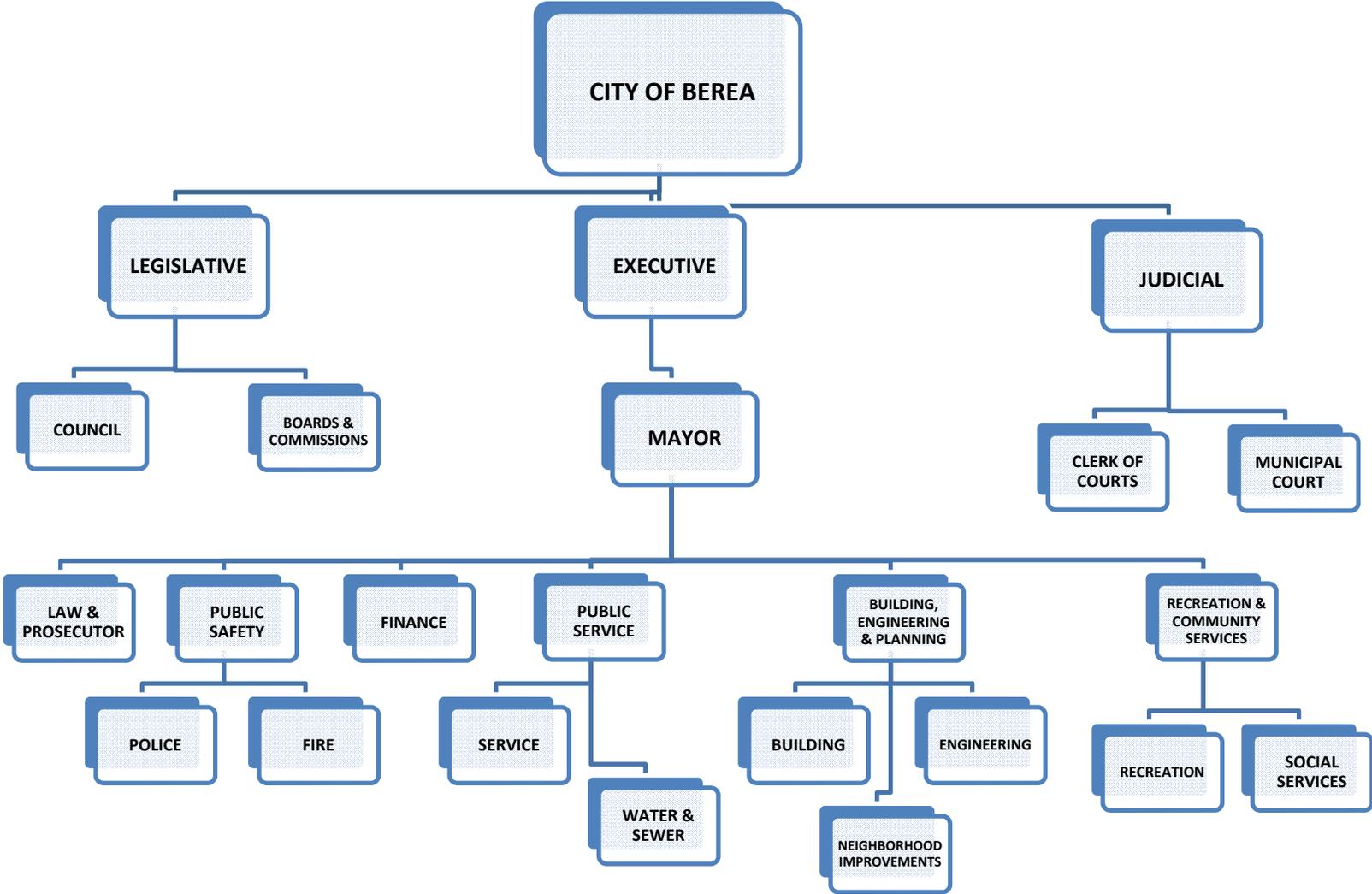
**ELECTED OFFICIALS**

Mayor	Cyril M. Kleem
President of Council	Mary K. Brown
Council Member-at-Large	Dale Lange
Council Member-at-Large	Gene Zacharyasz
Council Member - Ward 1	Margarette S. Key
Council Member - Ward 2	Nick Haschka
Council Member - Ward 3	Jim Maxwell
Council Member - Ward 4	Cheryl A. Banaszak
Council Member - Ward 5	Richard T. Malott

**APPOINTED OFFICIALS**

Director of Finance	Dana J. Kavander
Director of Law	James N. Walters, III
Director of Public Safety	Barbara Jones
Director of Public Service	Barbara Jones
Director of Recreation & Community Services	Marty Compton
Director of Housing, Engineering, and Planning	Matthew J. Madzy

City of Berea  
Organizational Chart





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

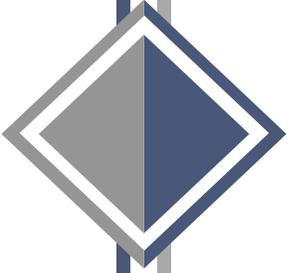
Presented to

**City of Berea  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2013**

Executive Director/CEO



# FINANCIAL SECTION





# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

City of Berea  
Cuyahoga County  
11 Berea Commons  
Berea, Ohio 44017

To the City Council:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Berea, Cuyahoga County, Ohio, (the City), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Berea, Cuyahoga County, Ohio, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

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

*Supplementary and Other Information*

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

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2015, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

June 29, 2015

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**City of Berea**  
**Cuyahoga County**  
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The discussion and analysis of the City of Berea's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2014. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements, and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

***Financial Highlights***

Key financial highlights for 2014 are as follows:

- In total, net position decreased \$3.5 million, which represents a 4 percent decrease from 2013. Net position of governmental activities decreased \$3.8 million. Net position of business-type activities increased \$0.3 million.
- Total capital assets decreased \$1.6 million in 2014. Capital assets of governmental activities decreased \$1.8 million from depreciation expense exceeding acquisitions. Capital assets of business-type activities increased \$0.1 million over 2013.
- Outstanding debt increased from \$32.3 million to \$33.6 million due to additional bond anticipation notes issued during 2014.

***Using this Comprehensive Annual Financial Report (CAFR)***

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 2014 and how they affected the operations of the City as a whole.

***Reporting the City of Berea 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 revenue and sewer revenue funds.

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A question typically asked about the City's finances is "How did we do financially during 2014?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all non-fiduciary 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 and economic 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 revenue and sewer revenue funds are reported as business activities.

***Reporting the City of Berea'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, the general bond retirement fund and the 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.

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**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 of Berea 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 2014 compared to 2013:

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

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
<b>Assets</b>						
Current and Other Assets	\$ 21,043,639	\$ 21,239,344	\$ 4,110,712	\$ 3,883,813	\$ 25,154,351	\$ 25,123,157
Capital Assets	72,679,112	74,437,357	37,792,419	37,671,043	110,471,531	112,108,400
<i>Total Assets</i>	<u>93,722,751</u>	<u>95,676,701</u>	<u>41,903,131</u>	<u>41,554,856</u>	<u>135,625,882</u>	<u>137,231,557</u>
<b>Liabilities</b>						
Long-Term Liabilities	21,553,225	19,672,885	13,504,072	14,153,866	35,057,297	33,826,751
Other Liabilities	1,370,436	1,268,179	1,077,719	339,592	2,448,155	1,607,771
<i>Total Liabilities</i>	<u>22,923,661</u>	<u>20,941,064</u>	<u>14,581,791</u>	<u>14,493,458</u>	<u>37,505,452</u>	<u>35,434,522</u>
Deferred Inflows of Resources	<u>3,537,137</u>	<u>3,661,261</u>	<u>427,793</u>	<u>442,043</u>	<u>3,964,930</u>	<u>4,103,304</u>
<b>Net Position</b>						
Net Investment in Capital Assets	55,271,913	57,752,563	23,457,040	23,626,242	78,728,953	81,378,805
Restricted	6,819,653	6,514,958	0	0	6,819,653	6,514,958
Unrestricted	<u>5,170,387</u>	<u>6,806,855</u>	<u>3,436,507</u>	<u>2,993,113</u>	<u>8,606,894</u>	<u>9,799,968</u>
<i>Total Net Position</i>	<u>\$ 67,261,953</u>	<u>\$ 71,074,376</u>	<u>\$ 26,893,547</u>	<u>\$ 26,619,355</u>	<u>\$ 94,155,500</u>	<u>\$ 97,693,731</u>

At year end, capital assets represented 81 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. The net investment in capital assets is \$78.7 million at December 31, 2014, with \$55.3 million in governmental activities and \$23.4 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, \$6.8 million or 7 percent, represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position of \$8.6 million may be used to meet the City's ongoing obligations to citizens and creditors.

Governmental activities capital assets decreased \$1.8 million due to depreciation exceeding acquisitions in 2014. Governmental activities long-term liabilities increased almost \$1.9 million from 2013, due to debt issuance exceeding annual debt service payments in 2014.

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Business-type activities had an increase in net position of \$0.3 million or 1 percent over 2013. Other liabilities increased \$0.8 million over 2013 due to a payable to the County for a joint waterline improvement project originally funded by the County.

Table 2 shows the changes in net position for fiscal year 2014 and 2013.

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

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
<b>Revenues</b>						
<i>Program Revenues:</i>						
Charges for Services and Sales	\$ 4,784,608	\$ 4,679,933	\$ 3,239,841	\$ 3,357,807	\$ 8,024,449	\$ 8,037,740
Operating Grants, Contributions and Interest	944,435	1,172,432	0	0	944,435	1,172,432
Capital Grants	0	4,607,262	0	0	0	4,607,262
<i>General Revenues:</i>						
Property Taxes	3,844,470	3,907,499	449,104	456,699	4,293,574	4,364,198
Income Taxes	11,050,350	11,876,563	0	0	11,050,350	11,876,563
Other Taxes	284,641	272,968	0	0	284,641	272,968
Grants and Entitlements	1,068,337	1,317,382	74,177	74,604	1,142,514	1,391,986
Investment Earnings	119,998	15,527	0	0	119,998	15,527
Miscellaneous	51,552	88,056	0	1,010	51,552	89,066
<i>Total Revenues</i>	<u>22,148,391</u>	<u>27,937,622</u>	<u>3,763,122</u>	<u>3,890,120</u>	<u>25,911,513</u>	<u>31,827,742</u>
<b>Program Expenses</b>						
General Government	8,291,476	7,164,279	0	0	8,291,476	7,164,279
Security of Persons and Property	6,753,040	6,852,063	0	0	6,753,040	6,852,063
Public Health	151,971	134,122	0	0	151,971	134,122
Leisure Time Services	3,223,496	4,534,669	0	0	3,223,496	4,534,669
Community Development	514,483	396,804	0	0	514,483	396,804
Public Works	1,243,488	1,167,454	0	0	1,243,488	1,167,454
Transportation	3,965,988	3,346,244	0	0	3,965,988	3,346,244
Interest and Fiscal Charges	478,972	450,406	0	0	478,972	450,406
Bond Issuance Costs	0	138,238	0	0	0	138,238
<i>Enterprise Operations:</i>						
Water Revenue	0	0	3,705,293	3,652,775	3,705,293	3,652,775
Sewer Revenue	0	0	946,637	838,650	946,637	838,650
<i>Total Program Expenses</i>	<u>24,622,914</u>	<u>24,184,279</u>	<u>4,651,930</u>	<u>4,491,425</u>	<u>29,274,844</u>	<u>28,675,704</u>
<i>Increase (Decrease) in Net Position</i>	(2,474,523)	3,753,343	(888,808)	(601,305)	(3,363,331)	3,152,038
Extraordinary Item	(174,900)	0	0	0	(174,900)	0
Transfers	(1,163,000)	(810,910)	1,163,000	810,910	0	0
<i>Change in Net Position</i>	(3,812,423)	2,942,433	274,192	209,605	(3,538,231)	3,152,038
<i>Net Position Beginning of Year</i>	<u>71,074,376</u>	<u>68,131,943</u>	<u>26,619,355</u>	<u>26,409,750</u>	<u>97,693,731</u>	<u>94,541,693</u>
<i>Net Position End of Year</i>	<u>\$ 67,261,953</u>	<u>\$ 71,074,376</u>	<u>\$ 26,893,547</u>	<u>\$ 26,619,355</u>	<u>\$ 94,155,500</u>	<u>\$ 97,693,731</u>

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**Governmental Activities**

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

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

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

Revenues decreased \$5.8 million over 2013, \$4.6 million of which was in capital grants. The City had no capital grants in 2014. Income taxes decreased \$0.8 million from 2014.

Expenses increased \$0.4 million over 2013. General government expenses increased \$1.1 million over 2013, partially due to an increase in depreciation expense allocated to general government and costs not material to capitalize, in addition to annual increases in salary and benefits. Transportation expense also increased \$0.6 million over 2013, partially due to an increase in depreciation expense and salaries and benefits. These increases were offset by leisure time services which decreased \$1.3 million from 2013. The 2013 expense included a \$1.0 million loss on the disposal of assets in the Cleveland Brown's facility. The largest program function of the City was for general government, which represents approximately 34 percent of program expenses in 2014. The next largest program function relates to security of persons and property, which includes the police and fire departments and represents approximately 27 percent of program expenses.

**Business-Type Activities**

Business-type activities include water and sewer operations. The revenues are generated primarily from charges for services. In 2014, charges for services of \$3.2 million accounted for 86 percent of the business type revenues. The total expenses for the utilities were \$4.7 million in 2014. The business-type activities had an increase in net position of \$0.3 million over 2013.

***The City's Funds***

***Governmental Funds***

Information about the City's governmental funds begins on page 18. These funds are accounted for using the modified accrual method of accounting. All governmental funds had revenues of \$22.9 million and expenditures of \$28.3 million. The funds are monitored consistently with adjustments made throughout the year in budgets to accommodate yearly revenues.

The general fund's net change in fund balance for 2014 was an increase of \$51,761.

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The fund balance of the general bond retirement fund increased by \$0.3 million due to the timing of revenues to cover principal payments.

The general capital improvement fund had a decrease in fund balance of \$74,750 from 2013. Contributing to this decrease was a \$0.2 million extraordinary item in which the City had to write off a property that was sold when the title company went bankrupt and the City could not collect the proceeds.

Other governmental funds had an increase in fund balance of \$0.6 million, primarily due to \$0.8 million in note proceeds.

***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 amounted to \$2.5 million and the unrestricted net position of the sewer revenue fund was \$1.0 million. The water revenue fund had an increase in net position of \$0.4 million due to the unused portion of a transfer in from general fund. The sewer revenue fund had a decrease in net position of \$77,900, partially due to an increase in contractual services from costs that were not capitalized.

***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 2014, the City amended its general fund budget. 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.

For the general fund, the actual revenue of \$15.0 million was \$0.2 million more than final budget basis revenue. Original budget revenue estimates of \$14.6 million were \$0.2 million less than final budget revenue with income taxes being originally estimated lower.

Final expenditure appropriations of \$11.9 million were \$0.2 million higher than the actual expenditures of \$11.7 million, as cost savings were recognized for general government and security of persons and property throughout the year. Original expenditure appropriations were \$0.3 million less than final appropriations.

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**Capital Assets and Debt Administration**

**Capital Assets**

At the end of year 2014, the City had \$110.5 million invested in capital assets, net of depreciation. A total of \$72.7 million of this was for governmental activities and \$37.8 million being attributable to business-type activities. Table 3 shows fiscal year 2014 balances compared with 2013.

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

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 10,652,093	\$ 9,317,472	\$ 93,181	\$ 93,181	\$ 10,745,274	\$ 9,410,653
Intangible	2,183,636	2,183,636	1,154,237	1,154,237	3,337,873	3,337,873
Land Improvements	2,220,092	2,392,764	108,514	158,639	2,328,606	2,551,403
Buildings	5,949,240	6,133,773	2,653,534	2,773,646	8,602,774	8,907,419
Building Improvements	11,079,961	11,549,765	1,879,876	1,776,814	12,959,837	13,326,579
Machinery and Equipment	1,401,431	1,356,373	2,735,996	2,846,400	4,137,427	4,202,773
Furniture and Fixtures	32,075	43,006	10,078	14,298	42,153	57,304
Vehicles	548,678	599,790	25,364	39,497	574,042	639,287
Bridges	6,255,965	6,535,797	0	0	6,255,965	6,535,797
Roads	26,015,932	26,849,844	0	0	26,015,932	26,849,844
Sidewalks	1,080,116	1,169,787	0	0	1,080,116	1,169,787
Traffic Signals	3,341,391	3,482,327	0	0	3,341,391	3,482,327
Water Lines	0	0	9,289,337	8,761,513	9,289,337	8,761,513
Storm Sewers	0	0	10,941,473	11,296,219	10,941,473	11,296,219
Sanitary Sewers	0	0	8,525,235	8,705,020	8,525,235	8,705,020
Construction in Progress	1,918,502	2,823,023	375,594	51,579	2,294,096	2,874,602
<b>Total</b>	<b>\$ 72,679,112</b>	<b>\$ 74,437,357</b>	<b>\$ 37,792,419</b>	<b>\$ 37,671,043</b>	<b>\$ 110,471,531</b>	<b>\$ 112,108,400</b>

The \$1.8 million decrease in capital assets of governmental activities was attributable to depreciation and disposals exceeding current year acquisitions. The \$0.1 million increase in business-type activities is due to current year acquisitions exceeding depreciation and disposals. See Note 8 for additional information about the capital assets of the City.

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**Debt**

The outstanding debt for the City as of December 31, 2014 was \$33.6 million. See Note 12 for additional details. Table 4 summarizes outstanding debt.

**Table 4**  
**Outstanding Debt, at December 31**

	Governmental Activities		Business-Type Activities Activities		Total	
	2014	2013	2014	2013	2014	2013
<i>General Obligation Bonds:</i>						
2006 Various Purpose Bonds	\$ 4,185,000	\$ 4,850,000	\$ 0	\$ 0	\$ 4,185,000	\$ 4,850,000
2010 Various Purpose Bonds	2,445,000	2,530,000	0	0	2,445,000	2,530,000
2013 Various Purpose Bonds	3,905,000	4,005,000	0	0	3,905,000	4,005,000
<i>Other Obligations:</i>						
OWDA Loans	0	0	10,502,187	11,147,766	10,502,187	11,147,766
OPWC Loans	2,083,284	2,093,417	1,354,118	1,355,625	3,437,402	3,449,042
Loan Payable	0	0	320,157	329,859	320,157	329,859
Bond Anticipation Notes	7,467,500	4,514,500	1,160,000	1,138,000	8,627,500	5,652,500
Capital Leases	128,370	214,233	63,111	92,690	191,481	306,923
<b>Totals</b>	<b>\$ 20,214,154</b>	<b>\$ 18,207,150</b>	<b>\$ 13,399,573</b>	<b>\$ 14,063,940</b>	<b>\$ 33,613,727</b>	<b>\$ 32,271,090</b>

**Current Financial Related Activities**

The City is financially stable despite the national economic situation. Over the past few years the City has experienced a reduction in revenues and has had to reevaluate the way it provides its services to the residents. We have maintained our commitment to a strong, fiscally responsible financial plan to live within our means. With the loss of revenue in the City's general fund due to cuts in the distribution of local government funds at the State level, the elimination of inheritance tax, and the loss of property tax revenues due to a reduction in property values throughout the County and in various areas of the country, the City is evaluating its expenditures for a reduction in costs. The City has seen a slight reduction in wages due to pending retirements with limited replacements and a reduction in expenditures for departmental budgets. 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 costs to offset losses in revenues.

The City has continued its stance on improvements to the City's infrastructure. The ability to apply for grants in combination with the non-interest loans has continued to prove that the City has made a serious commitment to actively look for funds to assist in the improvements needed for our community. The City has undertaken several key projects to improve the neighborhoods throughout the City to include purchasing a home in the City's north end. The City also completed a major water line, storm sewer, and sanitary sewer improvements to the City's Westbridge, Elmwood, Oakdale, and Parkway Drive neighborhood. The City has also purchased several dilapidated and vacant properties in the City's north end area and demolished the buildings in anticipate of future development in the City's uptown district.

**City of Berea**  
**Cuyahoga County**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2014*  
*(Unaudited)*

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While the cost increases for medical insurance are unavoidable in today's environment, the City is working diligently to maintain a high level of coverage for its employees at the lowest cost possible. Several years ago, the City developed a self-funded insurance program and has been able to minimize its cost increases and reduce its health care costs. All employees who are eligible for health insurance contribute fifteen (15%) percent of the actual costs of the insurance. The City has also created a Health Insurance Committee, which is made up of a member from each union and one person from the non-union sector, to review costs and consider cost-saving measures to contain the premiums for health insurance.

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 is currently completing a marketing plan to assist in discussions with developers to revitalize and develop this uptown area.

The City developed a six-year Capital Improvement Plan to review upcoming capital projects through 2019 and to review funding sources for these projects. The City continues to be fiscally responsible with a plan of over \$33 million in capital improvements over the six-year planning period without increasing its outstanding debt.

***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, Dana J. Kavander, CPA, CPFA, CFE, CIA, City of Berea, 11 Berea Commons, Berea, Ohio 44017, e-mail [dkavander@cityofberea.org](mailto:dkavander@cityofberea.org) or telephone 440-826-5889. We also offer information regarding our City on our web site, [www.cityofberea.org](http://www.cityofberea.org).

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**City of Berea**  
**Cuyahoga County, Ohio**  
*Statement of Net Position*  
*December 31, 2014*

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 10,330,167	\$ 2,142,021	\$ 12,472,188
Accounts Receivable	403,100	1,410,707	1,813,807
Intergovernmental Receivable	887,918	31,319	919,237
Taxes Receivable	7,134,148	464,494	7,598,642
Special Assessments Receivable	655,898	0	655,898
Loans Receivable	1,463,693	0	1,463,693
Prepaid Items	2,988	9,838	12,826
Materials and Supplies Inventory	165,727	52,333	218,060
Non-Depreciable Capital Assets	14,754,231	1,623,012	16,377,243
Depreciable Capital Assets, Net	57,924,881	36,169,407	94,094,288
<i>Total Assets</i>	<u>93,722,751</u>	<u>41,903,131</u>	<u>135,625,882</u>
<b>Liabilities</b>			
Accounts Payable	351,170	22,850	374,020
Accrued Wages	393,762	38,659	432,421
Intergovernmental Payable	334,650	795,999	1,130,649
Accrued Interest Payable	66,454	220,211	286,665
Claims Payable	224,400	0	224,400
Long-Term Liabilities:			
Due Within One Year	8,582,851	1,771,887	10,354,738
Due in More Than One Year	12,970,374	11,732,185	24,702,559
<i>Total Liabilities</i>	<u>22,923,661</u>	<u>14,581,791</u>	<u>37,505,452</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Next Year	3,537,137	427,793	3,964,930
<b>Net Position</b>			
Net Investment in Capital Assets	55,271,913	23,457,040	78,728,953
Restricted for:			
Debt Service	2,973,127	0	2,973,127
Street Lighting	969,411	0	969,411
Street Maintenance and Repair	445,028	0	445,028
Court Operations and Capital Outlay	1,667,683	0	1,667,683
Security Operations	107,601	0	107,601
Drug and Alcohol Programs	468,872	0	468,872
Other Purposes	187,931	0	187,931
Unrestricted	5,170,387	3,436,507	8,606,894
<i>Total Net Position</i>	<u>\$ 67,261,953</u>	<u>\$ 26,893,547</u>	<u>\$ 94,155,500</u>

See accompanying notes to the basic financial statements.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2014

	Expenses	Program Revenues	
		Charges for Services and Sales	Operating Grants, Contributions and Interest
<b>Governmental Activities</b>			
General Government	\$ 8,291,476	\$ 2,678,278	\$ 10,000
Security of Persons and Property	6,753,040	1,166,634	107,585
Public Health	151,971	7,848	22,263
Leisure Time Services	3,223,496	643,457	0
Community Development	514,483	32,363	0
Public Works	1,243,488	0	0
Transportation	3,965,988	256,028	804,587
Interest and Fiscal Charges	478,972	0	0
<i>Total Governmental Activities</i>	<u>24,622,914</u>	<u>4,784,608</u>	<u>944,435</u>
<b>Business-Type Activities</b>			
Water Revenue	3,705,293	2,496,104	0
Sewer Revenue	946,637	743,737	0
<i>Total Business-Type Activities</i>	<u>4,651,930</u>	<u>3,239,841</u>	<u>0</u>
<i>Total Primary Government</i>	<u>\$ 29,274,844</u>	<u>\$ 8,024,449</u>	<u>\$ 944,435</u>

**General Revenues:**

Property Taxes Levied for:  
General Purposes  
Police and Fire Pension  
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*

Extraordinary Item (See Note 2 R)  
Transfers

*Total General Revenues, Extraordinary  
Item and Transfers*

*Change in Net Position*

*Net Position Beginning of Year*

*Net Position End of Year*

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
\$ (5,603,198)	\$ 0	\$ (5,603,198)
(5,478,821)	0	(5,478,821)
(121,860)	0	(121,860)
(2,580,039)	0	(2,580,039)
(482,120)	0	(482,120)
(1,243,488)	0	(1,243,488)
(2,905,373)	0	(2,905,373)
(478,972)	0	(478,972)
<u>(18,893,871)</u>	<u>0</u>	<u>(18,893,871)</u>
0	(1,209,189)	(1,209,189)
<u>0</u>	<u>(202,900)</u>	<u>(202,900)</u>
0	(1,412,089)	(1,412,089)
<u>(18,893,871)</u>	<u>(1,412,089)</u>	<u>(20,305,960)</u>
1,547,123	0	1,547,123
745,322	0	745,322
1,552,025	0	1,552,025
0	449,104	449,104
11,050,350	0	11,050,350
284,641	0	284,641
1,068,337	74,177	1,142,514
119,998	0	119,998
51,552	0	51,552
<u>16,419,348</u>	<u>523,281</u>	<u>16,942,629</u>
(174,900)	0	(174,900)
<u>(1,163,000)</u>	<u>1,163,000</u>	<u>0</u>
15,081,448	1,686,281	16,767,729
(3,812,423)	274,192	(3,538,231)
<u>71,074,376</u>	<u>26,619,355</u>	<u>97,693,731</u>
<u>\$ 67,261,953</u>	<u>\$ 26,893,547</u>	<u>\$ 94,155,500</u>

See accompanying notes to the basic financial statements.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Balance Sheet*  
*Governmental Funds*  
*December 31, 2014*

	General	General Bond Retirement	General Capital Improvement	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 2,766,647	\$ 1,812,637	\$ 1,168,074	\$ 3,917,838	\$ 9,665,196
Accounts Receivable	327,489	0	400	75,211	403,100
Intergovernmental Receivable	381,408	99,550	6,278	400,682	887,918
Taxes Receivable	4,910,901	1,476,427	0	746,820	7,134,148
Special Assessments Receivable	12,455	10,738	0	632,705	655,898
Loans Receivable	0	0	1,463,693	0	1,463,693
Interfund Receivable	0	1,000,000	0	0	1,000,000
Prepaid Items	2,988	0	0	0	2,988
Materials and Supplies Inventory	25,500	0	0	140,227	165,727
<i>Total Assets</i>	<u>\$ 8,427,388</u>	<u>\$ 4,399,352</u>	<u>\$ 2,638,445</u>	<u>\$ 5,913,483</u>	<u>\$ 21,378,668</u>
<b>Liabilities</b>					
Accounts Payable	\$ 131,977	\$ 0	\$ 125,000	\$ 94,193	\$ 351,170
Accrued Wages	345,366	0	0	48,396	393,762
Intergovernmental Payable	220,596	0	0	114,054	334,650
Interfund Payable	0	0	1,000,000	0	1,000,000
<i>Total Liabilities</i>	<u>697,939</u>	<u>0</u>	<u>1,125,000</u>	<u>256,643</u>	<u>2,079,582</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes Levied for the Next Year	1,489,542	1,359,771	0	687,824	3,537,137
Unavailable Revenue - Delinquent Property Taxes	127,848	116,656	0	58,996	303,500
Unavailable Revenue - Income Taxes	1,062,625	0	0	0	1,062,625
Unavailable Revenue - Other	370,260	110,288	0	909,167	1,389,715
<i>Total Deferred Inflows of Resources</i>	<u>3,050,275</u>	<u>1,586,715</u>	<u>0</u>	<u>1,655,987</u>	<u>6,292,977</u>
<b>Fund Balances</b>					
Nonspendable	79,707	0	0	140,227	219,934
Restricted	0	2,812,637	0	2,815,923	5,628,560
Committed	906,735	0	1,513,445	1,055,478	3,475,658
Assigned	16,501	0	0	0	16,501
Unassigned	3,676,231	0	0	(10,775)	3,665,456
<i>Total Fund Balances</i>	<u>4,679,174</u>	<u>2,812,637</u>	<u>1,513,445</u>	<u>4,000,853</u>	<u>13,006,109</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 8,427,388</u>	<u>\$ 4,399,352</u>	<u>\$ 2,638,445</u>	<u>\$ 5,913,483</u>	<u>\$ 21,378,668</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, 2014*

<b>Total Governmental Fund Balances</b>		\$ 13,006,109
 <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.		72,679,112
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Delinquent Property Taxes	\$ 303,500	
Income Taxes	1,062,625	
Intergovernmental	678,167	
Special Assessments	655,898	
Charges for Services	55,650	2,755,840
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.		440,571
Accrued interest payable is not due and payable in the current period and therefore not reported in the funds.		(66,454)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(10,535,000)	
OPWC Loans	(2,083,284)	
Bond Anticipation Notes	(7,467,500)	
Bond Premium	(144,632)	
Police and Fire Pension	(200,787)	
Capital Leases	(128,370)	
Compensated Absences	(993,652)	(21,553,225)
<i>Net Position of Governmental Activities</i>		<b>\$ 67,261,953</b>

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, 2014*

	General	General Bond Retirement	General Capital Improvement	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Property Taxes	\$ 1,487,092	\$ 1,518,922	\$ 0	\$ 722,789	\$ 3,728,803
Income Taxes	11,823,354	0	0	0	11,823,354
Other Local Taxes	284,641	0	0	0	284,641
Special Assessments	10,065	10,769	0	667,124	687,958
Charges for Services	123,885	0	0	922,336	1,046,221
Licenses and Permits	322,364	0	0	37,277	359,641
Fines and Forfeitures	1,438,347	0	0	1,098,141	2,536,488
Intergovernmental	834,780	237,121	78,403	933,571	2,083,875
Interest	119,998	10,000	0	4,517	134,515
Rent	96,618	0	0	43,613	140,231
Contributions and Donations	0	0	0	51,111	51,111
Reimbursements	2,448	0	179	1,655	4,282
Other	4,751	0	0	10,184	14,935
<i>Total Revenues</i>	<u>16,548,343</u>	<u>1,776,812</u>	<u>78,582</u>	<u>4,492,318</u>	<u>22,896,055</u>
<b>Expenditures</b>					
Current:					
General Government	6,291,146	47,182	0	844,797	7,183,125
Security of Persons and Property	4,896,360	0	0	1,458,155	6,354,515
Public Health	0	0	0	151,971	151,971
Leisure Time Services	429,866	0	0	1,605,030	2,034,896
Community Development	291,721	0	0	0	291,721
Public Works	1,215,079	0	0	0	1,215,079
Transportation	0	0	0	925,472	925,472
Capital Outlay	0	0	2,361,789	1,790,625	4,152,414
Debt Service:					
Principal Retirement	0	5,364,500	95,996	6,064	5,466,560
Interest and Fiscal Charges	0	459,331	18,369	8,728	486,428
<i>Total Expenditures</i>	<u>13,124,172</u>	<u>5,871,013</u>	<u>2,476,154</u>	<u>6,790,842</u>	<u>28,262,181</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>3,424,171</u>	<u>(4,094,201)</u>	<u>(2,397,572)</u>	<u>(2,298,524)</u>	<u>(5,366,126)</u>
<b>Other Financing Sources (Uses)</b>					
Proceeds from Sale of Capital Assets	0	0	2,722	0	2,722
Premium on Debt Issuance	0	42,965	0	0	42,965
Proceeds from Notes Issued	0	5,452,500	1,195,000	820,000	7,467,500
Transfers In	0	0	1,300,000	2,047,410	3,347,410
Transfers Out	(3,372,410)	(1,138,000)	0	0	(4,510,410)
<i>Total Other Financing Sources (Uses)</i>	<u>(3,372,410)</u>	<u>4,357,465</u>	<u>2,497,722</u>	<u>2,867,410</u>	<u>6,350,187</u>
<b>Extraordinary Item</b>					
Extraordinary Item (See Note 2 R)	0	0	(174,900)	0	(174,900)
<i>Net Change in Fund Balance</i>	51,761	263,264	(74,750)	568,886	809,161
<i>Fund Balance Beginning of Year</i>	<u>4,627,413</u>	<u>2,549,373</u>	<u>1,588,195</u>	<u>3,431,967</u>	<u>12,196,948</u>
<i>Fund Balance End of Year</i>	<u>\$ 4,679,174</u>	<u>\$ 2,812,637</u>	<u>\$ 1,513,445</u>	<u>\$ 4,000,853</u>	<u>\$ 13,006,109</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, 2014*

<b>Net Change in Fund Balances - Total Governmental Funds</b>	\$	809,161
 <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. This is the amount by which depreciation exceeded additions in the current period.		
Capital Asset Additions	\$ 2,888,508	
Current Year Depreciation	<u>(4,617,914)</u>	(1,729,406)
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.		
		(28,839)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent Property Taxes	(2,690)	
Income Tax	(710,358)	
Intergovernmental	(6,087)	
Charges for Services	(62,646)	
Special Assessments	<u>(8,848)</u>	(790,629)
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	850,000	
OPWC Loans	10,133	
Bond Anticipation Notes	4,514,500	
Capital Lease	85,863	
Police and Fire Pension	<u>6,064</u>	5,466,560
Debt proceeds issued in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues.		
Bond Anticipation Notes		(7,467,500)
In the statement of activities, interest is accrued on outstanding bonds, and bond premium and the gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Accrued Interest Payable	(3,482)	
Amortization of Premium on Bonds	<u>10,938</u>	7,456
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.		
		(188,888)
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>109,662</u>
<i>Change in Net Position of Governmental Activities</i>	\$	<u><u>(3,812,423)</u></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, 2014*

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Property Taxes	\$ 1,542,574	\$ 1,487,092	\$ 1,487,092	\$ 0
Income Taxes	11,075,039	11,430,444	11,650,100	219,656
Other Local Taxes	272,000	277,533	277,533	0
Special Assessments	8,000	10,065	10,065	0
Charges for Services	384,000	130,389	125,388	(5,001)
Licenses and Permits	360,000	313,674	322,364	8,690
Fines and Forfeitures	95,000	76,779	78,445	1,666
Intergovernmental	581,824	813,736	823,701	9,965
Interest	100,000	127,437	128,796	1,359
Rent	111,000	94,307	96,618	2,311
Refunds and Reimbursements	55,000	1,900	1,900	0
Other	12,000	11,074	4,147	(6,927)
<i>Total Revenues</i>	<u>14,596,437</u>	<u>14,774,430</u>	<u>15,006,149</u>	<u>231,719</u>
<b>Expenditures</b>				
Current:				
General Government	4,773,930	5,008,187	4,854,598	153,589
Security of Persons and Property	4,973,024	4,906,884	4,857,936	48,948
Leisure Time Services	447,774	424,009	423,864	145
Community Development	289,600	306,322	292,470	13,852
Public Works	1,112,363	1,250,287	1,250,038	249
<i>Total Expenditures</i>	<u>11,596,691</u>	<u>11,895,689</u>	<u>11,678,906</u>	<u>216,783</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,999,746</u>	<u>2,878,741</u>	<u>3,327,243</u>	<u>448,502</u>
<b>Other Financing Sources (Uses)</b>				
Advances In	125,000	13,278	13,278	0
Advances Out	(125,000)	(58,278)	(58,278)	0
Transfers Out	(3,132,410)	(3,372,410)	(3,372,410)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(3,132,410)</u>	<u>(3,417,410)</u>	<u>(3,417,410)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(132,664)	(538,669)	(90,167)	448,502
<i>Fund Balance Beginning of Year</i>	2,739,272	2,739,272	2,739,272	0
Prior Year Encumbrances Appropriated	23,684	23,684	23,684	0
<i>Fund Balance End of Year</i>	<u>\$ 2,630,292</u>	<u>\$ 2,224,287</u>	<u>\$ 2,672,789</u>	<u>\$ 448,502</u>

See accompanying notes to the basic financial statements.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Statement of Fund Net Position*  
*Proprietary Funds*  
*December 31, 2014*

	Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Revenue	Sewer Revenue	Total	
<b>Assets</b>				
<i>Current Assets:</i>				
Equity in Pooled Cash and Investments	\$ 1,450,026	\$ 691,995	\$ 2,142,021	\$ 664,971
Accounts Receivable	1,003,765	406,942	1,410,707	0
Intergovernmental Receivable	31,319	0	31,319	0
Taxes Receivable	464,494	0	464,494	0
Prepaid Items	9,838	0	9,838	0
Materials and Supplies Inventory	52,333	0	52,333	0
<i>Total Current Assets</i>	<u>3,011,775</u>	<u>1,098,937</u>	<u>4,110,712</u>	<u>664,971</u>
<i>Non-Current Assets:</i>				
Non-Depreciable Capital Assets	1,317,788	305,224	1,623,012	0
Depreciable Capital Assets, Net	24,123,270	12,046,137	36,169,407	0
<i>Total Non-Current Assets</i>	<u>25,441,058</u>	<u>12,351,361</u>	<u>37,792,419</u>	<u>0</u>
<i>Total Assets</i>	<u>28,452,833</u>	<u>13,450,298</u>	<u>41,903,131</u>	<u>664,971</u>
<b>Liabilities</b>				
<i>Current Liabilities:</i>				
Accounts Payable	15,405	7,445	22,850	0
Accrued Wages	22,299	16,360	38,659	0
Intergovernmental Payable	786,914	9,085	795,999	0
Accrued Interest Payable	161,147	59,064	220,211	0
Claims Payable	0	0	0	224,400
Compensated Absences Payable	2,781	1,463	4,244	0
Capital Leases Payable	30,878	0	30,878	0
Bond Anticipation Notes Payable	860,000	300,000	1,160,000	0
Loans Payable	0	29,105	29,105	0
OPWC Loans Payable	0	54,004	54,004	0
OWDA Loans Payable	336,846	156,810	493,656	0
<i>Total Current Liabilities</i>	<u>2,216,270</u>	<u>633,336</u>	<u>2,849,606</u>	<u>224,400</u>
<i>Long-Term Liabilities:</i>				
Compensated Absences Payable - Net of Current Portion	77,314	22,941	100,255	0
Capital Leases Payable - Net of Current Portion	32,233	0	32,233	0
Loans Payable - Net of Current Portion	0	291,052	291,052	0
OPWC Loans Payable - Net of Current Portion	13,576	1,286,538	1,300,114	0
OWDA Loans Payable - Net of Current Portion	7,723,842	2,284,689	10,008,531	0
<i>Total Long-Term Liabilities</i>	<u>7,846,965</u>	<u>3,885,220</u>	<u>11,732,185</u>	<u>0</u>
<i>Total Liabilities</i>	<u>10,063,235</u>	<u>4,518,556</u>	<u>14,581,791</u>	<u>224,400</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes Levied for the Next Year	427,793	0	427,793	0
<b>Net Position</b>				
Net Investment in Capital Assets	15,507,877	7,949,163	23,457,040	0
Unrestricted	2,453,928	982,579	3,436,507	440,571
<i>Total Net Position</i>	<u>\$ 17,961,805</u>	<u>\$ 8,931,742</u>	<u>\$ 26,893,547</u>	<u>\$ 440,571</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, 2014*

	Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Revenue	Sewer Revenue	Totals	
<b>Operating Revenues</b>				
Charges for Services	\$ 2,496,104	\$ 743,737	\$ 3,239,841	\$ 3,260,522
Reimbursements	0	0	0	313,576
<i>Total Operating Revenues</i>	<u>2,496,104</u>	<u>743,737</u>	<u>3,239,841</u>	<u>3,574,098</u>
<b>Operating Expenses</b>				
Personal Services	1,418,812	346,840	1,765,652	0
Contractual Services	339,730	156,653	496,383	861,217
Materials and Supplies	541,250	31,771	573,021	0
Claims	0	0	0	2,891,180
Depreciation	1,079,541	300,130	1,379,671	0
Other	7,280	3,211	10,491	10,589
<i>Total Operating Expenses</i>	<u>3,386,613</u>	<u>838,605</u>	<u>4,225,218</u>	<u>3,762,986</u>
<i>Operating Income (Loss)</i>	<u>(890,509)</u>	<u>(94,868)</u>	<u>(985,377)</u>	<u>(188,888)</u>
<b>Non-Operating Revenues (Expense)</b>				
Intergovernmental	74,177	0	74,177	0
Property Taxes	449,104	0	449,104	0
Interest and Fiscal Charges	(318,680)	(108,032)	(426,712)	0
<i>Total Non-Operating Revenues (Expense)</i>	<u>204,601</u>	<u>(108,032)</u>	<u>96,569</u>	<u>0</u>
<i>Income (Loss) Before Transfers</i>	<u>(685,908)</u>	<u>(202,900)</u>	<u>(888,808)</u>	<u>(188,888)</u>
Transfers In	<u>1,038,000</u>	<u>125,000</u>	<u>1,163,000</u>	<u>0</u>
<i>Change in Net Position</i>	352,092	(77,900)	274,192	(188,888)
<i>Net Position Beginning of Year</i>	<u>17,609,713</u>	<u>9,009,642</u>	<u>26,619,355</u>	<u>629,459</u>
<i>Net Position End of Year</i>	<u>\$ 17,961,805</u>	<u>\$ 8,931,742</u>	<u>\$ 26,893,547</u>	<u>\$ 440,571</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, 2014

	Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Revenue	Sewer Revenue	Totals	
<b>Cash Flows from Operating Activities</b>				
Cash Received from Customers	\$ 2,590,441	\$ 752,842	\$ 3,343,283	\$ 3,599,954
Cash Payments to Suppliers for Goods and Services	(543,745)	(31,771)	(575,516)	0
Cash Payments to Employees for Services and Benefits	(1,419,011)	(330,806)	(1,749,817)	0
Cash Payments for Contractual Services	(358,108)	(153,518)	(511,626)	(875,574)
Cash Payments for Claims	0	0	0	(2,876,100)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>269,577</u>	<u>236,747</u>	<u>506,324</u>	<u>(151,720)</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Intergovernmental Revenue	74,600	0	74,600	0
Property Taxes	449,450	0	449,450	0
Transfers In	0	25,000	25,000	0
<i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>	<u>524,050</u>	<u>25,000</u>	<u>549,050</u>	<u>0</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Proceeds of Bond Anticipation Notes	860,000	300,000	1,160,000	0
Proceeds of OPWC Loans	0	52,496	52,496	0
Proceeds of OWDA Loans	21,525	0	21,525	0
Acquisition of Capital Assets	(688,762)	(53,126)	(741,888)	0
Principal Payments on Debt and Leases	(1,549,817)	(347,530)	(1,897,347)	0
Interest Payments on Debt and Leases	(333,776)	(111,519)	(445,295)	0
Transfers in for Debt Payments	1,038,000	100,000	1,138,000	0
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(652,830)</u>	<u>(59,679)</u>	<u>(712,509)</u>	<u>0</u>
<i>Net Increase (Decrease) in Cash and Investments</i>	140,797	202,068	342,865	(151,720)
<i>Cash and Investments Beginning of Year</i>	1,309,229	489,927	1,799,156	816,691
<i>Cash and Investments End of Year</i>	<u>\$ 1,450,026</u>	<u>\$ 691,995</u>	<u>\$ 2,142,021</u>	<u>\$ 664,971</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>				
Operating Income (Loss)	\$ (890,509)	\$ (94,868)	\$ (985,377)	\$ (188,888)
Adjustments:				
Depreciation	1,079,541	300,130	1,379,671	0
(Increase) Decrease in Assets:				
Accounts Receivable	94,337	9,105	103,442	25,856
Prepaid Items	4	0	4	0
Materials and Supplies Inventory	(2,499)	0	(2,499)	0
Increase (Decrease) in Liabilities:				
Accounts Payable	(11,098)	6,346	(4,752)	(3,768)
Accrued Wages	(10,847)	11,507	660	0
Compensated Absences Payable	12,839	1,734	14,573	0
Intergovernmental Payable	(2,191)	2,793	602	0
Claims Payable	0	0	0	15,080
<i>Net Cash Provided by (Used For) Operating Activities</i>	<u>\$ 269,577</u>	<u>\$ 236,747</u>	<u>\$ 506,324</u>	<u>\$ (151,720)</u>

**Noncash Capital Financing Activities:**

As of December 31, 2014 the water fund recorded an OWDA principal adjustment of \$1,041 as a decrease in loan balance. The City purchased capital assets on account in the amount of \$759,159 in 2014.

See accompanying notes to the basic financial statements.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Agency Funds*  
*December 31, 2014*

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	<u>Agency Funds</u>
<b>Assets</b>	
Equity in Pooled Cash and Investments	\$ 1,118,585
Cash in Segregated Accounts	94,700
Accounts Receivable	<u>1,469,857</u>
<i>Total Assets</i>	<u><u>\$ 2,683,142</u></u>
<b>Liabilities</b>	
Accounts Payable	\$ 902,727
Due to Other Governments	1,599,059
Deposits Held and Due to Others	<u>181,356</u>
<i>Total Liabilities</i>	<u><u>\$ 2,683,142</u></u>

See accompanying notes to the basic financial statements.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*

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

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

**The Reporting Entity**

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

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

The City participates in several jointly governed organizations, including the Northeast Ohio Public Energy Council, the Southwest Council of Governments, the Southwest General Health Center, the Woodvale Union Cemetery 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.

**A. Basis of Presentation**

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*

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***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.

**B. Fund Accounting**

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

***Governmental Funds*** - Governmental funds are those 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. The income tax revenues collected in the municipal income tax fund are designated for water, sewer, recreation, debt and capital expenditures. These funds cannot be spent for any other reason.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*

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The allocation 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 the one-half of the City's admission tax revenues and other 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 and treatment plant 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 agency 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. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's only fiduciary funds are agency funds that account for regional sewer collections, deposits held for contractors and developers, 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, 2014*

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**C. 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 provides information about how the City finances and meets the cash flow needs of the proprietary activities.

**D. Basis of Accounting**

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

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*

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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 Inflows of Resources and Deferred Outflows of Resources***

A deferred inflow of resources is an acquisition of assets by the City that is applicable to a future reporting period. A deferred outflow of resources is a consumption of assets by the City that is applicable to a future reporting period.

Property taxes for which there is an enforceable legal claim as of December 31, 2014, but which were levied to finance 2015 operations, and other revenues received in advance of the year for which they were intended to finance, have been recorded as deferred inflows of resources. Income taxes and special assessments not received within the available period, grants and entitlements received before the eligibility requirements are met and delinquent property taxes due at December 31, 2014, are recorded as deferred inflows of resources in governmental funds.

On governmental fund financial statements receivables that will not be collected within the available period have been reported as a deferred inflow of resources - unavailable revenue.

**E. Cash and Investments**

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

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

Investments are reported at fair value which is based on quoted market prices.

During 2014, investments were limited to money market funds, negotiable certificates of deposit, Federal Farm Credit Bank, Federal Home Loan Bank, and Federal National Mortgage government bonds and State Treasury Asset Reserve of Ohio (STAR Ohio).

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*

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STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2014.

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 2014 amounted to \$119,998, which includes \$93,676 assigned from other City funds. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. See Note 5, "Deposits and Investments."

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."

**F. Materials and 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.

**G. Inventory Held for Resale**

Inventory held for resale represents properties purchased by or donated to the City. These properties are valued based upon the purchase price plus any costs of maintenance, rehabilitation or demolition of homes on the properties. The City holds the properties until they are sold.

**H. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2014, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

**I. Capital Assets**

General capital assets are 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.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*

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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 fair market values 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, intangible 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

**J. Interfund Balances**

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

**K. Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the 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 leave and employees' wage rates at year end, taking into consideration any limits specified in the City's termination policies.

**L. Accrued Liabilities and Long-Term Obligations**

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*

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

**M. Fund Balance**

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.

*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. 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.

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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.

**N. 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. At December 31, 2014, there was no net position restricted by enabling legislation.

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

**O. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services 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.

**P. 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.

**Q. 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.

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

**R. 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.

In 2014, the City sold a property it was holding for resale. During the closing process, the title company went bankrupt and the City received no proceeds for the sale. It does not appear that the City will receive the amount owed and has written off the cost of the property in the amount of \$174,900. The City will be exercising all legal avenues to recover the proceeds in the sale.

**S. 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.

**T. Budgetary Data**

All funds, except agency 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 2014.

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.

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**U. Implementation of New Accounting Principles**

For the fiscal year ended December 31, 2014, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 69, *Government Combinations and Disposals of Government Operations* and GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*.

GASB Statement No. 69 addresses accounting and financial reporting for government combinations (including mergers, acquisitions and transfers of operations) and disposals of government operations. The implementation of GASB Statement No. 69 did not have an effect on the financial statements of the City.

GASB Statement No. 70 improves comparability of financial statements by requiring consistent reporting and specifying information required to be disclosed for extending and receiving nonexchange financial guarantees. The implementation of GASB Statement No. 70 did not have an effect on the financial statements of the City.

**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.

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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	\$ 51,219	\$ 0	\$ 0	\$ 0	\$ 51,219
Inventory for Consumption	25,500	0	0	140,227	165,727
Prepays	2,988	0	0	0	2,988
Total Nonspendable	<u>79,707</u>	<u>0</u>	<u>0</u>	<u>140,227</u>	<u>219,934</u>
<u>Restricted for:</u>					
Bond Retirement	0	2,812,637	0	0	2,812,637
Court Operations and Capital Outlay	0	0	0	1,672,235	1,672,235
Drug and Alcohol Programs	0	0	0	468,872	468,872
Security Operations and Programs	0	0	0	180,800	180,800
Street Improvement and Repair	0	0	0	157,310	157,310
Street Lighting	0	0	0	336,706	336,706
Total Restricted	<u>0</u>	<u>2,812,637</u>	<u>0</u>	<u>2,815,923</u>	<u>5,628,560</u>
<u>Committed to:</u>					
Income Tax (See Note 6 A)	529,996	0	0	0	529,996
Retirements	319,905	0	0	0	319,905
Recreational Programs	0	0	0	45,663	45,663
Court Operations and Capital Outlay	56,834	0	0	0	56,834
Neighborhood Capital Improvement	0	0	0	87,738	87,738
Recreation Capital Outlay	0	0	0	554,573	554,573
Safety Equipment Capital Outlay	0	0	0	367,504	367,504
General Capital Improvements	0	0	1,513,445	0	1,513,445
Total Committed	<u>906,735</u>	<u>0</u>	<u>1,513,445</u>	<u>1,055,478</u>	<u>3,475,658</u>
<u>Assigned for:</u>					
Encumbrances:					
General Government	4,932	0	0	0	4,932
Security of Persons and Property	10,993	0	0	0	10,993
Community Development	576	0	0	0	576
Total Assigned	<u>16,501</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>16,501</u>
Unassigned (Deficit)	<u>3,676,231</u>	<u>0</u>	<u>0</u>	<u>(10,775)</u> *	<u>3,665,456</u>
Total Fund Balance (Deficit)	<u>\$ 4,679,174</u>	<u>\$ 2,812,637</u>	<u>\$ 1,513,445</u>	<u>\$ 4,000,853</u>	<u>\$ 13,006,109</u>

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\* Fund balance at December 31, 2014 included the following individual fund deficit, net of a nonspendable balance for materials and supply inventory of \$387:

	Deficit Fund Balance
<i>Other Governmental Funds:</i>	
Recreation Fund	\$ 10,388

The deficit in this fund resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in this fund 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).
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. Advances in and advances out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
5. 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.

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**Net Change in Fund Balance**

	General **
GAAP Basis	\$ 51,761
Net Adjustment for Revenue Accruals	(124,594)
Advance In	13,278
Advance Out	(58,278)
Net Adjustment for Expenditure Accruals	47,393
Funds Budgeted Elsewhere	10,381
Encumbrances	(30,108)
Budget Basis	\$ (90,167)

\*\* 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.

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, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution. Interim monies may be invested or deposited in the following securities:

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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 and STAR Plus);
7. Certain banker's acceptances and commercial paper notes in an amount not to exceed 25 percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned to it. Protection of the City's cash and deposits is provided by the Federal Deposit Insurance Corporation, as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize all uninsured public deposits. The face value of the pooled collateral must equal at least 105 percent of uninsured public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

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**Cash on Hand** - At December 31, 2014 the City had \$10,600 in undeposited cash on hand, which is included in the balance sheet of the City as part of "Equity in Pooled Cash and Investments."

**Deposits** - At year-end, the carrying amount of the City's deposits was \$9,534,144 and the bank balance was \$9,713,708. Of the bank balance:

1. \$7,691,539 was covered by Federal depository insurance, by collateral held by the City, or by collateral held by the City's agent in the name of the City; and
2. \$2,022,169 was uninsured and uncollateralized. 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.

The municipal court bond fund is maintained separately from the City's deposits. The carrying amount of the deposits was \$94,700 ("Cash in Segregated Accounts") and the bank balance was \$280,070. Of the bank balance, \$250,000 was covered by Federal depository insurance and \$30,070 was uninsured and uncollateralized.

**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. The City follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investments Pools*, and records all its investments at fair value. All investments are in an internal investment pool.

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

Standard & Poor's	Investment	Fair Value	Investment Maturities (in years)			% Total
			Less than 1	1 - 3	More than 3	
AAAm	STAR Ohio	\$ 66,275	\$ 66,275	\$ 0	\$ 0	1.6%
	U.S. Agency Notes:					
AAA	Federal Home Loan Bank	2,342,817	118,877	0	2,223,940	57.9%
AAA	Federal Farm Credit	739,553	0	739,553	0	18.3%
AAA	Federal National Mortgage Assn.	256,969	0	0	256,969	6.4%
A+	JP Morgan Money Market	640,415	640,415	0	0	15.8%
		<u>\$ 4,046,029</u>	<u>\$ 825,567</u>	<u>\$ 739,553</u>	<u>\$ 2,480,909</u>	<u>100.0%</u>

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***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.

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 STAROhio 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, 2014, is 50 days and carries a rating of AAAM by Standard and Poor's.

***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. The City has no investment policy that would further limit its investment choices.

***Custodial Credit Risk*** - For an investment, custodial risk is that risk that, in the event of the failure of the counterparty, the City will no longer be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment in repurchase agreements is collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

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

#### **NOTE 6 – RECEIVABLES**

Receivables at December 31, 2014 consisted primarily 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 and delinquent special assessments will primarily be collected in more than one year and amount to \$12,455 in the general fund, \$10,738 in the general bond retirement fund and \$632,705 in other governmental funds.

#### **A. 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.

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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 2014 were \$11,650,100, which was allocated at \$8,737,575 to the general fund and \$2,912,525 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 \$11,050,350 in the governmental activities. At year end, the municipal income tax fund had \$529,996 in unencumbered committed funds, for financial statement purposes, that will be allocated to other funds as approved by the municipal income tax levy.

**B. Property Taxes**

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2014 for real and public utility property taxes represents collections of the 2013 taxes.

2014 real property taxes were levied after October 1, 2014 on the assessed value as of January 1, 2014, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2014 real property taxes are collected in and intended to finance 2015.

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.

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. 2014 public utility property taxes which became a lien December 31, 2013, are levied after October 1, 2014, and are collected in 2015 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2014, was \$16.80 per \$1,000 of assessed valuation. The assessed values of real property upon which 2014 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Property	\$ 370,767,270
Public Utilities - Real	75,840
Public Utilities - Personal	<u>8,714,150</u>
Total	<u>\$ 379,557,260</u>

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The County Fiscal Officer collects property taxes on behalf of all taxing districts within the County, including the City. The County Fiscal Officer 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, 2014, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2014 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.

**C. 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 annual debt service payments to the City of Berea to help make the annual debt service payments to OPWC.

As of December 31, 2014, there is a long-term OWPC loan payable by the City in the amount of \$1,900,900 (See Note 12). A corresponding long-term loan receivable has been reported in the City’s financial statements in the amount of \$1,463,693, which represents the combined amount owed (77 percent) 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.

**NOTE 7 - INTERFUND BALANCES AND TRANSFERS**

**A. Interfund Balances**

The account balances reported in the fund financial statements for “interfund receivable” and “interfund payable” as of December 31, 2014 are as follows:

Fund	Interfund Receivable	Interfund Payable
General Bond Retirement Fund	\$ 1,000,000	\$ 0
General Capital Improvement Fund	0	1,000,000
Total	\$ 1,000,000	\$ 1,000,000

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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 2014, the City paid \$525,000 to pay off the treasury investment issued in 2013. The City then issued a new treasury investment in the amount of \$1,000,000, 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 on March 27, 2015 with an interest rate of 1.00 percent.

**B. Interfund Transfers**

Transfers Out	Transfers In				Total
	General Capital Improvement	Nonmajor Governmental	Water Revenue	Sewer Revenue	
General Fund	\$ 1,300,000	\$ 2,047,410	\$ 0	\$ 25,000	\$ 3,372,410
General Bond Retirement	0	0	1,038,000	100,000	1,138,000
Total	<u>\$ 1,300,000</u>	<u>\$ 2,047,410</u>	<u>\$ 1,038,000</u>	<u>\$ 125,000</u>	<u>\$ 4,510,410</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them; to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to provide additional resources for current operations or debt service; to segregate money for anticipated capital projects; and to return money to the fund from which it was originally provided once a project is completed. In 1992, the voters authorized the municipal income tax levy. Proceeds from the levy are recorded in the general fund, for financial statement purposes, and can be transferred out for water, sewer, recreation, debt and capital expenditures as approved annually by Council. These funds cannot be spent for any other reason. The following transfers out were made from the general fund:

Fund	Amount
Recreation Fund	\$ 945,000
Recreation Capital Improvement Fund	39,200
General Capital Improvement Fund	1,300,000
Safety Capital Improvement Fund	13,000
Neighborhood Capital Improvement Fund	715,210
Sewer Revenue Fund	25,000
Total	<u>\$ 3,037,410</u>

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In addition, the general fund transferred \$115,000 to the street maintenance and repair fund, \$95,000 to the fire pension fund and \$125,000 to the police pension fund for expenditures.

The general bond retirement fund transferred \$1,038,000 to the water revenue fund and \$100,000 to the sewer revenue fund to pay debt issues relating to water and sewer improvements. The City has a voted debt levy that can be used for any type of debt.

In 2014, the internal transfers between entity-wide activities are as follows:

	Transfers	
	Governmental Activities	Business-Type Activities
Cash Transfers	\$ (1,163,000)	\$ 1,163,000

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**NOTE 8 - CAPITAL ASSETS**

A summary of changes in capital assets during 2014 follows:

	Balance 1/1/14	Additions	Reductions	Balance 12/31/14
<b>Governmental Activities</b>				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$ 9,317,472	\$ 1,334,621	\$ 0	\$10,652,093
Intangible	2,183,636	0	0	2,183,636
Construction in Progress	2,823,023	644,076	(1,548,597)	1,918,502
<i>Total Capital Assets Not Being Depreciated</i>	<u>14,324,131</u>	<u>1,978,697</u>	<u>(1,548,597)</u>	<u>14,754,231</u>
<i>Capital Assets Being Depreciated</i>				
Land Improvements	9,204,413	136,466	0	9,340,879
Buildings	14,351,058	164,815	0	14,515,873
Building Improvements	26,669,756	371,738	0	27,041,494
Machinery and Equipment	5,235,355	302,288	0	5,537,643
Furniture and Fixtures	996,917	10,000	0	1,006,917
Vehicles	1,873,921	146,576	(28,125)	1,992,372
Infrastructure:				
Bridges	9,087,509	0	0	9,087,509
Roads	48,419,749	1,326,525	(289,093)	49,457,181
Sidewalks	1,793,411	0	0	1,793,411
Traffic Signals	4,228,094	0	0	4,228,094
<i>Total Capital Assets Being Depreciated</i>	<u>121,860,183</u>	<u>2,458,408</u>	<u>(317,218)</u>	<u>124,001,373</u>
<i>Accumulated Depreciation</i>				
Land Improvements	(6,811,649)	(309,138)	0	(7,120,787)
Buildings	(8,217,285)	(349,348)	0	(8,566,633)
Building Improvements	(15,119,991)	(841,542)	0	(15,961,533)
Machinery and Equipment	(3,878,982)	(257,230)	0	(4,136,212)
Furniture and Fixtures	(953,911)	(20,931)	0	(974,842)
Vehicles	(1,274,131)	(186,482)	16,919	(1,443,694)
Infrastructure:				
Bridges	(2,551,712)	(279,832)	0	(2,831,544)
Roads	(21,569,905)	(2,142,804)	271,460	(23,441,249)
Sidewalks	(623,624)	(89,671)	0	(713,295)
Traffic Signals	(745,767)	(140,936)	0	(886,703)
<i>Total Accumulated Depreciation</i>	<u>(61,746,957)</u>	<u>(4,617,914)</u>	<u>288,379</u>	<u>(66,076,492)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>60,113,226</u>	<u>(2,159,506)</u>	<u>(28,839)</u>	<u>57,924,881</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$74,437,357</u>	<u>\$ (180,809)</u>	<u>\$ (1,577,436)</u>	<u>\$72,679,112</u>

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	Balance 1/1/14	Additions	Reductions	Balance 12/31/14
<b>Business-Type Activities</b>				
<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	51,579	523,725	(199,710)	375,594
<i>Total Capital Assets Not Being Depreciated</i>	<u>1,298,997</u>	<u>523,725</u>	<u>(199,710)</u>	<u>1,623,012</u>
<i>Capital Assets Being Depreciated</i>				
Land Improvements	959,509	0	0	959,509
Buildings	4,941,378	0	0	4,941,378
Building Improvements	2,147,132	199,710	0	2,346,842
Machinery and Equipment	5,271,276	165,038	0	5,436,314
Furniture and Fixtures	49,252	0	0	49,252
Vehicles	129,524	0	0	129,524
Infrastructure:				
Water Lines	11,046,656	759,158	0	11,805,814
Storm Sewers	14,677,353	5,675	0	14,683,028
Sanitary Sewers	11,338,075	47,451	0	11,385,526
<i>Total Capital Assets Being Depreciated</i>	<u>50,560,155</u>	<u>1,177,032</u>	<u>0</u>	<u>51,737,187</u>
<i>Accumulated Depreciation</i>				
Land Improvements	(800,870)	(50,125)	0	(850,995)
Buildings	(2,167,732)	(120,112)	0	(2,287,844)
Building Improvements	(370,318)	(96,648)	0	(466,966)
Machinery and Equipment	(2,424,876)	(275,442)	0	(2,700,318)
Furniture and Fixtures	(34,954)	(4,220)	0	(39,174)
Vehicles	(90,027)	(14,133)	0	(104,160)
Infrastructure:				
Water Lines	(2,285,143)	(231,334)	0	(2,516,477)
Storm Sewers	(3,381,134)	(360,421)	0	(3,741,555)
Sanitary Sewers	(2,633,055)	(227,236)	0	(2,860,291)
<i>Total Accumulated Depreciation</i>	<u>(14,188,109)</u>	<u>(1,379,671)</u>	<u>0</u>	<u>(15,567,780)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>36,372,046</u>	<u>(202,639)</u>	<u>0</u>	<u>36,169,407</u>
<b>Business-Type Activities Capital Assets, Net</b>	<u>\$37,671,043</u>	<u>\$ 321,086</u>	<u>\$ (199,710)</u>	<u>\$37,792,419</u>

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Depreciation expense was charged to governmental activities as follows:

	<u>Depreciation</u>
Security of Persons and Property	\$ 404,919
Leisure Time Services	1,007,278
Public Works	27,639
Transportation	2,547,985
General Government	630,093
Total Depreciation Expense	\$ 4,617,914

**NOTE 9 - DEFINED BENEFIT PENSION PLANS**

Plan Description – 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 in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 1-800-222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For 2014, member and employer contribution rates were consistent across all three plans. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan.

For the year ended December 31, 2014, members in state and local classifications contributed 10.0 percent of covered payroll while public safety and law enforcement members contributed 12.0 percent and 13.0 percent, respectively.

The City’s 2014 contribution rate was 14.0 percent, except for those plan members in law enforcement or public safety, for whom the City’s contribution was 18.1 percent of covered payroll. The portion of

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employer contributions used to fund pension benefits is net of postemployment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 2.0 percent during calendar year 2014. The portion of employer contributions allocated to health care for members in the Combined Plan was 2.0 percent during calendar year 2014.

The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2014, 2013, and 2012, were \$863,384, \$777,837, and \$600,228, respectively. For 2014, 92 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2013 and 2012. Contributions made to the Member-Directed Plan for 2014 were \$12,153 made by the City and \$8,680 made by the plan members.

***Ohio Police and Fire Pension Fund***

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. 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 for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F's website at [www.op-f.org](http://www.op-f.org).

Funding Policy - From January 1, 2014 through July 1, 2014, plan members were required to contribute 10.75 percent of their annual covered salary. From July 2, 2014 through December 31, 2014, plan members were required to contribute 11.5 percent of their annual covered salary. Throughout 2014, employers were required to contribute 19.5 percent for police officers and 24.0 percent for firefighters. The City's contributions to OP&F for police and firefighters were \$417,442 and \$418,717 for the year ended December 31, 2014, \$347,627 and \$358,228 for the year ended December 31, 2013, and \$290,129 and \$305,107 for the year ended December 31, 2012, respectively. 92.6 percent for police and 92.7 percent for firefighters has been contributed for 2014. The full amount has been contributed for 2013 and 2012.

In addition to current contributions, the City pays installments on the accrued liability incurred when the State of Ohio established the statewide pension system for police and firefighters in 1967. As of December 31, 2014, the unfunded liability of the City was \$200,787, payable in semi-annual payments through the year 2035. This is an accounting liability of the City which will not vary.

***Social Security System***

As of December 31, 2014, none of the Council members have elected to be covered by Social Security rather than OPERS.

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**NOTE 10 - POSTEMPLOYMENT BENEFITS**

***Ohio Public Employees Retirement System***

Plan Description – Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan – a cost sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost sharing, multiple employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan, which includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and Combined Plans. Members of the Member-Directed plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 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 Postemployment Benefit (OPEB) as described in GASB Statement 45. OPERS' eligibility requirements for post-employment health care coverage changed for those retiring on and after January 1, 2015. Please see the Plan Statement in the 2013 stand-alone financial report referred to below.

The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 1-800-222-7377.

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care coverage.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2014, state and local employers contributed at a rate of 14.0 percent of covered payroll, 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 members do not make contributions to the OPEB Plan.

OPERS' Postemployment Health Care plan was established under, and is administered in accordance with Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding postemployment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan and Combined Plan was 2.0 percent during calendar year 2014. Effective January 1, 2015, the portion of

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employer contributions allocated to health care remains at 2.0 percent for both plans, as recommended by OPERS' actuary. The OPERS Board of Trustees 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 OPERS Board of Trustees is also authorized to establish rules for the retiree, or their surviving beneficiaries, to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and coverage selected.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2014, 2013, and 2012 were \$123,670, \$59,808 and \$242,229, respectively. For 2014, 92 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2013 and 2012.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

***Ohio Police and Fire Pension Fund***

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

OP&F provides access to post-retirement 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 Postemployment Benefit (OPEB) as described in GASB Statement 45.

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 healthcare 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. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F's website at [www.op-f.org](http://www.op-f.org).

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 by the Ohio Revised Code to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24.0 percent of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution

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may not exceed 19.5 percent of covered payroll for police employer units and 24.0 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. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

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. The portion of employer contribution allocated to health care was 0.5 percent of covered payroll from January 1, 2014 through December 31, 2014. 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).

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

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$10,985 and \$8,909 for the year ended December 31, 2014, \$80,582 and \$63,600 for the year ended December 31, 2013, and \$153,598 and \$119,390 for the year ended December 31, 2012. 92.6 percent has been contributed for police and 92.7 percent has been contributed for firefighters for 2014. The full amount has been contributed for 2013 and 2012.

**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 firefighters, sick leave is earned at the rate of four and one sixteenth 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.

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**NOTE 12 - LONG-TERM OBLIGATIONS**

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

	Original Issue Date	Maturity Date	Interest Rate	Original Issue Amount
<b>General Obligation Bonds</b>				
2006 Various Purpose Refunding Bonds	2006	2026	3.75%	\$ 7,365,000
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
<b>OPWC Loans</b>				
Sewer	2005	2025	0.00%	370,069
Sewer	2007	2027	0.00%	710,000
Sewer	2011	2030	0.00%	61,500 *
Sewer	2013	2043	0.00%	600,000 *
Water	2011	2031	0.00%	41,000 *
Governmental Activities	2009	2029	0.00%	1,900,900
Governmental Activities	2012	2032	0.00%	202,650
<b>OWDA Loans</b>				
Sewer	1994	2014	4.56%	465,000
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
<b>OWDA Loans</b>				
Water	1994	2014	6.72%	1,135,000
Water	2000	2014	5.56%	550,000
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%	3,783,447 *
Water	2011	2042	3.49%	914,952 *

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

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A schedule of changes in long-term obligations of the City during 2014 follows:

	Balance 1/1/14	Additions	Reductions	Balance 12/31/14	Due Within One Year
<b>Governmental Activities</b>					
<i>General Obligation Bonds</i>					
2006 Various Purpose Bonds	\$ 4,850,000	\$ 0	\$ (665,000)	\$ 4,185,000	\$ 690,000
2010 Various Purpose Bonds	2,530,000	0	(85,000)	2,445,000	105,000
2013 Various Purpose Bonds	4,005,000	0	(100,000)	3,905,000	100,000
<i>Total General Obligation Bonds</i>	<u>11,385,000</u>	<u>0</u>	<u>(850,000)</u>	<u>10,535,000</u>	<u>895,000</u>
<i>Bond Anticipation Notes</i>					
1.00% Various Improvement Notes	3,484,500	0	(3,484,500)	0	0
1.00% Various Improvement Notes	750,000	0	(750,000)	0	0
1.00% Various Improvement Notes	100,000	0	(100,000)	0	0
1.00% Various Improvement Notes	180,000	0	(180,000)	0	0
.75% Various Improvement Notes	0	5,452,500	0	5,452,500	5,452,500
.75% Various Improvement Notes	0	1,195,000	0	1,195,000	1,195,000
.75% Various Improvement Notes	0	820,000	0	820,000	820,000
<i>Total Bond Anticipation Notes</i>	<u>4,514,500</u>	<u>7,467,500</u>	<u>(4,514,500)</u>	<u>7,467,500</u>	<u>7,467,500</u>
<i>OPWC Loans Payable</i>					
2009 Road Improvements	1,900,900	0	0	1,900,900	47,523
2012 Bridge Replacement	192,517	0	(10,133)	182,384	10,133
<i>Total OPWC Loans</i>	<u>2,093,417</u>	<u>0</u>	<u>(10,133)</u>	<u>2,083,284</u>	<u>57,656</u>
<i>Other Long Term Obligations</i>					
<i>Capital Lease Obligations:</i>					
Plow Tractor	26,449	0	(26,449)	0	0
Asphalt Truck	58,652	0	(28,640)	30,012	30,012
Caterpillar	129,132	0	(30,774)	98,358	31,758
<i>Total Capital Lease Obligations</i>	<u>214,233</u>	<u>0</u>	<u>(85,863)</u>	<u>128,370</u>	<u>61,770</u>
Unamortized Bond Premium	155,570	0	(10,938)	144,632	10,938
Compensated Absences	1,103,314	80,626	(190,288)	993,652	83,829
Police and Fire Pension Liability	206,851	0	(6,064)	200,787	6,158
<i>Total Other Long Term Obligations</i>	<u>1,679,968</u>	<u>80,626</u>	<u>(293,153)</u>	<u>1,467,441</u>	<u>162,695</u>
<b>Total Governmental Activities</b>	<u>\$ 19,672,885</u>	<u>\$ 7,548,126</u>	<u>\$ (5,667,786)</u>	<u>\$ 21,553,225</u>	<u>\$ 8,582,851</u>

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	Balance 1/1/14	Additions	Reductions	Balance 12/31/14	Due Within One Year
<b>Business-Type Activities</b>					
<i>OWDA Loans</i>					
Water	\$ 52,345	\$ 0	\$ (52,345)	\$ 0	\$ 0
Water	98,200	0	(98,200)	0	0
Water	695,765	0	(38,655)	657,110	40,383
Water	994,006	0	(23,949)	970,057	24,959
Water	1,511,423	0	(84,443)	1,426,980	80,248
Water	974,165	0	(20,874)	953,291	21,884
Water	3,394,074	0	(146,525)	3,247,549	150,604
Water	802,464	21,525	(18,288)	805,701	18,768
Sewer	34,517	0	(34,517)	0	0
Sewer	374,563	0	(32,446)	342,117	34,429
Sewer	273,967	0	(44,027)	229,940	46,466
Sewer	993,349	0	(28,712)	964,637	30,065
Sewer	610,412	0	(17,112)	593,300	17,760
Sewer	230,580	0	(15,897)	214,683	16,585
Sewer	107,936	0	(11,114)	96,822	11,505
<i>Total OWDA Loans</i>	<u>11,147,766</u>	<u>21,525</u>	<u>(667,104)</u>	<u>10,502,187</u>	<u>493,656</u>
<i>OPWC Loans</i>					
Sewer	231,290	0	(18,503)	212,787	18,504
Sewer	550,250	0	(35,500)	514,750	35,500
Sewer	20,364	0	0	20,364	0
Sewer	540,145	52,496	0	592,641	0
Water	13,576	0	0	13,576	0
<i>Total OPWC Loans</i>	<u>1,355,625</u>	<u>52,496</u>	<u>(54,003)</u>	<u>1,354,118</u>	<u>54,004</u>
Loan Payable	<u>329,859</u>	<u>0</u>	<u>(9,702)</u>	<u>320,157</u>	<u>29,105</u>
<i>Bond Anticipation Note</i>					
1.00% Various Improvement Note	1,038,000	0	(1,038,000)	0	0
1.00% Various Improvement Note	100,000	0	(100,000)	0	0
.75% Various Improvement Note	0	860,000	0	860,000	860,000
.75% Various Improvement Note	0	300,000	0	300,000	300,000
<i>Total Bond Anticipation Notes</i>	<u>1,138,000</u>	<u>1,160,000</u>	<u>(1,138,000)</u>	<u>1,160,000</u>	<u>1,160,000</u>
<i>Other Long Term Obligations</i>					
<i>Capital Lease Obligation:</i>					
International	92,690	0	(29,579)	63,111	30,878
Compensated Absences	89,926	29,932	(15,359)	104,499	4,244
<i>Total Other Long Term Obligations</i>	<u>182,616</u>	<u>29,932</u>	<u>(44,938)</u>	<u>167,610</u>	<u>35,122</u>
<b>Total Business-Type Activities</b>	<u>\$ 14,153,866</u>	<u>\$ 1,263,953</u>	<u>\$ (1,913,747)</u>	<u>\$ 13,504,072</u>	<u>\$ 1,771,887</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
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*For the Year Ended December 31, 2014*

*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 obligation debt service fund. The general obligation bonds outstanding as of December 31, 2014 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 in the amount of \$2.725 million 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.

Serial Bonds

<u>Year</u>	<u>Amount</u>
2015	\$ 105,000

<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>
2016	\$ 65,000	2021	\$ 195,000	2026	\$ 135,000
2017	65,000	2022	200,000	2027	140,000
2018	65,000	2023	210,000	2028	145,000
2019	180,000	2024	220,000	2029	150,000
2020	185,000	2025	225,000	2030	160,000

In March 2013, the City issued general obligation bonds in the amount of \$4.0 million 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>
2015	\$ 100,000	2020	\$ 250,000
2016	100,000	2021	260,000
2017	100,000	2022	270,000
2018	100,000	2023	270,000
2019	245,000		

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
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<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		

**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 C.) and the water and sewer enterprise funds.

The City has pledged future net customer revenue to repay \$5,021,958 and \$727,537 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 76.2 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 \$7,461,747 and \$727,537, respectively, which includes the full principal and interest payments on the fully drawn down loans. Principal and interest paid for the current year and total net available revenues were \$718,639 and \$942,575, respectively.

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

**Notes Payable** - In 2014, the City issued \$8,627,500 in Various Purpose Notes to purchase vehicles and equipment for various departments, improvement and construction projects, and replacing sewer and waterlines. The notes will be paid by the general bond retirement fund, the general capital improvement fund, the recreation capital improvement fund, the water revenue fund and the sewer revenue fund.

**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.

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

The City has the ability to issue \$5,541,154 of additional debt without obtaining voter approval. Principal and interest requirements to retire the long-term debt obligations outstanding at December 31, 2014 are as follows:

**City of Berea**  
**Cuyahoga County, Ohio**  
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*For the Year Ended December 31, 2014*

**Governmental Activities**

Year	General Obligation Bonds		OPWC	Totals	
	Principal	Interest	Principal	Principal	Interest
2015	\$ 895,000	\$ 375,620	\$ 57,656	\$ 952,656	\$ 375,620
2016	885,000	345,752	105,178	990,178	345,752
2017	910,000	313,176	105,178	1,015,178	313,176
2018	930,000	277,738	105,178	1,035,178	277,738
2019	585,000	240,950	105,178	690,178	240,950
2020 - 2024	3,050,000	896,324	525,888	3,575,888	896,324
2025 - 2029	2,255,000	397,208	525,885	2,780,885	397,208
2030 - 2034	1,025,000	82,600	505,621	1,530,621	82,600
2035	0	0	47,522	47,522	0
<b>Total</b>	<b>\$ 10,535,000</b>	<b>\$ 2,929,368</b>	<b>\$ 2,083,284</b>	<b>\$ 12,618,284</b>	<b>\$ 2,929,368</b>

On March 27, 2015, payment is due in full on the bond anticipation notes in the amount of \$8,627,500 plus interest at 0.75 percent.

**Business-Type Activities**

Year	OWDA (1)		OPWC (2)	Loan	Total	
	Principal	Interest	Principal	Principal	Principal	Interest
2015	\$ 493,656	\$ 424,029	\$ 54,004	\$ 29,105	\$ 576,765	\$ 424,029
2016	255,839	214,928	54,004	19,404	329,247	214,928
2017	268,230	202,535	54,004	19,404	341,638	202,535
2018	281,234	189,530	54,004	19,404	354,642	189,530
2019	265,285	175,876	54,004	19,404	338,693	175,876
2020 - 2024	1,211,994	695,174	270,020	97,017	1,579,031	695,174
2025 - 2029	973,266	446,298	187,497	97,017	1,257,780	446,298
2030 - 2034	993,818	240,484	0	19,402	1,013,220	240,484
2035 - 2038	528,255	48,233	0	0	528,255	48,233
<b>Total</b>	<b>\$ 5,271,577</b>	<b>\$ 2,637,087</b>	<b>\$ 727,537</b>	<b>\$ 320,157</b>	<b>\$ 6,319,271</b>	<b>\$ 2,637,087</b>

- (1) OWDA loans issued in 2007, 2009 and 2011 have not been fully drawn down, thus there are no amortization schedules available. These loans will have retirement payments in 2015 totaling \$249,620, and are reported as long term obligations due within one year. The net balance of the loans drawn totaling \$5,230,610 are reported as long term obligations due in more than one year and are not included in the above maturity schedule.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*

(2) OPWC loans issued in 2011 and 2013 have not been fully drawn down, thus there are no amortization schedules available. The balance of the loans drawn totaling \$626,581 are reported as long term obligations due in more than one year.

**NOTE 13- 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 and business-type activities, respectively. Capitalized assets acquired under capital leases amount to \$464,176 and are all classified as machinery and equipment. All items are long-term agreement leases, which meets the criteria of a capital lease as they transfer benefits and risks of ownership to the lessee.

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

**Governmental Activities**

Year Ending December 31,	Asphalt Truck	Caterpillar	Total
2015	\$ 31,449	\$ 34,906	\$ 66,355
2016	0	34,906	34,906
2017	0	34,906	34,906
Minimum Lease Payments	31,449	104,718	136,167
Less Amount Representing Interest	(1,437)	(6,360)	(7,797)
Present Value of Net Lease Payments	<u>\$ 30,012</u>	<u>\$ 98,358</u>	<u>\$ 128,370</u>

**Business-Type Activities**

Year Ending December 31,	International
2015	\$ 33,648
2016	33,648
Minimum Lease Payments	\$ 67,296
Less Amount Representing Interest	(4,185)
Present Value of Net Lease Payments	<u>\$ 63,111</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*

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**NOTE 14 - OPERATING LEASES - LESSOR DISCLOSURE**

The City leases space on its water tower for cellular antennae. The lease revenue due in 2014 amounted to \$140,231.

**NOTE 15 - RISK MANAGEMENT**

**A. 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 2014, 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 \$25,000 and \$50,000 respectively. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

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. There has not been a significant reduction in coverage from the prior year.

The City has no claims liability at December 31, 2014 or 2013.

**B. 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 \$5 generic, \$10 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 \$1,600 for family coverage and \$700 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 15 percent of the prior year's actual costs for health insurance through a payroll deduction. Employees contributed \$84.14 for single coverage or \$206.16 for family coverage for medical, dental and vision.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*

The claims liability of \$224,400 reported in the medical benefits internal service fund at December 31, 2014 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 2013 and 2014 were as follows and typically are retired within three months of year end:

	Balance January 1	Current Year Claims	Claim Payments	Balance December 31
2013	\$ 148,344	\$ 2,167,201	\$ 2,106,225	\$ 209,320
2014	\$ 209,320	\$ 2,891,180	\$ 2,876,100	\$ 224,400

**C. 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**

**A. 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, fire investigation and tactical EMS services; and the Southwest Enforcement Bureau (SEB), which provides extra assistance to cities in the form of a SWAT team. In 2014, the City of Berea contributed \$15,000 to the Council. The Council's financial statements may be obtained by contacting Dana J. Kavander, Treasurer, 11 Berea Commons, Berea, Ohio 44017.

**B. 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.

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
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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 2014, the City of Berea contributed \$106,257.

**C. 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 2014, the City of Berea contributed \$10,000 to the Cemetery for operations.

**D. 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 100 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time ensuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. The City of Berea did not contribute to NOPEC during 2014. Financial information can be obtained by contacting Joseph Migliorini, the Board Chairman, at 175 South Main Street, Akron, Ohio 44308 or at the website [www.nopecinfo.org](http://www.nopecinfo.org).

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*

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**E. 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). Today, RITA serves as the income tax collection agency for 227 municipalities throughout the State of Ohio. Financial information may be obtained by writing to RITA, 10107 Brecksville Road, Brecksville, Ohio 44141.

**NOTE 17 – CONTINGENCIES**

**A. 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.

**B. 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, 2014.

**NOTE 18 – 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 governmental funds were as follows:

<u>Fund</u>	<u>Amount</u>
General Fund	\$ 18,537
General Bond Retirement Fund	1,250
General Capital Improvement Fund	665,564
Nonmajor Governmental Funds	<u>594,318</u>
	<u>\$ 1,279,669</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*

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**NOTE 19 – SUBSEQUENT EVENT**

On March 19, 2015, the City issued \$3,795,500 in Bond Anticipation Notes (BANs) at an interest rate of 1.0 percent. \$1,608,500 of the BANs will be used to retire BANs outstanding at December 31, 2014 and \$2,187,000 will be used to finance various 2015 capital improvements and will mature on March 17, 2016.

On March 24, 2015, the City issued \$6,870,000 in Various Purpose General Obligation Bonds (GOBs) at an average interest rate of 3.24 percent. These GOBs will be used to retire existing (BANs) and will mature in 2035.

On March 27, 2015, the City issued a treasury investment in the amount of \$1,000,000 at an interest rate of 1.0 percent to finance the costs of urban renewal projects until the issuance of urban renewal bonds. This note matures on March 25, 2016.

**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:

***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.

***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.

***DARE Grant Fund***

To account for revenues received from the State Attorney General's Office and expenditures incurred as prescribed under the DARE Grant Program.

***Animal Control Fund***

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

***Street Lighting Fund***

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

***Berea Welfare Fund***

To account for donations and expenditures incurred for Berea welfare assistance.

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

**Nonmajor Special Revenue Funds**

***Community Hospital Fund***

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

***Community Development Block Grant Fund***

To account for revenues received from the federal government and expenditures incurred as prescribed under the Community Development Block Grant Program.

***FEMA Grant Fund***

To account for revenues received from the federal government and expenditures incurred as prescribed under the FEMA Grant Program.

***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 Fund***

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

***Municipal Court Health Insurance Fund***

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

***Probation Services Fund***

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

***Indigent Driver Alcohol Treatment Fund***

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

***DUI Education Fund***

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

***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.

***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.

***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.

***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.

***Court Capital Improvement Fund***

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2014*

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 1,454,757	\$ 2,463,081	\$ 3,917,838
Accounts Receivable	57,589	17,622	75,211
Intergovernmental Receivable	400,682	0	400,682
Taxes Receivable	746,820	0	746,820
Special Assessments Receivable	632,705	0	632,705
Materials and Supplies Inventory	140,190	37	140,227
<i>Total Assets</i>	<u>\$ 3,432,743</u>	<u>\$ 2,480,740</u>	<u>\$ 5,913,483</u>
<b>Liabilities</b>			
Accounts Payable	\$ 80,948	\$ 13,245	\$ 94,193
Accrued Wages	37,917	10,479	48,396
Intergovernmental Payable	101,830	12,224	114,054
<i>Total Liabilities</i>	<u>220,695</u>	<u>35,948</u>	<u>256,643</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Next Year	687,824	0	687,824
Unavailable Revenue - Delinquent Property Taxes	58,996	0	58,996
Unavailable Revenue - Other	909,167	0	909,167
<i>Total Deferred Inflows of Resources</i>	<u>1,655,987</u>	<u>0</u>	<u>1,655,987</u>
<b>Fund Balances</b>			
Nonspendable	140,190	37	140,227
Restricted	1,380,983	1,434,940	2,815,923
Committed	45,663	1,009,815	1,055,478
Unassigned	(10,775)	0	(10,775)
<i>Total Fund Balances</i>	<u>1,556,061</u>	<u>2,444,792</u>	<u>4,000,853</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 3,432,743</u>	<u>\$ 2,480,740</u>	<u>\$ 5,913,483</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, 2014*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Property Taxes	\$ 722,789	\$ 0	\$ 722,789
Special Assessments	667,124	0	667,124
Charges for Services	599,845	322,491	922,336
Licenses and Permits	0	37,277	37,277
Fines and Forfeitures	842,113	256,028	1,098,141
Intergovernmental	851,230	82,341	933,571
Interest	4,517	0	4,517
Rent	0	43,613	43,613
Contributions and Donations	50,111	1,000	51,111
Reimbursements	1,655	0	1,655
Other	5,667	4,517	10,184
<i>Total Revenues</i>	<u>3,745,051</u>	<u>747,267</u>	<u>4,492,318</u>
<b>Expenditures</b>			
Current:			
General Government	844,797	0	844,797
Security of Persons and Property	1,458,155	0	1,458,155
Public Health	151,971	0	151,971
Leisure Time Services	1,605,030	0	1,605,030
Transportation	925,472	0	925,472
Capital Outlay	233,242	1,557,383	1,790,625
Debt Service:			
Principal Retirement	6,064	0	6,064
Interest and Fiscal Charges	8,728	0	8,728
<i>Total Expenditures</i>	<u>5,233,459</u>	<u>1,557,383</u>	<u>6,790,842</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,488,408)	(810,116)	(2,298,524)
<b>Other Financing Sources (Uses)</b>			
Proceeds from Notes Issued	0	820,000	820,000
Transfers In	1,280,000	767,410	2,047,410
<i>Total Other Financing Sources (Uses)</i>	<u>1,280,000</u>	<u>1,587,410</u>	<u>2,867,410</u>
<i>Net Change in Fund Balances</i>	(208,408)	777,294	568,886
<i>Fund Balances Beginning of Year</i>	<u>1,764,469</u>	<u>1,667,498</u>	<u>3,431,967</u>
<i>Fund Balances End of Year</i>	<u>\$ 1,556,061</u>	<u>\$ 2,444,792</u>	<u>\$ 4,000,853</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2014*

	Recreation Fund	State Highway Fund	Street Maintenance Fund	Fire Pension Fund	Police Pension Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 43,721	\$ 2,967	\$ 52,903	\$ 59,921	\$ 76,211
Accounts Receivable	0	0	0	0	0
Intergovernmental Receivable	0	25,979	320,374	22,371	22,371
Taxes Receivable	0	0	0	331,781	331,781
Special Assessments Receivable	0	0	0	0	0
Materials and Supplies Inventory	387	0	139,803	0	0
<i>Total Assets</i>	<u>\$ 44,108</u>	<u>\$ 28,946</u>	<u>\$ 513,080</u>	<u>\$ 414,073</u>	<u>\$ 430,363</u>
<b>Liabilities</b>					
Accounts Payable	\$ 20,175	\$ 0	\$ 4,617	\$ 0	\$ 0
Accrued Wages	15,755	0	13,607	0	0
Intergovernmental Payable	18,566	0	11,009	31,809	31,124
<i>Total Liabilities</i>	<u>54,496</u>	<u>0</u>	<u>29,233</u>	<u>31,809</u>	<u>31,124</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes Levied for the Next Year	0	0	0	305,566	305,566
Unavailable Revenue - Delinquent Property Taxes	0	0	0	26,215	26,215
Unavailable Revenue - Other	0	16,898	208,380	22,371	22,371
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>16,898</u>	<u>208,380</u>	<u>354,152</u>	<u>354,152</u>
<b>Fund Balances</b>					
Nonspendable	387	0	139,803	0	0
Restricted	0	12,048	135,664	28,112	45,087
Committed	0	0	0	0	0
Unassigned	(10,775)	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>(10,388)</u>	<u>12,048</u>	<u>275,467</u>	<u>28,112</u>	<u>45,087</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 44,108</u>	<u>\$ 28,946</u>	<u>\$ 513,080</u>	<u>\$ 414,073</u>	<u>\$ 430,363</u>

*(continued)*

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2014*

	Safe Students Fund	DARE Grant Fund	Street Lighting Fund	Berea Welfare Fund	Community Hospital Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 0	\$ 0	\$ 389,496	\$ 45,663	\$ 0
Accounts Receivable	0	0	0	0	0
Intergovernmental Receivable	0	0	0	0	6,442
Taxes Receivable	0	0	0	0	83,258
Special Assessments Receivable	0	0	632,705	0	0
Materials and Supplies Inventory	0	0	0	0	0
<i>Total Assets</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,022,201</u>	<u>\$ 45,663</u>	<u>\$ 89,700</u>
<b>Liabilities</b>					
Accounts Payable	\$ 0	\$ 0	\$ 52,790	\$ 0	\$ 0
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>52,790</u>	<u>0</u>	<u>0</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes Levied for the Next Year	0	0	0	0	76,692
Unavailable Revenue - Delinquent Property Taxes	0	0	0	0	6,566
Unavailable Revenue - Other	0	0	632,705	0	6,442
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>632,705</u>	<u>0</u>	<u>89,700</u>
<b>Fund Balances</b>					
Nonspendable	0	0	0	0	0
Restricted	0	0	336,706	0	0
Committed	0	0	0	45,663	0
Unassigned	0	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>0</u>	<u>0</u>	<u>336,706</u>	<u>45,663</u>	<u>0</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,022,201</u>	<u>\$ 45,663</u>	<u>\$ 89,700</u>

*(continued)*

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2014*

	Community Development Block Grant Fund	FEMA Grant Fund	Municipal Vehicle Tax Levy Fund	Law Enforcement Fund	Municipal Court Health Insurance Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 0	\$ 0	\$ 6,453	\$ 24,445	\$ 5,287
Accounts Receivable	0	0	0	0	3,625
Intergovernmental Receivable	0	0	3,145	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>\$ 0</u>	<u>\$ 9,598</u>	<u>\$ 24,445</u>	<u>\$ 8,912</u>
<b>Liabilities</b>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
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>0</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes Levied for the Next Year	0	0	0	0	0
Unavailable Revenue - Delinquent Property Taxes	0	0	0	0	0
Unavailable Revenue - Other	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>
<b>Fund Balances</b>					
Nonspendable	0	0	0	0	0
Restricted	0	0	9,598	24,445	8,912
Committed	0	0	0	0	0
Unassigned	0	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>0</u>	<u>0</u>	<u>9,598</u>	<u>24,445</u>	<u>8,912</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 9,598</u>	<u>\$ 24,445</u>	<u>\$ 8,912</u>

*(continued)*

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2014*

	Probation Services Fund	Indigent Driver Alcohol Treatment Fund	DUI Education Fund	Theft Diversion Fund	Indigent Driving School Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 18,738	\$ 349,487	\$ 15,966	\$ 19,273	\$ 1,028
Accounts Receivable	19,471	3,377	146	862	0
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>\$ 38,209</u>	<u>\$ 352,864</u>	<u>\$ 16,112</u>	<u>\$ 20,135</u>	<u>\$ 1,028</u>
<b>Liabilities</b>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages	5,674	0	0	180	0
Intergovernmental Payable	5,531	0	0	165	0
<i>Total Liabilities</i>	<u>11,205</u>	<u>0</u>	<u>0</u>	<u>345</u>	<u>0</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes Levied for the Next Year	0	0	0	0	0
Unavailable Revenue	0	0	0	0	0
Special Assessments Revenue Not Available	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>
<b>Fund Balances</b>					
Nonspendable	0	0	0	0	0
Restricted	27,004	352,864	16,112	19,790	1,028
Committed	0	0	0	0	0
Unassigned	0	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>27,004</u>	<u>352,864</u>	<u>16,112</u>	<u>19,790</u>	<u>1,028</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 38,209</u>	<u>\$ 352,864</u>	<u>\$ 16,112</u>	<u>\$ 20,135</u>	<u>\$ 1,028</u>

*(continued)*

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2014*

	DUS Diversion Fund	Court Computer Fund	Court Computer Research Fund	Court Special Projects Fund	Indigent Defendant Alcohol Monitoring Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 34,659	\$ 34,842	\$ 118,409	\$ 56,079	\$ 97,611
Accounts Receivable	2,585	8,856	2,675	9,091	1,257
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
	<u>\$ 37,244</u>	<u>\$ 43,698</u>	<u>\$ 121,084</u>	<u>\$ 65,170</u>	<u>\$ 98,868</u>
<b>Liabilities</b>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 3,366	\$ 0
Accrued Wages	599	994	374	0	0
Intergovernmental Payable	599	975	412	0	0
	<u>1,198</u>	<u>1,969</u>	<u>786</u>	<u>3,366</u>	<u>0</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes Levied for the Next Year	0	0	0	0	0
Unavailable Revenue - Delinquent Property Taxes	0	0	0	0	0
Unavailable Revenue - Other	0	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>					
Nonspendable	0	0	0	0	0
Restricted	36,046	41,729	120,298	61,804	98,868
Committed	0	0	0	0	0
Unassigned	0	0	0	0	0
	<u>36,046</u>	<u>41,729</u>	<u>120,298</u>	<u>61,804</u>	<u>98,868</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 37,244</u>	<u>\$ 43,698</u>	<u>\$ 121,084</u>	<u>\$ 65,170</u>	<u>\$ 98,868</u>

*(continued)*

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2014*

	State Highway Patrol Fund	Municipal Court Magistrates Fund	Total Nonmajor Special Revenue Funds
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 0	\$ 1,598	\$ 1,454,757
Accounts Receivable	316	5,328	57,589
Intergovernmental Receivable	0	0	400,682
Taxes Receivable	0	0	746,820
Special Assessments Receivable	0	0	632,705
Materials and Supplies Inventory	0	0	140,190
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total Assets</i>	<u>\$ 316</u>	<u>\$ 6,926</u>	<u>\$ 3,432,743</u>
<b>Liabilities</b>			
Accounts Payable	\$ 0	\$ 0	\$ 80,948
Accrued Wages	0	734	37,917
Intergovernmental Payable	0	1,640	101,830
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total Liabilities</i>	<u>0</u>	<u>2,374</u>	<u>220,695</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Next Year	0	0	687,824
Unavailable Revenue - Delinquent Property Taxes	0	0	58,996
Unavailable Revenue - Other	0	0	909,167
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>1,655,987</u>
<b>Fund Balances</b>			
Nonspendable	0	0	140,190
Restricted	316	4,552	1,380,983
Committed	0	0	45,663
Unassigned	0	0	(10,775)
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total Fund Balances (Deficit)</i>	<u>316</u>	<u>4,552</u>	<u>1,556,061</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 316</u>	<u>\$ 6,926</u>	<u>\$ 3,432,743</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, 2014*

	Recreation Fund	State Highway Fund	Street Maintenance Fund	Fire Pension Fund	Police Pension Fund
<b>Revenues</b>					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 321,036	\$ 321,036
Special Assessments	0	0	0	0	0
Charges for Services	599,845	0	0	0	0
Fines and Forfeitures	0	0	0	0	0
Intergovernmental	0	51,258	630,976	53,286	53,286
Interest	0	464	4,053	0	0
Contributions and Donations	0	0	0	0	0
Reimbursements	1,655	0	0	0	0
Other	94	0	0	0	0
<i>Total Revenues</i>	<u>601,594</u>	<u>51,722</u>	<u>635,029</u>	<u>374,322</u>	<u>374,322</u>
<b>Expenditures</b>					
Current:					
General Government	0	0	0	0	0
Security of Persons and Property	0	0	0	429,075	426,979
Public Health	0	0	0	0	0
Leisure Time Services	1,605,030	0	0	0	0
Transportation	0	55,000	809,665	0	0
Capital Outlay	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	1,557	4,507
Interest and Fiscal Charges	0	0	0	2,241	6,487
<i>Total Expenditures</i>	<u>1,605,030</u>	<u>55,000</u>	<u>809,665</u>	<u>432,873</u>	<u>437,973</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,003,436)	(3,278)	(174,636)	(58,551)	(63,651)
<b>Other Financing Sources (Uses)</b>					
Transfers In	945,000	0	115,000	95,000	125,000
<i>Net Change in Fund Balances</i>	(58,436)	(3,278)	(59,636)	36,449	61,349
<i>Fund Balances (Deficit) Beginning of Year</i>	48,048	15,326	335,103	(8,337)	(16,262)
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ (10,388)</u>	<u>\$ 12,048</u>	<u>\$ 275,467</u>	<u>\$ 28,112</u>	<u>\$ 45,087</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, 2014*

	Safe Students Fund	DARE Grant Fund	Street Lighting Fund	Berea Welfare Fund	Community Hospital Fund
<b>Revenues</b>					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 80,717
Special Assessments	0	0	667,124	0	0
Charges for Services	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	0
Intergovernmental	0	4,244	0	0	18,952
Interest	0	0	0	0	0
Contributions and Donations	20,000	0	0	30,111	0
Reimbursements	0	0	0	0	0
Other	0	0	0	0	0
<i>Total Revenues</i>	<u>20,000</u>	<u>4,244</u>	<u>667,124</u>	<u>30,111</u>	<u>99,669</u>
<b>Expenditures</b>					
Current:					
General Government	0	0	0	0	0
Security of Persons and Property	20,000	8,534	573,300	0	0
Public Health	0	0	0	45,714	106,257
Leisure Time Services	0	0	0	0	0
Transportation	0	0	0	0	0
Capital Outlay	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>20,000</u>	<u>8,534</u>	<u>573,300</u>	<u>45,714</u>	<u>106,257</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	(4,290)	93,824	(15,603)	(6,588)
<b>Other Financing Sources (Uses)</b>					
Transfers In	0	0	0	0	0
<i>Net Change in Fund Balances</i>	0	(4,290)	93,824	(15,603)	(6,588)
<i>Fund Balances (Deficit) Beginning of Year</i>	0	4,290	242,882	61,266	6,588
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 336,706</u>	<u>\$ 45,663</u>	<u>\$ 0</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, 2014*

	Community Development Block Grant Fund	FEMA Grant Fund	Municipal Vehicle Tax Levy Fund	Law Enforcement Fund	Municipal Court Health Insurance Fund
<b>Revenues</b>					
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	0	0	0	50,590
Intergovernmental	0	0	39,228	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	5,573	0
<i>Total Revenues</i>	<u>0</u>	<u>0</u>	<u>39,228</u>	<u>5,573</u>	<u>50,590</u>
<b>Expenditures</b>					
Current:					
General Government	0	25,066	0	0	51,923
Security of Persons and Property	0	0	0	267	0
Public Health	0	0	0	0	0
Leisure Time Services	0	0	0	0	0
Transportation	0	0	60,807	0	0
Capital Outlay	150,000	83,242	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>150,000</u>	<u>108,308</u>	<u>60,807</u>	<u>267</u>	<u>51,923</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(150,000)	(108,308)	(21,579)	5,306	(1,333)
<b>Other Financing Sources (Uses)</b>					
Transfers In	0	0	0	0	0
<i>Net Change in Fund Balances</i>	(150,000)	(108,308)	(21,579)	5,306	(1,333)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>150,000</u>	<u>108,308</u>	<u>31,177</u>	<u>19,139</u>	<u>10,245</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 9,598</u>	<u>\$ 24,445</u>	<u>\$ 8,912</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, 2014*

	Probation Services Fund	Indigent Driver Alcohol Treatment Fund	DUI Education Fund	Theft Diversion Fund	Indigent Driving School Fund
<b>Revenues</b>					
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	267,552	80,113	2,001	22,662	0
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>267,552</u>	<u>80,113</u>	<u>2,001</u>	<u>22,662</u>	<u>0</u>
<b>Expenditures</b>					
Current:					
General Government	320,738	42,612	0	6,516	0
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
Capital Outlay	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>320,738</u>	<u>42,612</u>	<u>0</u>	<u>6,516</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(53,186)	37,501	2,001	16,146	0
<b>Other Financing Sources (Uses)</b>					
Transfers In	0	0	0	0	0
<i>Net Change in Fund Balances</i>	(53,186)	37,501	2,001	16,146	0
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>80,190</u>	<u>315,363</u>	<u>14,111</u>	<u>3,644</u>	<u>1,028</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 27,004</u>	<u>\$ 352,864</u>	<u>\$ 16,112</u>	<u>\$ 19,790</u>	<u>\$ 1,028</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, 2014*

	DUS Diversion Fund	Court Computer Fund	Court Computer Research Fund	Court Special Projects Fund	Indigent Defendant Alcohol Monitoring Fund
<b>Revenues</b>					
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	29,996	127,997	38,620	129,469	17,426
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>29,996</u>	<u>127,997</u>	<u>38,620</u>	<u>129,469</u>	<u>17,426</u>
<b>Expenditures</b>					
Current:					
General Government	37,837	136,925	36,742	109,711	2,306
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
Capital Outlay	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>37,837</u>	<u>136,925</u>	<u>36,742</u>	<u>109,711</u>	<u>2,306</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(7,841)	(8,928)	1,878	19,758	15,120
<b>Other Financing Sources (Uses)</b>					
Transfers In	0	0	0	0	0
<i>Net Change in Fund Balances</i>	(7,841)	(8,928)	1,878	19,758	15,120
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>43,887</u>	<u>50,657</u>	<u>118,420</u>	<u>42,046</u>	<u>83,748</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 36,046</u>	<u>\$ 41,729</u>	<u>\$ 120,298</u>	<u>\$ 61,804</u>	<u>\$ 98,868</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, 2014*

	State Highway Patrol Fund	Municipal Court Magistrates Fund	Total Nonmajor Special Revenue Funds
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 722,789
Special Assessments	0	0	667,124
Charges for Services	0	0	599,845
Fines and Forfeitures	7,991	67,696	842,113
Intergovernmental	0	0	851,230
Interest	0	0	4,517
Contributions and Donations	0	0	50,111
Reimbursements	0	0	1,655
Other	0	0	5,667
<i>Total Revenues</i>	<u>7,991</u>	<u>67,696</u>	<u>3,745,051</u>
<b>Expenditures</b>			
Current:			
General Government	7,983	66,438	844,797
Security of Persons and Property	0	0	1,458,155
Public Health	0	0	151,971
Leisure Time Services	0	0	1,605,030
Transportation	0	0	925,472
Capital Outlay	0	0	233,242
Debt Service:			
Principal Retirement	0	0	6,064
Interest and Fiscal Charges	0	0	8,728
<i>Total Expenditures</i>	<u>7,983</u>	<u>66,438</u>	<u>5,233,459</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	8	1,258	(1,488,408)
<b>Other Financing Sources (Uses)</b>			
Transfers In	0	0	1,280,000
<i>Net Change in Fund Balances</i>	8	1,258	(208,408)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>308</u>	<u>3,294</u>	<u>1,764,469</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 316</u>	<u>\$ 4,552</u>	<u>\$ 1,556,061</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2014*

	Safety Capital Improvement Fund	Recreation Capital Improvement Fund	Neighborhood Improvement Fund
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 380,673	\$ 554,573	\$ 110,517
Accounts Receivable	0	0	0
Materials and Supplies Inventory	0	0	37
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total Assets</i>	<u>\$ 380,673</u>	<u>\$ 554,573</u>	<u>\$ 110,554</u>
<b>Liabilities</b>			
Accounts Payable	\$ 13,169	\$ 0	\$ 76
Accrued Wages	0	0	10,479
Intergovernmental Payable	0	0	12,224
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total Liabilities</i>	<u>13,169</u>	<u>0</u>	<u>22,779</u>
<b>Fund Balances</b>			
Nonspendable	0	0	37
Restricted	0	0	0
Committed	367,504	554,573	87,738
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total Fund Balances (Deficit)</i>	<u>367,504</u>	<u>554,573</u>	<u>87,775</u>
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 380,673</u>	<u>\$ 554,573</u>	<u>\$ 110,554</u>

*(continued)*

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2014*

	<u>Court Capital Improvement Fund</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>Assets</b>		
Equity in Pooled Cash and Investments	\$ 1,417,318	\$ 2,463,081
Accounts Receivable	17,622	17,622
Materials and Supplies Inventory	<u>0</u>	<u>37</u>
<i>Total Assets</i>	<u><u>\$ 1,434,940</u></u>	<u><u>\$ 2,480,740</u></u>
<b>Liabilities</b>		
Accounts Payable	\$ 0	\$ 13,245
Accrued Wages	0	10,479
Intergovernmental Payable	<u>0</u>	<u>12,224</u>
<i>Total Liabilities</i>	<u>0</u>	<u>35,948</u>
<b>Fund Balances</b>		
Nonspendable	0	37
Restricted	1,434,940	1,434,940
Committed	<u>0</u>	<u>1,009,815</u>
<i>Total Fund Balances (Deficit)</i>	<u>1,434,940</u>	<u>2,444,792</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u><u>\$ 1,434,940</u></u>	<u><u>\$ 2,480,740</u></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, 2014*

	Safety Capital Improvement Fund	Recreation Capital Improvement Fund	Neighborhood Improvement Fund
<b>Revenues</b>			
Charges for Services	\$ 322,491	\$ 0	\$ 0
Licenses and Permits	0	0	37,277
Fines and Forfeitures	0	0	0
Intergovernmental	82,341	0	0
Rent	0	43,613	0
Contributions and Donations	1,000	0	0
Other	4,517	0	0
<i>Total Revenues</i>	<u>410,349</u>	<u>43,613</u>	<u>37,277</u>
<b>Expenditures</b>			
Capital Outlay	<u>322,078</u>	<u>491,457</u>	<u>726,876</u>
<i>Total Expenditures</i>	<u>322,078</u>	<u>491,457</u>	<u>726,876</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>88,271</u>	<u>(447,844)</u>	<u>(689,599)</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds from Notes Issued	0	820,000	0
Transfers In	<u>13,000</u>	<u>39,200</u>	<u>715,210</u>
<i>Total Other Financing Sources (Uses)</i>	<u>13,000</u>	<u>859,200</u>	<u>715,210</u>
<i>Net Change in Fund Balances</i>	101,271	411,356	25,611
<i>Fund Balances Beginning of Year</i>	<u>266,233</u>	<u>143,217</u>	<u>62,164</u>
<i>Fund Balances End of Year</i>	<u><u>\$ 367,504</u></u>	<u><u>\$ 554,573</u></u>	<u><u>\$ 87,775</u></u>

*(continued)*

**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, 2014*

	Court Capital Improvement Fund	Total Nonmajor Capital Projects Funds
<b>Revenues</b>		
Charges for Services	\$ 0	\$ 322,491
Licenses and Permits	0	37,277
Fines and Forfeitures	256,028	256,028
Intergovernmental	0	82,341
Rent	0	43,613
Contributions and Donations	0	1,000
Other	0	4,517
<i>Total Revenues</i>	<u>256,028</u>	<u>747,267</u>
<b>Expenditures</b>		
Capital Outlay	<u>16,972</u>	<u>1,557,383</u>
<i>Total Expenditures</i>	<u>16,972</u>	<u>1,557,383</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>239,056</u>	<u>(810,116)</u>
<b>Other Financing Sources (Uses)</b>		
Proceeds from Notes Issued	0	820,000
Transfers In	0	767,410
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>1,587,410</u>
<i>Net Change in Fund Balances</i>	239,056	777,294
<i>Fund Balances Beginning of Year</i>	<u>1,195,884</u>	<u>1,667,498</u>
<i>Fund Balances End of Year</i>	<u>\$ 1,434,940</u>	<u>\$ 2,444,792</u>

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

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Property Taxes	\$ 1,487,092	\$ 1,487,092	\$ 0
Municipal Income Taxes	11,430,444	11,650,100	219,656
Other Local Taxes	277,533	277,533	0
Special Assessments	10,065	10,065	0
Intergovernmental	813,736	823,701	9,965
Charges for Services	130,389	125,388	(5,001)
Licenses and Permits	313,674	322,364	8,690
Fines and Forfeitures	76,779	78,445	1,666
Investment Income	127,437	128,796	1,359
Rent	94,307	96,618	2,311
Other	12,974	6,047	(6,927)
<i>Total Revenues</i>	<u>14,774,430</u>	<u>15,006,149</u>	<u>231,719</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Police Department:			
Personal Services	2,755,207	2,723,669	31,538
Other	231,466	226,508	4,958
Total Police Department	<u>2,986,673</u>	<u>2,950,177</u>	<u>36,496</u>
Fire:			
Personal Services	1,815,401	1,808,086	7,315
Other	104,810	99,673	5,137
Total Fire Department	<u>1,920,211</u>	<u>1,907,759</u>	<u>12,452</u>
Total Security of Persons and Property	<u>4,906,884</u>	<u>4,857,936</u>	<u>48,948</u>
Leisure Time Services:			
Municipal Signage:			
Personal Services	58,298	58,292	6
Other	12,062	12,050	12
Total Municipal Signage	<u>70,360</u>	<u>70,342</u>	<u>18</u>
Public Grounds:			
Personal Services	320,990	320,970	20
Other	32,659	32,552	107
Total Public Grounds	<u>353,649</u>	<u>353,522</u>	<u>127</u>
Total Leisure Time Services	<u>424,009</u>	<u>423,864</u>	<u>145</u>
Community Development:			
Building Department:			
Personal Services	177,851	164,163	13,688
Other	28,101	28,003	98
Total Building Department	<u>205,952</u>	<u>192,166</u>	<u>13,786</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, 2014*

	Final Budget	Actual	Variance with Final Budget
Engineering Department:			
Personal Services	80,100	80,087	13
Other	20,270	20,217	53
Total Engineering Department	<u>100,370</u>	<u>100,304</u>	<u>66</u>
Total Community Development	<u>306,322</u>	<u>292,470</u>	<u>13,852</u>
Public Works:			
Storm Sewers and Drains:			
Personal Services	32,142	32,134	8
Other	7,550	7,446	104
Total Storm Sewers and Drains	<u>39,692</u>	<u>39,580</u>	<u>112</u>
Refuse Collection and Disposal:			
Other	901,573	901,529	44
Total Refuse Collections and Disposal	<u>901,573</u>	<u>901,529</u>	<u>44</u>
Leaf Collection:			
Personal Services	48,378	48,365	13
Other	9,122	9,103	19
Total Leaf Collection	<u>57,500</u>	<u>57,468</u>	<u>32</u>
Snow Removal:			
Personal Services	125,006	124,983	23
Other	126,516	126,478	38
Total Snow Removal	<u>251,522</u>	<u>251,461</u>	<u>61</u>
Total Public Works	<u>1,250,287</u>	<u>1,250,038</u>	<u>249</u>
General Government:			
Council:			
Personal Services	133,240	133,176	64
Other	4,950	4,424	526
Total Council	<u>138,190</u>	<u>137,600</u>	<u>590</u>
Mayor:			
Personal Services	124,407	123,409	998
Other	4,850	1,010	3,840
Total Mayor	<u>129,257</u>	<u>124,419</u>	<u>4,838</u>
Finance			
Personal Services	299,705	298,658	1,047
Other	11,000	7,879	3,121
Total Finance	<u>310,705</u>	<u>306,537</u>	<u>4,168</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, 2014*

	Final Budget	Actual	Variance with Final Budget
Law:			
Personal Services	170,653	166,084	4,569
Other	17,550	10,842	6,708
Total Law	<u>188,203</u>	<u>176,926</u>	<u>11,277</u>
Civil Service Commission:			
Other	8,500	4,250	4,250
Total Civil Service Commission	<u>8,500</u>	<u>4,250</u>	<u>4,250</u>
Public Safety:			
Personal Services	40,494	40,494	0
Other	9,915	3,851	6,064
Total Public Safety	<u>50,409</u>	<u>44,345</u>	<u>6,064</u>
Municipal Fleet and Equipment:			
Personal Services	164,601	161,232	3,369
Other	243,100	242,915	185
Total Municipal Fleet and Equipment	<u>407,701</u>	<u>404,147</u>	<u>3,554</u>
Municipal Building:			
Personal Services	60,378	60,341	37
Other	418,691	413,860	4,831
Total Municipal Building	<u>479,069</u>	<u>474,201</u>	<u>4,868</u>
Service Administration:			
Personal Services	81,254	81,243	11
Other	9,495	9,384	111
Total Service Administration	<u>90,749</u>	<u>90,627</u>	<u>122</u>
Planning and Development:			
Other	11,500	10,950	550
Total Planning and Development	<u>11,500</u>	<u>10,950</u>	<u>550</u>
Administration:			
Personal Services	2,195,212	2,174,997	20,215
Other	998,692	905,599	93,093
Total Administration	<u>3,193,904</u>	<u>3,080,596</u>	<u>113,308</u>
Total General Government	<u>5,008,187</u>	<u>4,854,598</u>	<u>153,589</u>
<i>Total Expenditures</i>	<u>11,895,689</u>	<u>11,678,906</u>	<u>216,783</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,878,741</u>	<u>3,327,243</u>	<u>448,502</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Other Financing Sources (Uses)</b>			
Advances In	13,278	13,278	0
Advances Out	(58,278)	(58,278)	0
Transfers Out	(3,372,410)	(3,372,410)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(3,417,410)</u>	<u>(3,417,410)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(538,669)	(90,167)	448,502
<i>Fund Balance (Deficit) Beginning of Year</i>	2,739,272	2,739,272	0
Prior Year Encumbrances Appropriated	<u>23,684</u>	<u>23,684</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 2,224,287</u>	<u>\$ 2,672,789</u>	<u>\$ 448,502</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 Bond*  
*For the Year Ended December 31, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Property Taxes	\$ 1,518,922	\$ 1,518,922	\$ 0
Intergovernmental	237,121	237,121	0
Investment Income	0	10,000	10,000
Special Assessments	10,769	10,769	0
<i>Total Revenues</i>	<u>1,766,812</u>	<u>1,776,812</u>	<u>10,000</u>
<b>Expenditures</b>			
Current:			
General Government			
Other	155,000	48,432	106,568
Debt Service:			
Principal Retirement	6,502,500	6,502,500	0
Interest and Fiscal Charges	479,361	459,331	20,030
Total Debt Service	<u>6,981,861</u>	<u>6,961,831</u>	<u>20,030</u>
<i>Total Expenditures</i>	<u>7,136,861</u>	<u>7,010,263</u>	<u>126,598</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(5,370,049)</u>	<u>(5,233,451)</u>	<u>136,598</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds of Notes	5,452,500	5,452,500	0
Premium on Debt Issued	42,965	42,965	0
<i>Total Other Financing Sources (Uses)</i>	<u>5,495,465</u>	<u>5,495,465</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	125,416	262,014	136,598
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>2,549,372</u>	<u>2,549,372</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 2,674,788</u>	<u>\$ 2,811,386</u>	<u>\$ 136,598</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 76,494	\$ 78,128	\$ 1,634
Other	179	179	0
<i>Total Revenues</i>	<u>76,673</u>	<u>78,307</u>	<u>1,634</u>
<b>Expenditures</b>			
Capital Outlay	3,088,385	3,057,753	30,632
Debt Service:			
Principal Retirement	610,963	620,996	(10,033)
Interest and Fiscal Charges	18,369	18,369	0
Total Debt Service	<u>629,332</u>	<u>639,365</u>	<u>(10,033)</u>
<i>Total Expenditures</i>	<u>3,717,717</u>	<u>3,697,118</u>	<u>20,599</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,641,044)</u>	<u>(3,618,811)</u>	<u>22,233</u>
<b>Other Financing Sources (Uses)</b>			
General Obligation Bonds Issued	1,000,000	1,000,000	0
Proceeds of Notes	1,195,000	1,195,000	0
Proceeds from Sale of Assets	2,722	2,722	0
Transfers In	<u>1,300,000</u>	<u>1,300,000</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>3,497,722</u>	<u>3,497,722</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(143,322)	(121,089)	22,233
<i>Fund Balance (Deficit) Beginning of Year</i>	453,627	453,627	0
<i>Prior Year Encumbrances Appropriated</i>	<u>169,971</u>	<u>169,971</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 480,276</u>	<u>\$ 502,509</u>	<u>\$ 22,233</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Charges for Services	\$ 590,958	\$ 599,845	\$ 8,887
Reimbursements	1,774	1,655	(119)
Other	94	94	0
<i>Total Revenues</i>	<u>592,826</u>	<u>601,594</u>	<u>8,768</u>
<b>Expenditures</b>			
Current:			
Leisure Time Activities:			
Personal Services	887,238	883,772	3,466
Other	729,414	726,905	2,509
<i>Total Expenditures</i>	<u>1,616,652</u>	<u>1,610,677</u>	<u>5,975</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,023,826)</u>	<u>(1,009,083)</u>	<u>14,743</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	945,000	945,000	0
<i>Net Change in Fund Balance</i>	(78,826)	(64,083)	14,743
<i>Fund Balance (Deficit) Beginning of Year</i>	74,595	74,595	0
Prior Year Encumbrances Appropriated	14,103	14,103	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 9,872</u>	<u>\$ 24,615</u>	<u>\$ 14,743</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 49,111	\$ 50,461	\$ 1,350
Investment Income	464	464	0
<i>Total Revenues</i>	<u>49,575</u>	<u>50,925</u>	<u>1,350</u>
<b>Expenditures</b>			
Current:			
Transportation			
Other	55,000	55,000	0
<i>Total Expenditures</i>	<u>55,000</u>	<u>55,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(5,425)	(4,075)	1,350
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>7,041</u>	<u>7,041</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,616</u>	<u>\$ 2,966</u>	<u>\$ 1,350</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 610,060	\$ 621,159	\$ 11,099
Investment Income	4,053	4,053	0
Other	80	0	(80)
<i>Total Revenues</i>	<u>614,193</u>	<u>625,212</u>	<u>11,019</u>
<b>Expenditures</b>			
Current:			
Transportation			
Personal Services	712,869	705,534	7,335
Other	117,811	102,046	15,765
<i>Total Expenditures</i>	<u>830,680</u>	<u>807,580</u>	<u>23,100</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(216,487)</u>	<u>(182,368)</u>	<u>34,119</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	115,000	115,000	0
<i>Net Change in Fund Balance</i>	(101,487)	(67,368)	34,119
<i>Fund Balance (Deficit) Beginning of Year</i>	117,013	117,013	0
Prior Year Encumbrances Appropriated	3,258	3,258	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 18,784</u>	<u>\$ 52,903</u>	<u>\$ 34,119</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Property Taxes	\$ 321,036	\$ 321,036	\$ 0
Intergovernmental	53,286	53,286	0
<i>Total Revenues</i>	<u>374,322</u>	<u>374,322</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Personal Services	455,094	431,245	23,849
<i>Total Expenditures</i>	<u>455,094</u>	<u>431,245</u>	<u>23,849</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(80,772)</u>	<u>(56,923)</u>	<u>23,849</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	95,000	95,000	0
<i>Net Change in Fund Balance</i>	14,228	38,077	23,849
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>21,843</u>	<u>21,843</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 36,071</u>	<u>\$ 59,920</u>	<u>\$ 23,849</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Property Taxes	\$ 321,036	\$ 321,036	\$ 0
Intergovernmental	53,286	53,286	0
<i>Total Revenues</i>	<u>374,322</u>	<u>374,322</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Personal Services	488,316	438,479	49,837
<i>Total Expenditures</i>	<u>488,316</u>	<u>438,479</u>	<u>49,837</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(113,994)</u>	<u>(64,157)</u>	<u>49,837</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	125,000	125,000	0
<i>Net Change in Fund Balance</i>	11,006	60,843	49,837
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>15,368</u>	<u>15,368</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 26,374</u>	<u>\$ 76,211</u>	<u>\$ 49,837</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Contributions and Donations	\$ 20,000	\$ 20,000	\$ 0
<i>Total Revenues</i>	<u>20,000</u>	<u>20,000</u>	<u>0</u>
<b>Expenditures</b>			
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*  
*DARE Grant Fund*  
*For the Year Ended December 31, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 4,244	\$ 4,244	\$ 0
<i>Total Revenues</i>	<u>4,244</u>	<u>4,244</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Other	8,534	8,534	0
<i>Total Expenditures</i>	<u>8,534</u>	<u>8,534</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(4,290)	(4,290)	0
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>4,290</u>	<u>4,290</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*  
*Animal Control Fund*  
*For the Year Ended December 31, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 330	\$ 330	\$ 0
<i>Total Revenues</i>	<u>330</u>	<u>330</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Other	320	320	0
<i>Total Expenditures</i>	<u>320</u>	<u>320</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	10	10	0
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>65</u>	<u>65</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 75</u></u>	<u><u>\$ 75</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*  
*Street Lighting Fund*  
*For the Year Ended December 31, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Special Assessments	\$ 667,124	\$ 667,124	\$ 0
<i>Total Revenues</i>	<u>667,124</u>	<u>667,124</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Other	867,400	675,253	192,147
<i>Total Expenditures</i>	<u>867,400</u>	<u>675,253</u>	<u>192,147</u>
<i>Net Change in Fund Balance</i>	(200,276)	(8,129)	192,147
<i>Fund Balance (Deficit) Beginning of Year</i>	260,060	260,060	0
Prior Year Encumbrances Appropriated	<u>24,961</u>	<u>24,961</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 84,745</u>	<u>\$ 276,892</u>	<u>\$ 192,147</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Berea Welfare Fund*  
*For the Year Ended December 31, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Contributions and Donations	\$ 28,291	\$ 30,111	\$ 1,820
<i>Total Revenues</i>	<u>28,291</u>	<u>30,111</u>	<u>1,820</u>
<b>Expenditures</b>			
Current:			
Public Health and Welfare:			
Other	53,713	48,483	5,230
<i>Total Expenditures</i>	<u>53,713</u>	<u>48,483</u>	<u>5,230</u>
<i>Net Change in Fund Balance</i>	(25,422)	(18,372)	7,050
<i>Fund Balance (Deficit) Beginning of Year</i>	57,997	57,997	0
Prior Year Encumbrances Appropriated	<u>4,711</u>	<u>4,711</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 37,286</u>	<u>\$ 44,336</u>	<u>\$ 7,050</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Property Taxes	\$ 80,717	\$ 80,717	\$ 0
Intergovernmental	18,952	18,952	0
<i>Total Revenues</i>	<u>99,669</u>	<u>99,669</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Public Health and Welfare:			
Other	106,257	106,257	0
<i>Total Expenditures</i>	<u>106,257</u>	<u>106,257</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(6,588)	(6,588)	0
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>6,588</u>	<u>6,588</u>	<u>0</u>
<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*  
*Community Development Block Grant Fund*  
*For the Year Ended December 31, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 150,000	\$ 150,000	\$ 0
<i>Total Revenues</i>	<u>150,000</u>	<u>150,000</u>	<u>0</u>
<b>Expenditures</b>			
Capital Outlay	150,000	150,000	0
<i>Total Expenditures</i>	<u>150,000</u>	<u>150,000</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>\$ 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*  
**FEMA Grant Fund**  
*For the Year Ended December 31, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 108,308	\$ 108,308	\$ 0
<i>Total Revenues</i>	<u>108,308</u>	<u>108,308</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
General Government			
Other	108,308	108,308	0
<i>Total Expenditures</i>	<u>108,308</u>	<u>108,308</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 38,267	\$ 39,084	\$ 817
<i>Total Revenues</i>	<u>38,267</u>	<u>39,084</u>	<u>817</u>
<b>Expenditures</b>			
Current:			
Transportation:			
Other	63,000	60,807	2,193
<i>Total Expenditures</i>	<u>63,000</u>	<u>60,807</u>	<u>2,193</u>
<i>Net Change in Fund Balance</i>	(24,733)	(21,723)	3,010
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>28,178</u>	<u>28,178</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 3,445</u></u>	<u><u>\$ 6,455</u></u>	<u><u>\$ 3,010</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 5,573	\$ 5,573	\$ 0
<i>Total Revenues</i>	<u>5,573</u>	<u>5,573</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Other	267	267	0
<i>Total Expenditures</i>	<u>267</u>	<u>267</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	5,306	5,306	0
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>19,139</u>	<u>19,139</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 24,445</u></u>	<u><u>\$ 24,445</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 1,361,045	\$ 1,361,045	\$ 0
Refunds and Reimbursements	15,441	15,441	0
<i>Total Revenues</i>	<u>1,376,486</u>	<u>1,376,486</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
General Government:			
Municipal Court:			
Personal Services	1,289,813	1,287,581	2,232
Other	139,600	137,290	2,310
<i>Total Expenditures</i>	<u>1,429,413</u>	<u>1,424,871</u>	<u>4,542</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(52,927)</u>	<u>(48,385)</u>	<u>(4,542)</u>
<b>Other Financing Sources (Uses)</b>			
Advances In	55,308	55,308	0
Advances Out	(10,308)	(10,308)	0
<i>Total Other Financing Sources (Uses)</i>	<u>45,000</u>	<u>45,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(7,927)	(3,385)	4,542
<i>Fund Balance (Deficit) Beginning of Year</i>	9,816	9,816	0
<i>Prior Year Encumbrances Appropriated</i>	950	950	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 2,839</u>	<u>\$ 7,381</u>	<u>\$ 4,542</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 50,617	\$ 50,617	\$ 0
<i>Total Revenues</i>	<u>50,617</u>	<u>50,617</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
General Government:			
Other	55,410	51,923	3,487
<i>Total Expenditures</i>	<u>55,410</u>	<u>51,923</u>	<u>3,487</u>
<i>Net Change in Fund Balance</i>	(4,793)	(1,306)	3,487
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>6,593</u>	<u>6,593</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,800</u>	<u>\$ 5,287</u>	<u>\$ 3,487</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 271,677	\$ 271,677	\$ 0
<i>Total Revenues</i>	<u>271,677</u>	<u>271,677</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
General Government:			
Personal Services	287,592	283,920	3,672
Other	<u>37,275</u>	<u>35,723</u>	<u>1,552</u>
<i>Total Expenditures</i>	<u>324,867</u>	<u>319,643</u>	<u>5,224</u>
<i>Net Change in Fund Balance</i>	(53,190)	(47,966)	5,224
<i>Fund Balance (Deficit) Beginning of Year</i>	65,139	65,139	0
Prior Year Encumbrances Appropriated	<u>577</u>	<u>577</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 12,526</u></u>	<u><u>\$ 17,750</u></u>	<u><u>\$ 5,224</u></u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Indigent Drivers Alcohol Treatment Fund*  
*For the Year Ended December 31, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 94,799	\$ 94,799	\$ 0
<i>Total Revenues</i>	<u>94,799</u>	<u>94,799</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
General Government:			
Other	290,486	43,362	247,124
<i>Total Expenditures</i>	<u>290,486</u>	<u>43,362</u>	<u>247,124</u>
<i>Net Change in Fund Balance</i>	(195,687)	51,437	247,124
<i>Fund Balance (Deficit) Beginning of Year</i>	287,634	287,634	0
Prior Year Encumbrances Appropriated	<u>9,667</u>	<u>9,667</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 101,614</u>	<u>\$ 348,738</u>	<u>\$ 247,124</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 1,855	\$ 1,855	\$ 0
<i>Total Revenues</i>	<u>1,855</u>	<u>1,855</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property:			
Other	12,512	0	12,512
<i>Total Expenditures</i>	<u>12,512</u>	<u>0</u>	<u>12,512</u>
<i>Net Change in Fund Balance</i>	(10,657)	1,855	12,512
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>14,110</u>	<u>14,110</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 3,453</u></u>	<u><u>\$ 15,965</u></u>	<u><u>\$ 12,512</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 22,644	\$ 22,644	\$ 0
<i>Total Revenues</i>	<u>22,644</u>	<u>22,644</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
General Government:			
Other	7,754	6,171	1,583
<i>Total Expenditures</i>	<u>7,754</u>	<u>6,171</u>	<u>1,583</u>
<i>Net Change in Fund Balance</i>	14,890	16,473	1,583
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>2,800</u>	<u>2,800</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 17,690</u></u>	<u><u>\$ 19,273</u></u>	<u><u>\$ 1,583</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>	\$ 0	\$ 0	\$ 0
<b>Expenditures</b>			
Current:			
General Government:			
Other	1,028	0	1,028
<i>Total Expenditures</i>	1,028	0	1,028
<i>Net Change in Fund Balance</i>	(1,028)	0	1,028
<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>\$ 1,028</u>	<u>\$ 1,028</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, 2013*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 30,541	\$ 30,541	\$ 0
<i>Total Revenues</i>	<u>30,541</u>	<u>30,541</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
General Government:			
Council:			
Personal Services	43,218	38,214	5,004
<i>Total Expenditures</i>	<u>43,218</u>	<u>38,214</u>	<u>5,004</u>
<i>Net Change in Fund Balance</i>	(12,677)	(7,673)	5,004
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>42,332</u>	<u>42,332</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 29,655</u>	<u>\$ 34,659</u>	<u>\$ 5,004</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 128,685	\$ 128,685	\$ 0
<i>Total Revenues</i>	<u>128,685</u>	<u>128,685</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
General Government:			
Personal Services	52,932	51,908	1,024
Other	102,999	86,321	16,678
<i>Total Expenditures</i>	<u>155,931</u>	<u>138,229</u>	<u>17,702</u>
<i>Net Change in Fund Balance</i>	(27,246)	(9,544)	17,702
<i>Fund Balance (Deficit) Beginning of Year</i>	42,219	42,219	0
Prior Year Encumbrances Appropriated	<u>577</u>	<u>577</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 15,550</u></u>	<u><u>\$ 33,252</u></u>	<u><u>\$ 17,702</u></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, 2014*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>			
Fines and Forfeitures	\$ 38,797	\$ 38,797	\$ 0
<i>Total Revenues</i>	<u>38,797</u>	<u>38,797</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
General Government:			
Personal Services	16,404	15,709	695
Other	42,633	20,943	21,690
<i>Total Expenditures</i>	<u>59,037</u>	<u>36,652</u>	<u>22,385</u>
<i>Net Change in Fund Balance</i>	(20,240)	2,145	22,385
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>116,211</u>	<u>116,211</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 95,971</u>	<u>\$ 118,356</u>	<u>\$ 22,385</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 129,805	\$ 129,805	\$ 0
<i>Total Revenues</i>	<u>129,805</u>	<u>129,805</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
General Government:			
Other	160,000	109,805	50,195
<i>Total Expenditures</i>	<u>160,000</u>	<u>109,805</u>	<u>50,195</u>
<i>Net Change in Fund Balance</i>	(30,195)	20,000	50,195
<i>Fund Balance (Deficit) Beginning of Year</i>	23,448	23,448	0
Prior Year Encumbrances Appropriated	<u>9,172</u>	<u>9,172</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 2,425</u>	<u>\$ 52,620</u>	<u>\$ 50,195</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 17,452	\$ 17,452	\$ 0
<i>Total Revenues</i>	<u>17,452</u>	<u>17,452</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
General Government:			
Other	64,000	2,306	61,694
<i>Total Expenditures</i>	<u>64,000</u>	<u>2,306</u>	<u>61,694</u>
<i>Net Change in Fund Balance</i>	(46,548)	15,146	61,694
<i>Fund Balance (Deficit) Beginning of Year</i>	79,415	79,415	0
Prior Year Encumbrances Appropriated	<u>3,050</u>	<u>3,050</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 35,917</u>	<u>\$ 97,611</u>	<u>\$ 61,694</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*State Highway Patrol Fund*  
*For the Year Ended December 31, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 7,675	\$ 7,675	\$ 0
<i>Total Revenues</i>	<u>7,675</u>	<u>7,675</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
General Government:			
Other	7,983	7,983	0
<i>Total Expenditures</i>	<u>7,983</u>	<u>7,983</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(308)	(308)	0
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>308</u>	<u>308</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 Court Magistrates Fund*  
*For the Year Ended December 31, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 65,662	\$ 65,662	\$ 0
<i>Total Revenues</i>	<u>65,662</u>	<u>65,662</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
General Government:			
Other	65,557	64,064	1,493
<i>Total Expenditures</i>	<u>65,557</u>	<u>64,064</u>	<u>1,493</u>
<i>Net Change in Fund Balance</i>	105	1,598	1,493
<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>\$ 105</u>	<u>\$ 1,598</u>	<u>\$ 1,493</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$ 82,341	\$ 82,341	\$ 0
Charges for Services	300,000	322,491	22,491
Contributions and Donations	1,000	1,000	0
Other	4,517	4,517	0
<i>Total Revenues</i>	<u>387,858</u>	<u>410,349</u>	<u>22,491</u>
<b>Expenditures</b>			
Capital Outlay	340,329	323,794	16,535
<i>Total Expenditures</i>	<u>340,329</u>	<u>323,794</u>	<u>16,535</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>47,529</u>	<u>86,555</u>	<u>39,026</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	13,000	13,000	0
<i>Net Change in Fund Balance</i>	60,529	99,555	39,026
<i>Fund Balance (Deficit) Beginning of Year</i>	247,549	247,549	0
<i>Prior Year Encumbrances Appropriated</i>	19,818	19,818	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 327,896</u>	<u>\$ 366,922</u>	<u>\$ 39,026</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Rent	\$ 43,613	\$ 43,613	\$ 0
<i>Total Revenues</i>	<u>43,613</u>	<u>43,613</u>	<u>0</u>
<b>Expenditures</b>			
Capital Outlay	971,964	941,302	30,662
<i>Total Expenditures</i>	<u>971,964</u>	<u>941,302</u>	<u>30,662</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(928,351)</u>	<u>(897,689)</u>	<u>30,662</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds of Notes	820,000	820,000	0
Transfers In	39,200	39,200	0
<i>Total Other Financing Sources (Uses)</i>	<u>859,200</u>	<u>859,200</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(69,151)	(38,489)	30,662
<i>Fund Balance (Deficit) Beginning of Year</i>	64,474	64,474	0
<i>Prior Year Encumbrances Appropriated</i>	<u>78,742</u>	<u>78,742</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 74,065</u>	<u>\$ 104,727</u>	<u>\$ 30,662</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Licenses and Permits	\$ 35,184	\$ 37,277	\$ 2,093
Other	54	0	(54)
<i>Total Revenues</i>	<u>35,238</u>	<u>37,277</u>	<u>2,039</u>
<b>Expenditures</b>			
Capital Outlay:			
Personal Services	514,108	511,241	2,867
Other	249,879	215,831	34,048
<i>Total Expenditures</i>	<u>763,987</u>	<u>727,072</u>	<u>36,915</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(728,749)</u>	<u>(689,795)</u>	<u>38,954</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	715,210	715,210	0
<i>Net Change in Fund Balance</i>	(13,539)	25,415	38,954
<i>Fund Balance (Deficit) Beginning of Year</i>	47,176	47,176	0
Prior Year Encumbrances Appropriated	25,653	25,653	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 59,290</u>	<u>\$ 98,244</u>	<u>\$ 38,954</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, 2014*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Licenses and Permits	\$ 257,646	\$ 257,646	\$ 0
<i>Total Revenues</i>	<u>257,646</u>	<u>257,646</u>	<u>0</u>
<b>Expenditures</b>			
Capital Outlay	250,000	18,452	231,548
<i>Total Expenditures</i>	<u>250,000</u>	<u>18,452</u>	<u>231,548</u>
<i>Net Change in Fund Balance</i>	7,646	239,194	231,548
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>1,176,644</u>	<u>1,176,644</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,184,290</u>	<u>\$ 1,415,838</u>	<u>\$ 231,548</u>

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**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, 2014*

	Medical Benefits Fund	Property/ Liability Insurance Fund	Workers Compensation Fund	Totals
<b>Assets</b>				
Current Assets:				
Equity in Pooled Cash and Investments	\$ 30,304	\$ 8,442	\$ 626,225	\$ 664,971
<b>Liabilities</b>				
Current Liabilities:				
Claims Payable	224,400	0	0	224,400
<b>Net Position</b>				
Unrestricted (Deficit)	\$ (194,096)	\$ 8,442	\$ 626,225	\$ 440,571

**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, 2014*

	Medical Benefits Fund	Property/ Liability Insurance Fund	Workers Compensation Fund	Totals
<b>Operating Revenues</b>				
Charges for Services	\$ 2,654,791	\$ 263,999	\$ 341,732	\$ 3,260,522
Reimbursements	136,579	7,524	169,473	313,576
<i>Total Operating Revenues</i>	<u>2,791,370</u>	<u>271,523</u>	<u>511,205</u>	<u>3,574,098</u>
<b>Operating Expenses</b>				
Contractual Services	286,233	302,594	272,390	861,217
Claims	2,857,586	33,594	0	2,891,180
Other	7,050	3,539	0	10,589
<i>Total Operating Expenses</i>	<u>3,150,869</u>	<u>339,727</u>	<u>272,390</u>	<u>3,762,986</u>
<i>Operating Income (Loss)</i>	(359,499)	(68,204)	238,815	(188,888)
<i>Net Position Beginning of Year</i>	<u>165,403</u>	<u>76,646</u>	<u>387,410</u>	<u>629,459</u>
<i>Net Position End of Year</i>	<u>\$ (194,096)</u>	<u>\$ 8,442</u>	<u>\$ 626,225</u>	<u>\$ 440,571</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Cash Flows-*  
*Internal Service Funds*  
*December 31, 2014*

	Medical Benefits Fund	Property/ Liability Insurance Fund	Workers Compensation Fund	Total Internal Service Funds
<b>Cash Flows From Operating Activities</b>				
Cash Received from Customers	\$ 2,817,226	\$ 271,523	\$ 511,205	\$ 3,599,954
Cash Payments for Contractual and Other Services	(293,283)	(309,901)	(272,390)	(875,574)
Cash Payments for Claims	<u>(2,842,506)</u>	<u>(33,594)</u>	<u>0</u>	<u>(2,876,100)</u>
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>(318,563)</u>	<u>(71,972)</u>	<u>238,815</u>	<u>(151,720)</u>
<i>Net Increase (Decrease) in Cash and Investments</i>	(318,563)	(71,972)	238,815	(151,720)
<i>Cash and Investments Beginning of Year</i>	<u>348,867</u>	<u>80,414</u>	<u>387,410</u>	<u>816,691</u>
<i>Cash and Investments End of Year</i>	<u>\$ 30,304</u>	<u>\$ 8,442</u>	<u>\$ 626,225</u>	<u>\$ 664,971</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities</b>				
Operating Income (Loss)	\$ (359,499)	\$ (68,204)	\$ 238,815	\$ (188,888)
Adjustments:				
(Increase) Decrease in Assets:				
Accounts Receivable	25,856	0	0	25,856
Increase (Decrease) in Liabilities:				
Accounts Payable	0	(3,768)	0	(3,768)
Claims Payable	<u>15,080</u>	<u>0</u>	<u>0</u>	<u>15,080</u>
<i>Total Adjustments</i>	<u>40,936</u>	<u>(3,768)</u>	<u>0</u>	<u>37,168</u>
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>\$ (318,563)</u>	<u>\$ (71,972)</u>	<u>\$ 238,815</u>	<u>\$ (151,720)</u>

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

***Fiduciary Funds***

To account for assets held by the City as an agency for individuals, private organizations, other governmental units, and other funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

***Agency Funds***

***Regional Sewer Fund***

To account for the collection of revenues to be remitted to the Northeast Ohio Regional Sewer District.

***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 insure compliance with building codes.

***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***

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 Assets and Liabilities*  
*Agency Funds*  
*December 31, 2014*

	<u>Regional Sewer</u>	<u>Contract Retainer</u>	<u>Guarantee Deposits</u>	<u>Ohio Board of Building Standards</u>
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 931,686	\$ 13,306	\$ 168,050	\$ 84
Cash in Segregated Accounts	0	0	0	0
Accounts Receivable	<u>1,469,857</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u>\$ 2,401,543</u>	<u>\$ 13,306</u>	<u>\$ 168,050</u>	<u>\$ 84</u>
<b>Liabilities</b>				
Accounts Payable	\$ 902,727	\$ 0	\$ 0	\$ 0
Due to Other Governments	1,498,816	0	0	84
Deposits Held and Due to Others	<u>0</u>	<u>13,306</u>	<u>168,050</u>	<u>0</u>
<i>Total Liabilities</i>	<u>\$ 2,401,543</u>	<u>\$ 13,306</u>	<u>\$ 168,050</u>	<u>\$ 84</u>

*(continued)*

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Assets and Liabilities*  
*Agency Funds*  
*December 31, 2014*

	<u>Metroparks</u>	<u>Municipal Court</u>	<u>Totals</u>
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 5,459	\$ 0	\$ 1,118,585
Cash in Segregated Accounts	0	94,700	94,700
Accounts Receivable	0	0	1,469,857
	<u>0</u>	<u>0</u>	<u>1,469,857</u>
<i>Total Assets</i>	<u>\$ 5,459</u>	<u>\$ 94,700</u>	<u>\$ 2,683,142</u>
<b>Liabilities</b>			
Accounts Payable	\$ 0	\$ 0	\$ 902,727
Due to Other Governments	5,459	94,700	1,599,059
Deposits Held and Due to Others	0	0	181,356
	<u>0</u>	<u>0</u>	<u>181,356</u>
<i>Total Liabilities</i>	<u>\$ 5,459</u>	<u>\$ 94,700</u>	<u>\$ 2,683,142</u>

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
*For the Year Ended December 31, 2014*

	Beginning Balance 1/1/2014	Additions	Reductions	Ending Balance 12/31/2014
<b>Regional Sewer</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 690,693	\$ 249,218	\$ 8,225	\$ 931,686
Accounts Receivable	1,465,547	1,469,857	1,465,547	1,469,857
<i>Total Assets</i>	<u>\$ 2,156,240</u>	<u>\$ 1,719,075</u>	<u>\$ 1,473,772</u>	<u>\$ 2,401,543</u>
<b>Liabilities</b>				
Accounts Payable	\$ 667,177	\$ 902,727	\$ 667,177	\$ 902,727
Due to Other Governments	1,489,063	912,480	902,727	1,498,816
<i>Total Liabilities</i>	<u>\$ 2,156,240</u>	<u>\$ 1,815,207</u>	<u>\$ 1,569,904</u>	<u>\$ 2,401,543</u>
<b>Contract Retainer</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 135,046	\$ 8,740	\$ 130,480	\$ 13,306
<i>Total Assets</i>	<u>\$ 135,046</u>	<u>\$ 8,740</u>	<u>\$ 130,480</u>	<u>\$ 13,306</u>
<b>Liabilities</b>				
Deposits Held and Due to Others	\$ 135,046	\$ 8,740	\$ 130,480	\$ 13,306
<i>Total Liabilities</i>	<u>\$ 135,046</u>	<u>\$ 8,740</u>	<u>\$ 130,480</u>	<u>\$ 13,306</u>
<b>Guarantee Deposits</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 60,035	\$ 115,557	\$ 7,542	\$ 168,050
<i>Total Assets</i>	<u>\$ 60,035</u>	<u>\$ 115,557</u>	<u>\$ 7,542</u>	<u>\$ 168,050</u>
<b>Liabilities</b>				
Deposits Held and Due to Others	\$ 60,035	\$ 115,557	\$ 7,542	\$ 168,050
<i>Total Liabilities</i>	<u>\$ 60,035</u>	<u>\$ 115,557</u>	<u>\$ 7,542</u>	<u>\$ 168,050</u>

*(continued)*

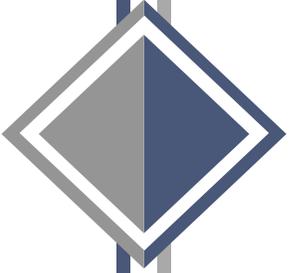
**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
*For the Year Ended December 31, 2014*

	Beginning Balance 1/1/2014	Additions	Reductions	Ending Balance 12/31/2014
<b>Ohio Board of Building Standards</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 117	\$ 2,345	\$ 2,378	\$ 84
<i>Total Assets</i>	<u>\$ 117</u>	<u>\$ 2,345</u>	<u>\$ 2,378</u>	<u>\$ 84</u>
<b>Liabilities</b>				
Due to Other Governments	\$ 117	\$ 2,345	\$ 2,378	\$ 84
<i>Total Liabilities</i>	<u>\$ 117</u>	<u>\$ 2,345</u>	<u>\$ 2,378</u>	<u>\$ 84</u>
<b>Metroparks</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 7,611	\$ 5,459	\$ 7,611	\$ 5,459
<i>Total Assets</i>	<u>\$ 7,611</u>	<u>\$ 5,459</u>	<u>\$ 7,611</u>	<u>\$ 5,459</u>
<b>Liabilities</b>				
Due to Other Governments	\$ 7,611	\$ 5,459	\$ 7,611	\$ 5,459
<i>Total Liabilities</i>	<u>\$ 7,611</u>	<u>\$ 5,459</u>	<u>\$ 7,611</u>	<u>\$ 5,459</u>
<b>Municipal Court</b>				
<b>Assets</b>				
Cash in Segregated Accounts	\$ 120,297	\$ 4,249,726	\$ 4,275,323	\$ 94,700
<i>Total Assets</i>	<u>\$ 120,297</u>	<u>\$ 4,249,726</u>	<u>\$ 4,275,323</u>	<u>\$ 94,700</u>
<b>Liabilities</b>				
Due to Other Governments	\$ 120,297	\$ 4,249,726	\$ 4,275,323	\$ 94,700
<i>Total Liabilities</i>	<u>\$ 120,297</u>	<u>\$ 4,249,726</u>	<u>\$ 4,275,323</u>	<u>\$ 94,700</u>

*(continued)*

**City of Berea**  
**Cuyahoga County, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
*For the Year Ended December 31, 2014*

	Beginning Balance 1/1/2014	Additions	Reductions	Ending Balance 12/31/2014
<b>Total Agency Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 893,502	\$ 381,319	\$ 156,236	\$ 1,118,585
Cash in Segregated Accounts	120,297	4,249,726	4,275,323	94,700
Accounts Receivable	1,465,547	1,469,857	1,465,547	1,469,857
	<u>1,465,547</u>	<u>1,469,857</u>	<u>1,465,547</u>	<u>1,469,857</u>
<i>Total Assets</i>	<u>\$ 2,479,346</u>	<u>\$ 6,100,902</u>	<u>\$ 5,897,106</u>	<u>\$ 2,683,142</u>
<b>Liabilities</b>				
Accounts Payable	\$ 667,177	\$ 902,727	\$ 667,177	\$ 902,727
Due to Other Governments	1,617,088	5,170,010	5,188,039	1,599,059
Deposits Held and Due to Others	195,081	124,297	138,022	181,356
	<u>195,081</u>	<u>124,297</u>	<u>138,022</u>	<u>181,356</u>
<i>Total Liabilities</i>	<u>\$ 2,479,346</u>	<u>\$ 6,197,034</u>	<u>\$ 5,993,238</u>	<u>\$ 2,683,142</u>



# 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.

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

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

**NOTE:**

With the implementation of GASB no. 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.

During 2013, the City implemented GASB 65. 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)*

	2014	2013	2012	Restated 2011
Governmental Activities				
Net Investment in Capital Assets	\$ 55,271,913	\$ 57,752,563	\$ 57,295,806	\$ 58,992,954
Restricted:				
Capital Projects	0	0	0	673,065
Debt Service	2,973,127	2,779,034	2,642,411	2,347,649
Street Lighting	969,411	872,108	1,042,402	1,067,706
Street Maintenance and Repair	445,028	527,701	478,130	446,422
Court Operations and Capital Outlay	1,667,683	1,417,252	306,864	386,601
Security Operations	107,601	147,168	0	0
Drug and Alcohol Programs	468,872	418,540	0	0
Other Purposes *	187,931	353,155	449,324	167,605
Unrestricted	5,170,387	6,806,855	5,917,006	4,476,698
<i>Total Governmental Activities Net Position</i>	<u>\$ 67,261,953</u>	<u>\$ 71,074,376</u>	<u>\$ 68,131,943</u>	<u>\$ 68,558,700</u>
Business Type - Activities				
Net Investment in Capital Assets	\$ 23,457,040	\$ 23,626,242	\$ 23,368,937	\$ 24,600,139
Unrestricted	3,436,507	2,993,113	3,040,813	2,018,042
<i>Total Business-Type Activities Net Position</i>	<u>\$ 26,893,547</u>	<u>\$ 26,619,355</u>	<u>\$ 26,409,750</u>	<u>\$ 26,618,181</u>
Primary Government				
Net Investment in Capital Assets	\$ 78,728,953	\$ 81,378,805	\$ 80,664,743	\$ 83,593,093
Restricted	6,819,653	6,514,958	4,919,131	5,089,048
Unrestricted	8,606,894	9,799,968	8,957,819	6,494,740
<i>Total Primary Government Net Position</i>	<u>\$ 94,155,500</u>	<u>\$ 97,693,731</u>	<u>\$ 94,541,693</u>	<u>\$ 95,176,881</u>

\* Note: Restricted for street lighting and restricted for street maintenance and repair have been separately displayed starting in 2008, 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.

Restated 2010	2009	Restated 2008	2007	2006	2005
\$ 61,091,099	\$ 59,019,083	\$ 54,735,567	\$ 53,184,519	\$ 48,121,514	\$ 42,381,980
915,815	2,486,092	301,374	0	232,205	3,264,410
1,292,551	1,104,494	905,303	680,940	670,019	643,931
1,055,354	1,093,595	755,289	0	0	0
376,397	395,710	304,989	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
701,198	628,634	703,967	2,096,437	2,053,168	2,460,328
3,736,574	2,022,870	4,320,878	1,338,161	1,997,946	749,997
<u>\$ 69,168,988</u>	<u>\$ 66,750,478</u>	<u>\$ 62,027,367</u>	<u>\$ 57,300,057</u>	<u>\$ 53,074,852</u>	<u>\$ 49,500,646</u>
\$ 20,243,615	\$ 19,919,357	\$ 20,018,990	\$ 19,953,368	\$ 18,647,776	\$ 16,754,484
2,326,082	2,274,499	1,815,540	1,612,870	1,086,173	1,377,976
<u>\$ 22,569,697</u>	<u>\$ 22,193,856</u>	<u>\$ 21,834,530</u>	<u>\$ 21,566,238</u>	<u>\$ 19,733,949</u>	<u>\$ 18,132,460</u>
\$ 81,334,714	\$ 78,938,440	\$ 74,754,557	\$ 73,137,887	\$ 66,769,290	\$ 59,136,464
4,341,315	5,708,525	2,970,922	2,777,377	2,955,392	6,368,669
6,062,656	4,297,369	6,136,418	2,951,031	3,084,119	2,127,973
<u>\$ 91,738,685</u>	<u>\$ 88,944,334</u>	<u>\$ 83,861,897</u>	<u>\$ 78,866,295</u>	<u>\$ 72,808,801</u>	<u>\$ 67,633,106</u>

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

	2014	2013	2012	Restated 2011
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General Government	\$ 2,678,278	\$ 2,661,404	\$ 2,707,588	\$ 2,427,949
Security of Persons and Property	1,166,634	1,156,701	1,182,585	994,746
Public Health	7,848	0	33,801	22,574
Leisure Time Services	643,457	577,155	541,377	529,841
Community Development	32,363	36,471	26,005	62,478
Public Works	0	0	0	0
Basic Utility	0	0	0	0
Transportation	256,028	248,202	257,220	228,046
Subtotal - Charges for Services	<u>4,784,608</u>	<u>4,679,933</u>	<u>4,748,576</u>	<u>4,265,634</u>
Operating Grants and Contributions:				
General Government	10,000	118,308	25,000	106,815
Security of Persons and Property	107,585	42,888	79,039	5,428
Public Health	22,263	27,618	46,060	59,250
Leisure Time Services	0	0	17,223	8,035
Community Development	0	300	0	0
Public Works	0	0	0	0
Transportation	804,587	983,318	808,899	718,812
Subtotal - Operating Grants and Contributions	<u>944,435</u>	<u>1,172,432</u>	<u>976,221</u>	<u>898,340</u>
Capital Grants and Contributions:				
General Government	0	941,534	0	0
Security of Persons and Property:	0	0	0	0
Leisure Time Services	0	3,665,728	0	0
Community Development	0	0	0	0
Transportation	0	0	761,383	725,879
Subtotal - Capital Grants and Contributions	<u>0</u>	<u>4,607,262</u>	<u>761,383</u>	<u>725,879</u>
<i>Total Governmental Activities Program Revenues</i>	<u>5,729,043</u>	<u>10,459,627</u>	<u>6,486,180</u>	<u>5,889,853</u>
Business-Type Activities:				
Charges for Services:				
Water	2,496,104	2,591,376	2,663,002	2,698,896
Sewer	743,737	766,431	757,684	693,806
Capital Grants and Contributions				
Water	0	0	91,142	0
Sewer	0	0	75,000	0
<i>Total Business-Type Activities Program Revenues</i>	<u>3,239,841</u>	<u>3,357,807</u>	<u>3,586,828</u>	<u>3,392,702</u>
<i>Total Primary Government Program Revenues</i>	<u>\$ 8,968,884</u>	<u>\$ 13,817,434</u>	<u>\$ 10,073,008</u>	<u>\$ 9,282,555</u>
<b>Expenses</b>				
Governmental Activities:				
General Government	\$ 8,291,476	\$ 7,164,279	\$ 6,992,774	\$ 6,201,327
Security of Persons and Property	6,753,040	6,852,063	6,755,965	6,441,638
Public Health	151,971	134,122	155,326	187,320
Leisure Time Services	3,223,496	4,534,669	3,262,399	2,714,029
Community Development	514,483	396,804	465,302	455,883
Public Works	1,243,488	1,167,454	1,167,636	1,370,499
Transportation	3,965,988	3,346,244	4,557,209	1,335,639
Interest and Fiscal Charges	478,972	588,644	435,179	450,989
<i>Total Governmental Activities Expenses</i>	<u>24,622,914</u>	<u>24,184,279</u>	<u>23,791,790</u>	<u>19,157,324</u>

2010	2009	Restated 2008	2007	2006	2005
\$ 2,635,408	\$ 2,544,724	\$ 2,391,999	\$ 2,743,431	\$ 2,757,377	\$ 2,498,563
1,047,395	1,383,581	1,091,201	510,215	428,927	391,611
39,309	0	0	0	0	0
477,076	409,457	424,726	413,284	381,189	317,031
33,774	33,534	27,237	461,435	967,225	660,539
0	0	0	6,715	2,696	128,455
0	0	0	43	0	0
296,627	486,980	679,167	0	0	41
<u>4,529,589</u>	<u>4,858,276</u>	<u>4,614,330</u>	<u>4,135,123</u>	<u>4,537,414</u>	<u>3,996,240</u>
64,590	0	4,000	0	447	950
39,925	24,364	21,521	120,903	20,239	24,068
75,831	80,728	0	0	0	0
58,733	19,375	0	500	1,250	0
0	65,293	0	0	0	0
0	0	225,000	0	0	0
856,311	702,977	1,029,496	728,512	736,799	961,694
<u>1,095,390</u>	<u>892,737</u>	<u>1,280,017</u>	<u>849,915</u>	<u>758,735</u>	<u>986,712</u>
0	0	0	0	0	1,260,873
0	2,487,993	0	0	220,893	0
0	0	0	0	473,648	0
0	10,670	0	0	150,000	0
<u>3,418,094</u>	<u>2,277,761</u>	<u>237,222</u>	<u>4,860,546</u>	<u>2,382,193</u>	<u>4,064,393</u>
<u>3,418,094</u>	<u>4,776,424</u>	<u>237,222</u>	<u>4,860,546</u>	<u>3,226,734</u>	<u>5,325,266</u>
<u>9,043,073</u>	<u>10,527,437</u>	<u>6,131,569</u>	<u>9,845,584</u>	<u>8,522,883</u>	<u>10,308,218</u>
2,578,894	2,768,562	2,581,125	3,039,350	2,716,951	2,552,951
656,827	721,397	762,686	838,176	792,902	766,157
606,839	8,600	906,530	1,459,661	1,670,964	2,121,365
<u>466,728</u>	<u>99,486</u>	<u>204,882</u>	<u>306,210</u>	<u>588,366</u>	<u>868,307</u>
<u>4,309,288</u>	<u>3,598,045</u>	<u>4,455,223</u>	<u>5,643,397</u>	<u>5,769,183</u>	<u>6,308,780</u>
\$ 13,352,361	\$ 14,125,482	\$ 10,586,792	\$ 15,488,981	\$ 14,292,066	\$ 16,616,998
\$ 7,766,608	\$ 6,543,797	\$ 6,075,079	\$ 7,354,994	\$ 7,798,798	\$ 8,413,294
6,974,204	6,883,839	6,756,475	6,438,828	6,639,568	5,845,715
211,300	119,132	122,080	120,472	144,833	130,574
3,559,520	3,005,421	3,207,018	3,373,362	2,029,456	3,869,281
543,755	496,548	502,423	542,237	638,547	501,952
1,337,335	1,121,553	1,265,014	1,262,949	1,122,270	889,213
2,965,627	2,936,864	2,631,003	2,548,409	2,535,627	2,160,819
613,938	668,099	563,320	1,070,332	1,292,593	1,085,275
<u>23,972,287</u>	<u>21,775,253</u>	<u>21,122,412</u>	<u>22,711,583</u>	<u>22,201,692</u>	<u>22,896,123</u>

(continued)

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

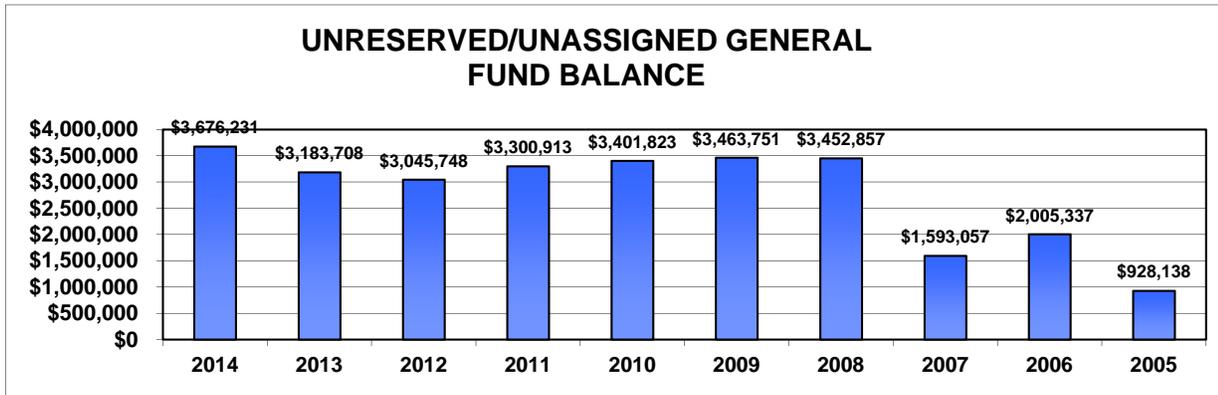
	2014	2013	2012	2011
<b>Business-Type Activities</b>				
Water	\$ 3,705,293	\$ 3,652,775	\$ 3,655,963	\$ 3,580,655
Sewer	946,637	838,650	922,985	481,780
<i>Total Business-Type Activities Expenses</i>	<u>4,651,930</u>	<u>4,491,425</u>	<u>4,578,948</u>	<u>4,062,435</u>
<i>Total Primary Government Program Expenses</i>	<u>29,274,844</u>	<u>28,675,704</u>	<u>28,370,738</u>	<u>23,219,759</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(18,893,871)	(13,724,652)	(17,305,610)	(13,267,471)
Business-Type Activities	<u>(1,412,089)</u>	<u>(1,133,618)</u>	<u>(992,120)</u>	<u>(669,733)</u>
<i>Total Primary Government Net Expense</i>	<u>(20,305,960)</u>	<u>(14,858,270)</u>	<u>(18,297,730)</u>	<u>(13,937,204)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities				
Taxes:				
Property and Other Local Taxes Levied For:				
General Purposes	\$ 1,547,123	\$ 1,664,090	\$ 1,643,154	\$ 1,669,355
Other Purposes *	2,297,347	2,243,409	2,341,007	2,394,337
Municipal Income Taxes levied for:				
General Purposes	11,050,350	11,876,563	11,446,700	10,601,210
Special Revenue	0	0	0	0
Grants and Entitlements not Restricted to				
Specific Programs	1,068,337	1,317,382	1,244,125	1,675,190
Investment Income	119,998	15,527	128,363	137,585
Other Taxes	284,641	272,968	278,888	260,819
Miscellaneous	51,552	88,056	57,616	94,120
Extraordinary Item	(174,900)	0	0	0
Transfers	<u>(1,163,000)</u>	<u>(810,910)</u>	<u>(261,000)</u>	<u>(4,175,433)</u>
<i>Total Governmental Activities</i>	<u>15,081,448</u>	<u>16,667,085</u>	<u>16,878,853</u>	<u>12,657,183</u>
Business-Type Activities				
Municipal Income Taxes levied for:				
Other Purpose - Debt Service	0	0	0	0
Property Taxes levied for:				
Water Improvements	449,104	456,699	448,972	458,166
Grants and Entitlements not Restricted to				
Specific Programs	74,177	74,604	63,815	81,972
Investment Income	0	0	0	0
Transfers	1,163,000	810,910	261,000	4,175,433
Miscellaneous	<u>0</u>	<u>1,010</u>	<u>9,902</u>	<u>2,646</u>
<i>Total Business-Type Activities</i>	<u>1,686,281</u>	<u>1,343,223</u>	<u>783,689</u>	<u>4,718,217</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>16,767,729</u>	<u>18,010,308</u>	<u>17,662,542</u>	<u>17,375,400</u>
<b>Change in Net Position</b>				
Governmental Activities	(3,812,423)	2,942,433	(426,757)	(610,288)
Business-Type Activities	<u>274,192</u>	<u>209,605</u>	<u>(208,431)</u>	<u>4,048,484</u>
<i>Total Primary Government Change in Net Position</i>	<u>\$ (3,538,231)</u>	<u>\$ 3,152,038</u>	<u>\$ (635,188)</u>	<u>\$ 3,438,196</u>

\* Includes Police and Fire Pension and Debt Service

2010	2009	Restated 2008	2007	2006	2005
\$ 3,658,374 700,903	\$ 3,639,102 873,591	\$ 3,650,419 1,005,252	\$ 3,048,752 914,222	\$ 3,292,666 1,000,028	\$ 2,603,840 1,486,172
4,359,277	4,512,693	4,655,671	3,962,974	4,292,694	4,090,012
28,331,564	26,287,946	25,778,083	26,674,557	26,494,386	26,986,135
(14,929,214) (49,989)	(11,247,816) (914,648)	(14,990,843) (200,448)	(12,865,999) 1,680,423	(13,678,809) 1,476,489	(12,587,905) 2,218,768
(14,979,203)	(12,162,464)	(15,191,291)	(11,185,576)	(12,202,320)	(10,369,137)
\$ 1,572,247 2,310,144	\$ 1,915,871 2,562,258	\$ 1,948,775 2,290,617	\$ 2,161,447 2,766,840	\$ 2,088,896 2,568,680	\$ 1,976,838 2,456,646
10,479,704 0	9,993,755 0	11,126,645 0	7,292,340 2,430,779	7,735,605 2,578,536	7,116,009 2,372,003
2,307,793 136,442 283,047 201,081 0 32,922	1,777,548 124,123 199,128 128,338 0 (730,094)	2,224,225 199,120 267,231 104,854 0 (132,000)	2,072,711 252,034 5,903 184,150 0 (75,000)	1,960,590 344,936 13,476 87,296 0 (125,000)	1,180,922 195,954 18,486 78,228 0 (305,000)
17,323,380	15,970,927	18,029,467	17,091,204	17,253,015	15,090,086
0	0	0	51,425	0	0
453,075	480,309	486,477	0	0	0
0 0 (32,922) 5,677	0 0 730,094 63,571	0 0 132,000 63,936	0 25,441 75,000 0	0 0 125,000 0	0 0 305,000 0
425,830	1,273,974	682,413	151,866	125,000	305,000
17,749,210	17,244,901	18,711,880	17,243,070	17,378,015	15,395,086
2,394,166 375,841	4,723,111 359,326	3,038,624 481,965	4,225,205 1,832,289	3,574,206 1,601,489	2,502,181 2,523,768
\$ 2,770,007	\$ 5,082,437	\$ 3,520,589	\$ 6,057,494	\$ 5,175,695	\$ 5,025,949

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

	2014	2013	2012	Restated 2011
<b>General Fund</b>				
Reserved	\$ 0	\$ 0	\$ 0	\$ 0
Unreserved	0	0	0	0
Nonspendable	79,707	79,091	43,383	47,891
Committed	906,735	1,094,998	1,274,241	927,075
Assigned	16,501	269,616	174,933	6,106
Unassigned	<u>3,676,231</u>	<u>3,183,708</u>	<u>3,045,748</u>	<u>3,300,913</u>
Total General Fund	<u>4,679,174</u>	<u>4,627,413</u>	<u>4,538,305</u>	<u>4,281,985</u>
<b>All Other Governmental Funds</b>				
Reserved	0	0	0	0
Unreserved, Undesignated, Reported in:				
Special Revenue funds	0	0	0	0
Debt Service funds	0	0	0	0
Capital Projects funds	0	0	0	0
Nonspendable	140,227	308,599	165,852	145,798
Restricted	5,628,560	5,293,239	4,736,896	4,511,298
Committed	2,568,923	1,992,296	2,369,907	1,663,444
Unassigned	<u>(10,775)</u>	<u>(24,599)</u>	<u>(180,214)</u>	<u>(234,632)</u>
Total All Other Governmental Funds	<u>8,326,935</u>	<u>7,569,535</u>	<u>7,092,441</u>	<u>6,085,908</u>
<b>Total Governmental Funds</b>	<u>\$ 13,006,109</u>	<u>\$ 12,196,948</u>	<u>\$ 11,630,746</u>	<u>\$ 10,367,893</u>



Restated 2010	2009	2008	2007	2006	2005
\$ 0	\$ 159,796	\$ 160,007	\$ 43,543	\$ 21,772	\$ 26,705
0	3,463,751	3,452,857	1,593,057	2,005,337	928,138
24,344	0	0	0	0	0
831,180	0	0	0	0	0
0	0	0	0	0	0
3,401,823	0	0	0	0	0
4,257,347	3,623,547	3,612,864	1,636,600	2,027,109	954,843
0	639,238	124,821	275,090	219,815	120,073
0	954,698	703,632	855,636	859,680	1,219,959
0	847,063	679,284	468,848	235,077	374,539
0	1,893,439	(2,447,748)	(324,100)	133,043	3,272,463
1,088,175	0	0	0	0	0
4,307,437	0	0	0	0	0
490,670	0	0	0	0	0
(230,943)	0	0	0	0	0
5,655,339	4,334,438	(940,011)	1,275,474	1,447,615	4,987,034
\$ 9,912,686	\$ 7,957,985	\$ 2,672,853	\$ 2,912,074	\$ 3,474,724	\$ 5,941,877

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

	2014	2013	2012	2011	2010
<b>Revenues</b>					
Property and Other Taxes	\$ 4,013,444	\$ 3,984,795	\$ 4,185,749	\$ 4,187,409	\$ 4,167,796
Municipal Income Taxes	11,823,354	11,114,942	10,758,113	10,454,513	10,922,715
Special Assessments	687,958	695,079	688,970	682,786	700,167
Charges for Services	1,046,221	983,567	1,151,937	1,056,890	1,113,097
Licenses and Permits	359,641	393,275	397,561	363,372	480,979
Fines and Forfeitures	2,536,488	2,428,863	2,481,137	2,189,582	2,364,651
Intergovernmental	2,083,875	2,926,659	2,842,680	2,897,594	3,274,546
Interest	134,515	29,048	158,337	137,585	136,442
Contributions and Donations	51,111	52,163	45,230	62,932	258,686
Other	159,448	250,293	68,545	116,901	165,369
<i>Total Revenues</i>	<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>
<b>Expenditures</b>					
Current:					
General Government	7,183,125	6,431,561	6,767,192	6,714,835	6,791,331
Security of Persons and Property	6,354,515	6,505,370	6,431,807	6,458,138	6,663,889
Public Health	151,971	134,122	155,326	187,320	211,300
Leisure Time Services	2,034,896	1,852,113	1,781,720	1,614,757	1,544,300
Community Development	291,721	404,860	462,267	471,003	503,772
Public Works	1,215,079	1,148,881	1,144,731	1,350,451	1,327,127
Transportation	925,472	776,220	799,062	851,322	890,006
Capital Outlay	4,152,414	4,371,739	3,479,757	3,113,744	3,195,787
Debt Service:					
Principal Retirement	5,466,560	7,142,238	6,309,664	5,324,475	7,241,978
Interest and Fiscal Charges	486,428	607,363	480,758	503,506	623,917
<i>Total Expenditures</i>	<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>
<i>Excess of Revenues Over (Under) Expenditures</i>	<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>
<b>Other Financing Sources (Uses)</b>					
Proceeds from Capital Assets	2,722	20,700	3,025	0	1,817
Special Assessment Bonds Issued	0	0	0	0	0
General Obligation Bonds Issued	0	4,005,000	0	0	2,725,000
General Obligation Bonds Refunded	0	0	0	0	0
Premium on Refunding Bonds	0	0	0	0	0
Premium on Debt Issuance	42,965	88,152	45,518	5,703	14,728
Payment to Refunding Bond Escrow Agent	0	0	0	0	0
Proceeds from Notes Issued	7,467,500	4,514,500	6,112,550	4,810,000	3,850,000
Inception of Capital Lease	0	158,952	0	0	136,953
Issuance of Loans	0	146,131	202,650	459,491	817,961
Other	0	0	0	0	0
Discount on Debt Issued	0	0	0	0	(34,143)
Transfers In	3,347,410	3,132,525	2,988,224	3,495,100	2,615,670
Transfers Out	(4,510,410)	(4,983,975)	(3,249,224)	(3,875,100)	(2,788,670)
<i>Total Other Financing Sources (Uses)</i>	<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>
Extraordinary Item	(174,900)	0	0	0	0
<i>Net Change in Fund Balances</i>	<u>\$ 809,161</u>	<u>\$ 566,202</u>	<u>\$ 1,068,718</u>	<u>\$ 455,207</u>	<u>\$ 1,930,357</u>
Debt Service as a Percentage of Noncapital Expenditures	23%	38%	26%	24%	33%

2009	2008	2007	2006	2005
\$ 4,270,718	\$ 4,647,207	\$ 6,062,620	\$ 4,733,365	\$ 4,592,855
10,181,318	10,928,016	8,828,219	10,563,354	9,291,061
517,918	844,993	607,345	495,358	575,716
993,872	1,066,019	1,140,431	1,003,101	749,245
408,421	274,645	599,923	998,953	882,642
2,443,123	2,385,269	2,242,271	2,255,125	2,017,012
3,402,160	2,979,611	5,788,912	3,618,018	4,491,032
124,123	199,120	252,079	344,936	195,980
94,495	200,000	0	0	0
175,973	272,233	139,107	199,684	663,941
<u>22,612,121</u>	<u>23,797,113</u>	<u>25,660,907</u>	<u>24,211,894</u>	<u>23,459,484</u>
6,329,229	6,588,316	7,344,938	7,043,959	6,616,462
6,474,662	6,419,429	6,199,605	6,613,828	6,305,057
119,132	122,080	120,472	144,833	130,574
1,610,617	1,625,000	1,772,479	1,693,868	1,951,111
505,093	534,163	547,564	535,008	421,281
1,089,789	1,236,211	1,241,619	1,019,438	826,085
884,337	833,147	966,443	876,475	787,638
3,430,872	5,804,880	5,895,586	3,653,127	4,663,870
2,275,311	1,172,101	1,260,146	6,853,359	8,892,656
545,979	548,167	958,072	1,113,234	1,100,417
<u>23,265,021</u>	<u>24,883,494</u>	<u>26,306,924</u>	<u>29,547,129</u>	<u>31,695,151</u>
<u>(652,900)</u>	<u>(1,086,381)</u>	<u>(646,017)</u>	<u>(5,335,235)</u>	<u>(8,235,667)</u>
10,578	4,160	2,292	8,318	0
0	0	0	(210,039)	0
0	0	0	0	0
0	0	0	7,365,000	0
0	0	0	124,066	0
0	0	0	0	0
0	0	0	(4,430,878)	0
5,850,000	975,000	0	0	7,600,000
212,598	0	156,075	136,615	170,604
362,056	0	0	0	0
0	0	0	0	2,043,000
0	0	0	0	0
7,637,068	2,104,000	2,982,479	2,981,550	
<u>(8,134,268)</u>	<u>(2,236,000)</u>	<u>(3,057,479)</u>	<u>(3,106,550)</u>	<u>(2,348,000)</u>
<u>5,938,032</u>	<u>847,160</u>	<u>83,367</u>	<u>2,868,082</u>	<u>7,465,604</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$ 5,285,132</u>	<u>\$ (239,221)</u>	<u>\$ (562,650)</u>	<u>\$ (2,467,153)</u>	<u>\$ (770,063)</u>
18%	10%	12%	32%	39%

**City of Berea, Ohio**  
*Property Tax Rates - Direct and Overlapping Governments*  
*(Per \$1,000 of Assessed Valuation)*  
*Last Ten Years*

<u>Year</u>	<u>City of Berea</u>					<u>Berea School District</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Water Revenue (2)</u>	<u>Debt Service</u>	<u>Total</u>	
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
2009	8.15	3.00	1.40	4.65	17.20	74.90
2008	8.55	3.00	1.40	5.65	18.60	74.90
2007	8.55	3.00	1.40	5.65	18.60	74.90
2006	8.95	3.10	N/A	5.35	17.40	69.70
2005	9.05	3.10	N/A	5.45	17.60	69.80

Source: Cuyahoga County Fiscal Officer

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

Charter millage is consistently applied to all types of property.

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

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

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

(2) Levy passed in 2007 for water plant capital improvements

<u>Olmsted Falls School District</u>	<u>Polaris JVSD</u>	<u>Cuyahoga Co &amp; Special Taxing Districts (1)</u>
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
91.90	2.40	20.60
91.80	2.40	20.20
89.80	2.40	20.20
89.70	2.40	20.30
89.80	2.40	20.30

**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
2014	\$ 370,843,110	\$ 1,059,551,743	\$ 8,714,150	\$ 9,902,443
2013	373,633,920	1,067,525,486	8,242,980	9,367,023
2012	375,142,810	1,071,836,600	6,823,640	7,754,136
2011	369,786,280	1,056,532,229	6,522,740	7,412,205
2010	368,473,230	1,052,780,657	6,323,310	7,185,580
2009	382,502,610	1,092,864,600	6,122,200	6,957,045
2008	383,481,630	1,095,661,800	5,884,150	6,686,534
2007	373,920,320	1,068,343,771	9,363,610	10,640,466
2006	332,121,860	948,919,600	10,067,780	11,440,659
2005	319,853,310	913,866,600	11,175,430	12,699,352

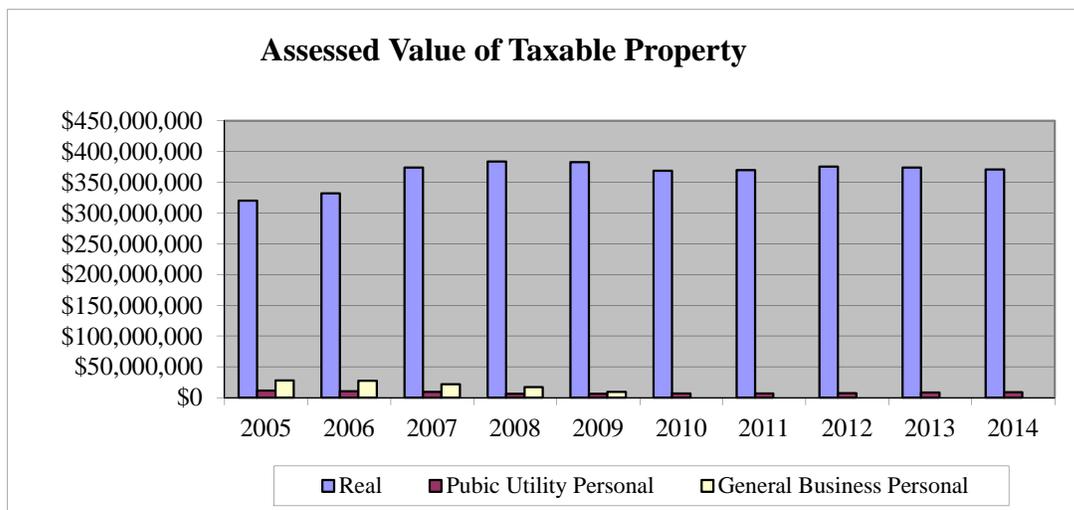
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

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. For collection year 2006 both types of general business tangible personal property were assessed at 18.75 percent. The percentage will be 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. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

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	\$ 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	
16,798,744	89,593,301	406,164,524	1,191,941,635	34.08	18.60	
21,763,047	116,069,584	405,046,977	1,195,053,821	33.89	18.60	
27,069,592	144,371,157	369,259,232	1,104,731,416	33.43	17.40	
27,861,498	111,445,992	358,890,238	1,038,011,944	34.57	17.60	



**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
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
2009	5,139,255	4,938,884	96.10	137,428	5,076,312	98.78	335,461	6.53
2008	5,225,363	4,997,094	95.63	205,661	5,202,755	108.85	334,638	6.40
2007	5,317,600	4,990,340	93.85	146,396	5,136,736	106.95	491,651	9.25
2006	6,498,219	5,700,609	87.73	316,167	6,016,776	92.59	491,707	7.57
2005	6,397,752	5,519,694	86.28	275,937	5,795,631	90.59	573,888	8.97

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*  
 2014 and 2005

Taxpayer	2014	
	Real Property Assessed Valuation (1)	Percentage Of Real Assessed Valuation
Cleveland Electric Illuminating Co.	\$ 6,436,390	1.74%
Tower in the Park LTD	3,684,810	0.99%
West Valley Plaza	2,859,440	0.77%
Berea Properties Company	2,545,980	0.69%
Echo Berea Associates, LLC	2,497,510	0.67%
OHI Asset II LLC	2,375,840	0.64%
KCM I LLC	1,992,980	0.54%
Berea Square Co., LLC	1,682,280	0.45%
680 North LLC	1,674,750	0.45%
Columbia Gas	1,669,820	0.45%
<b>Total</b>	<b>\$ 27,419,800</b>	<b>7.39%</b>
<b>Total Assessed Valuation</b>	<b>\$ 370,843,110</b>	
Taxpayer	2005	
	Real Property Assessed Valuation (1)	Percentage Of Real Assessed Valuation
Tower in the Park LTD	\$ 11,856,700	3.71%
Cleveland Electric Illuminating Co.	10,801,320	3.38%
Berea Properties Co.	7,529,100	2.35%
Ohio Bell Telephone Co.	6,578,550	2.06%
West Valley Plaza	6,213,000	1.94%
A&F Machine Products Co.	4,829,900	1.51%
Cleveland St. Adelbert	4,443,900	1.39%
Berea Square Co., LLC	4,350,300	1.36%
Berea Lake Towers	4,218,200	1.32%
Berea Parkway Shops	4,117,600	1.29%
<b>Total</b>	<b>\$ 64,938,570</b>	<b>20.31%</b>
<b>Total Assessed Valuation</b>	<b>\$ 319,853,310</b>	

Source: County Fiscal Officer

(1) The amounts presented represent the assessed values upon which 2014 and 2005 collections were based.

**City of Berea, Ohio**  
*Principal Taxpayers - Municipal Tax*  
 2014 and 2006

Taxpayer	<u>2014</u>	
	Tax	Percentage of Tax Collected
Cleveland Browns Football	\$ 2,901,365	24.91%
Baldwin Wallace College	827,928	7.11%
Berea City School District	471,578	4.05%
City of Berea	191,730	1.65%
OHNH EMP LLC	217,488	1.87%
Guidestone	220,809	1.90%
Ohio Turnpike Commission	143,910	1.24%
Standby Screw Machine Products	134,664	1.16%
Eaton Aeroquip LLC	116,305	1.00%
Sound Com Corp	115,924	1.00%
<b>Total</b>	<b>\$ 5,341,701</b>	<b>45.89%</b>
<b>Total Tax Collected</b>	<b>\$ 11,647,041</b>	

Taxpayer	<u>2006 (1)</u>	
	Tax	Percentage of Tax Collected
Cleveland Browns Football	\$ 2,237,440	21.98%
Baldwin Wallace College	712,605	7.00%
Berea City School District	486,262	4.78%
ColorMatrix Corp.	242,147	2.38%
Ohio Turnpike Commission	236,825	2.33%
City of Berea	228,314	2.24%
Berea Childrens Home	168,398	1.65%
Standby Screw Machine Products	166,411	1.63%
Abne LLC	143,554	1.41%
Tuthill Corporation	109,980	1.08%
<b>Total</b>	<b>\$ 4,731,936</b>	<b>46.48%</b>
<b>Total Tax Collected</b>	<b>\$ 10,178,273</b>	

(1) Information prior to 2006 is not currently available.

Source: Regional Income Tax Agency

## City of Berea, Ohio

### Principal Employers

2014 and 2007

<i>2014</i>		
Employer	Number of Employees	Percentage of Total City Employment
Baldwin Wallace College	3,148	30.17%
Berea City School District	646	6.19%
OHNH EMP LLC	715	6.85%
Guidestone	550	5.27%
Cleveland Browns Football	640	6.13%
Amerimark Direct LLC	317	3.04%
City of Berea	293	2.81%
Standby Screw Machine Products	182	1.74%
Eaton Aeroquip LLC	155	1.49%
Corsa Performance	116	1.11%
<b>Total</b>	<b>6,762</b>	<b>64.80%</b>
Total Employment within the City	10,435	
<i>2007 (1)</i>		
Employer	Number of Employees	Percentage of Total City Employment
Baldwin Wallace College	1,260	9.24%
Berea City School District	595	4.36%
Berea Childrens Home	510	3.74%
Cleveland Browns Football	367	2.69%
City of Berea	248	1.82%
Riser Foods Company	209	1.53%
Standby Screw Machine Products	205	1.50%
ColorMatrix Corp.	133	0.98%
Jaco Manufacturing Co.	132	0.97%
Ohio Turnpike Commission	116	0.85%
<b>Total</b>	<b>3,775</b>	<b>27.68%</b>
Total Employment within the City	13,637	

(1) Information prior to 2007 is not currently available.

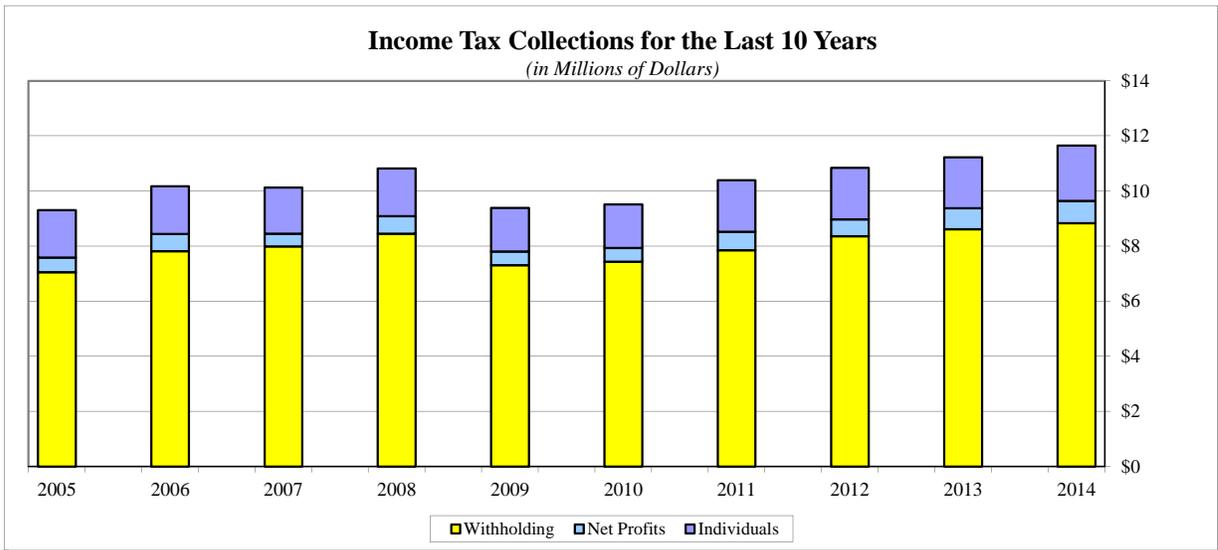
Source: Regional Income Tax Agency

**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
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
2009	2.00	9,393,556	7,307,157	77.79	497,722	5.30
2008	2.00	10,826,647	8,454,463	78.09	633,225	5.85
2007	2.00	10,132,495	7,987,336	78.83	466,872	4.61
2006	2.00	10,178,273	7,821,123	76.84	626,093	6.15
2005	2.00	9,304,978	7,054,038	75.81	535,723	5.76

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

Source: Regional Income Tax Agency



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	<u>Taxes From Individuals</u>	<u>Percentage of Taxes from Individuals</u>
\$	2,003,858	17.20%
	1,848,949	16.48
	1,864,200	17.19
	1,866,498	17.96
	1,583,770	16.63
	1,588,677	16.91
	1,738,959	16.06
	1,678,287	16.56
	1,731,057	17.01
	1,715,217	18.43

**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 Lease	Notes Payable	OPWC
2014	\$ 10,679,632	\$ 0	\$ 128,370	\$ 7,467,500	\$ 2,083,284
2013	11,540,570	0	214,233	4,514,500	2,093,417
2012	8,235,000	50,000	164,023	6,112,550	1,957,419
2011	9,410,000	270,000	263,112	4,810,000	1,943,695
2010	10,545,000	480,000	387,241	3,850,000	1,484,204
2009	8,875,000	680,000	382,140	5,850,000	666,243
2008	9,875,000	870,000	274,940	5,825,000	0
2007	10,770,000	1,050,000	367,330	1,750,000	0
2006	11,785,756	1,225,000	276,127	200,000	0
2005	9,528,023	1,395,000	170,604	5,800,000	0

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.

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Business-Type Activities

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Capital Lease	Loan Payable	Note Payable	OWDA and OPWC	Total Primary Government	Total Personal Income	Percentage of Personal Income(1)	Per Capita(1)
\$ 63,111	\$ 320,157	\$ 1,160,000	\$ 11,856,305	\$ 33,758,359	\$ 462,718,855	7.30%	\$ 1,768
92,690	329,859	1,138,000	12,503,391	32,426,660	462,718,855	7.01%	1,698
121,025	349,263	1,537,450	12,086,163	30,612,893	462,718,855	6.62%	1,603
148,169	388,070	40,000	12,973,559	30,246,605	462,718,855	6.54%	1,584
26,526	388,070	0	13,280,182	30,441,223	443,702,227	6.86%	1,594
109,048	388,070	0	10,243,260	27,193,761	406,709,550	6.69%	1,447
187,205	0	25,000	10,161,094	27,218,239	406,709,550	6.69%	1,449
261,225	0	0	7,428,347	21,626,902	406,709,550	5.32%	999
211,911	0	0	5,560,271	19,259,065	406,709,550	4.74%	1,015
256,731	0	0	4,911,537	22,061,895	406,709,550	5.42%	1,163

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

Year	Charges for Services	Direct Operating Expenses (1)	Net Revenues Available	Debt Service		Coverage
				Principal (2)	Interest (2)	
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%
2011	3,392,702	2,006,213	1,386,489	369,340	242,894	44.16%

Source: City Financial Records

- (1) Direct operating expenses do not include depreciation and amortization expense.
- (2) Principal and interest does not include projects in process not yet billing for services.
- (3) 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
2014	19,093	\$ 379,557,260	\$ 19,307,132	\$ 2,812,637	\$ 16,494,495	4.35%	\$ 863.90
2013	19,093	381,876,900	17,193,070	2,549,373	14,643,697	3.83	766.97
2012	19,093	381,966,450	15,935,000	2,433,220	13,501,780	3.53	707.16
2011	19,093	376,309,020	14,530,000	2,107,573	12,422,427	3.30	650.63
2010	19,093	374,796,540	14,875,000	1,036,136	13,838,864	3.69	724.81
2009	18,970	397,801,842	15,405,000	847,063	14,557,937	3.66	767.42
2008	18,970	406,164,524	11,720,000	679,284	11,040,716	2.72	582.01
2007	18,970	405,046,977	13,570,000	468,848	13,101,152	3.23	697.24
2006	18,970	369,259,232	13,010,756	235,077	12,775,679	3.46	673.47
2005	18,970	358,890,238	16,723,023	374,539	16,348,484	4.56	861.81

(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.

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**City of Berea, Ohio**  
*Computation of Direct and Overlapping Governmental Activities Debt*  
*December 31, 2014*

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
<b>Direct</b>			
City of Berea	\$ 20,358,786	100.00%	\$ 20,358,786
<i>Total Direct Debt</i>	<u>20,358,786</u>		<u>20,358,786</u>
<b>Overlapping</b>			
Berea City School District	5,130,000	26.69%	1,369,197
Olmsted Falls School District	15,391,829	4.46%	686,476
Polaris Career Center	2,905,000	8.11%	235,596
Cuyahoga County	<u>194,222,000</u>	1.37%	<u>2,660,841</u>
<i>Total Overlapping Debt</i>	<u>217,648,829</u>		<u>4,952,110</u>
<b>Grand Total</b>	<u>\$ 238,007,615</u>		<u>\$ 25,310,896</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*

	2014	2013	2012	2011
Total Assessed Property Value	\$ 379,557,260	\$ 381,876,900	\$ 381,966,450	\$ 376,309,020
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	39,853,512	40,097,075	40,106,477	39,512,447
Debt Outstanding:				
General Obligation Bonds and Notes	18,147,132	16,055,070	14,397,550	14,530,000
Total Gross Indebtedness	18,147,132	16,055,070	14,397,550	14,530,000
Less:				
General Obligation Bonds and Notes	0	0	(50,000)	(270,000)
OPWC Loans	0	0	0	0
Amount Available in Debt Service Fund	(2,812,637)	(2,549,373)	(2,433,220)	(2,107,573)
Total Net Debt Applicable to Debt Limit	15,334,495	13,505,697	11,914,330	12,152,427
Legal Debt Margin Within 10 ½ % Limitations	\$24,519,017	\$26,591,378	\$28,192,147	\$27,360,020
Legal Debt Margin as a Percentage of the Debt Limit	61.52%	66.32%	70.29%	69.24%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	20,875,649	21,003,230	21,008,155	20,696,996
Total Gross Indebtedness	18,147,132	16,055,070	14,397,550	14,530,000
Less:				
General Obligation Bonds and Notes	0	0	(50,000)	(270,000)
OPWC Loans	0	0	0	0
Amount Available in Debt Service Fund	(2,812,637)	(2,549,373)	(2,433,220)	(2,107,573)
Net Debt Within 5 ½ % Limitations	15,334,495	13,505,697	11,914,330	12,152,427
Unvoted Legal Debt Margin Within 5 ½ % Limitations	\$ 5,541,154	\$ 7,497,533	\$ 9,093,825	\$ 8,544,569
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	26.54%	35.70%	43.29%	41.28%

Source: City Financial Records

2010	2009	2008	2007	2006	2005
<u>\$ 374,796,540</u>	<u>\$ 397,801,842</u>	<u>\$ 406,164,524</u>	<u>\$ 405,046,977</u>	<u>\$ 369,259,232</u>	<u>\$ 358,890,238</u>
<u>39,353,637</u>	<u>41,769,193</u>	<u>42,647,275</u>	<u>42,529,933</u>	<u>38,772,219</u>	<u>37,683,475</u>
<u>14,875,000</u>	<u>15,405,000</u>	<u>11,720,000</u>	<u>13,570,000</u>	<u>13,010,756</u>	<u>16,723,023</u>
14,875,000	15,405,000	11,720,000	13,570,000	13,010,756	16,723,023
(480,000)	(680,000)	(870,000)	(1,050,000)	(1,225,000)	(1,395,000)
0	0	0	0	0	0
<u>(1,036,136)</u>	<u>(847,063)</u>	<u>(679,284)</u>	<u>(468,848)</u>	<u>(235,077)</u>	<u>(374,539)</u>
<u>13,358,864</u>	<u>13,877,937</u>	<u>10,170,716</u>	<u>12,051,152</u>	<u>11,550,679</u>	<u>14,953,484</u>
<u>\$25,994,773</u>	<u>\$27,891,256</u>	<u>\$32,476,559</u>	<u>\$30,478,781</u>	<u>\$27,221,540</u>	<u>\$22,729,991</u>
66.05%	66.77%	76.15%	71.66%	70.21%	60.32%
<u>20,613,810</u>	<u>21,879,101</u>	<u>22,339,049</u>	<u>22,277,584</u>	<u>20,309,258</u>	<u>19,738,963</u>
14,875,000	15,405,000	11,720,000	13,570,000	13,010,756	16,723,023
(480,000)	(680,000)	(870,000)	(1,050,000)	(1,225,000)	(1,395,000)
0	0	0	0	0	0
<u>(1,036,136)</u>	<u>(847,063)</u>	<u>(679,284)</u>	<u>(468,848)</u>	<u>(235,077)</u>	<u>(374,539)</u>
<u>13,358,864</u>	<u>13,877,937</u>	<u>10,170,716</u>	<u>12,051,152</u>	<u>11,785,756</u>	<u>15,328,023</u>
<u>\$ 7,254,946</u>	<u>\$ 8,001,164</u>	<u>\$ 12,168,333</u>	<u>\$ 10,226,432</u>	<u>\$ 8,523,502</u>	<u>\$ 4,410,940</u>
35.19%	36.57%	54.47%	45.90%	41.97%	22.35%

**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)
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
2009	18,790	406,709,550	21,645	45,615	36.1
2008	18,790	406,709,550	21,645	45,615	36.1
2007	18,790	406,709,550	21,645	45,615	36.1
2006	18,790	406,709,550	21,645	45,615	36.1
2005	18,790	406,709,550	21,645	45,615	36.1

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

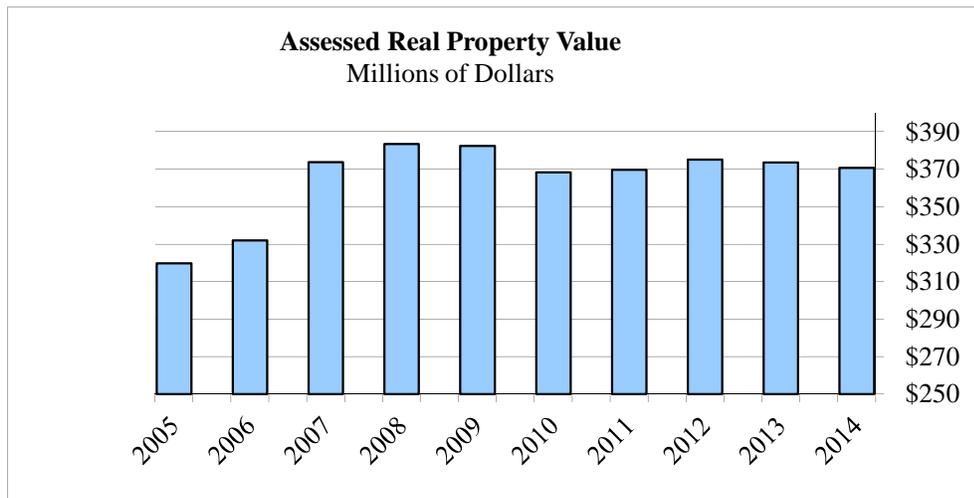
(b) 2010 Federal Census

(2) Source: Ohio Department of Education

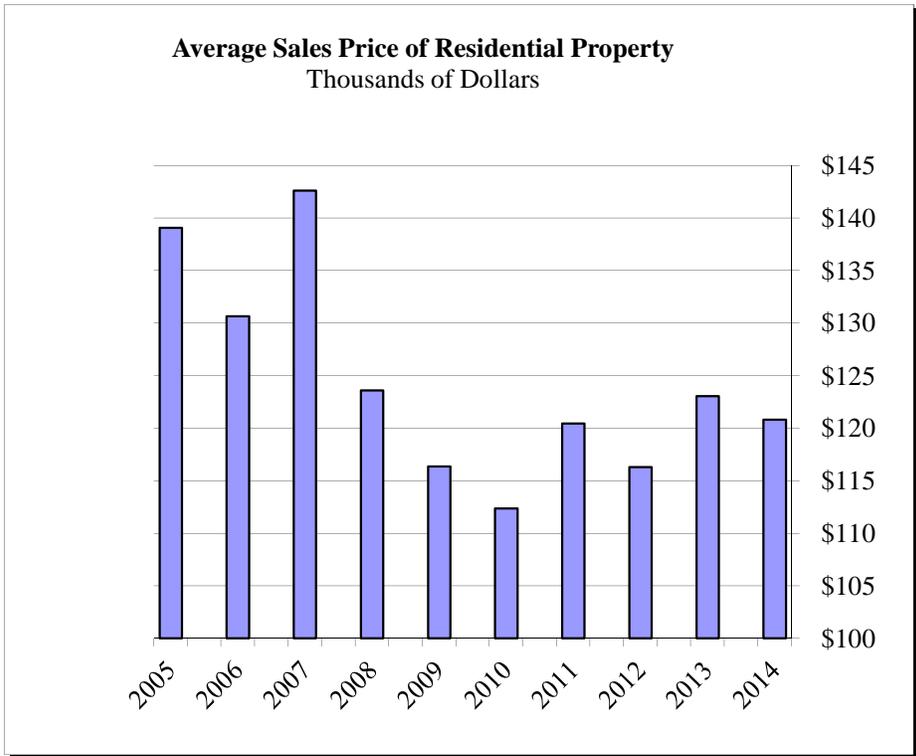
(3) Source: Bureau of Labor Statistics

(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	7,111	6.0%	\$ 120,821	\$ 370,843,110
3,350	7,111	7.2%	123,056	373,633,920
3,350	7,121	8.6%	116,313	375,142,810
3,350	7,000	8.0%	120,453	369,786,280
3,450	7,099	8.6%	112,380	368,473,230
3,365	7,181	10.2%	116,352	382,502,610
3,365	7,500	7.1%	123,603	383,481,630
3,365	7,713	6.2%	142,614	373,920,320
3,365	7,418	5.4%	130,645	332,121,860
3,365	7,535	5.6%	139,071	319,853,310



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

Function/Program	2014	2013	2012	2011	2010
<b>General Government</b>					
Council	5.0	5.0	5.0	5.0	6.0
Finance	4.5	4.5	4.5	4.5	4.5
Law	2.0	1.0	1.0	2.0	2.0
Administration	11.0	6.5	6.0	5.5	8.0
Engineer	3.5	3.0	2.0	2.0	2.0
Civil Service	0.0	0.0	0.0	0.0	0.0
Court	30.5	28.0	29.5	30.0	30.5
Public Building	2.0	8.5	6.5	8.5	7.0
<b>Security of Persons and Property</b>					
Police	30.0	31.5	30.5	30.5	32.0
Police - Auxiliary	3.5	2.5	4.0	4.0	4.0
Police - Dispatchers/Office	7.0	8.0	7.5	7.5	7.5
Police - Animal Wardens	0.5	1.0	0.5	0.5	1.0
Police - School guards/Parking Control	1.5	2.0	1.5	1.5	2.0
Fire	22.0	21.0	21.0	22.0	23.0
Fire - Secretary - Other	0.0	0.0	0.0	0.0	0.0
<b>Leisure Time Services</b>					
Recreation - Admin	16.5	15.5	19.0	16.0	21.0
Recreation - Programs	14.5	13.5	15.0	15.0	11.0
Recreation - Pools	21.5	19.5	18.0	23.0	22.5
Jitney	3.0	3.5	3.5	3.5	3.5
<b>Transportation</b>					
Service	30.0	32.0	30.0	32.0	34.0
<b>Basic Utility Services</b>					
Water	12.5	14.5	15.0	14.0	21.0
<b>Totals:</b>	<u>221.0</u>	<u>221.0</u>	<u>220.0</u>	<u>227.0</u>	<u>242.5</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.

2009	2008	2007	2006	2005
5.0	7.0	5.0	5.0	5.0
4.5	5.0	7.0	5.5	5.0
2.0	2.0	4.0	4.0	4.0
6.0	4.5	5.0	4.0	5.5
2.0	2.0	3.0	3.0	3.0
0.0	0.0	0.0	2.5	2.5
28.5	29.5	27.0	29.0	30.5
9.0	15.5	5.5	5.0	3.0
32.0	33.0	32.0	31.0	31.0
4.0	4.0	4.5	4.5	4.5
7.5	8.5	9.0	8.5	8.5
1.0	1.0	1.0	1.0	1.0
2.5	3.0	3.5	3.5	4.0
23.0	24.0	22.0	22.0	23.0
0.0	0.0	0.0	0.0	1.0
14.0	16.5	15.0	14.0	5.0
9.0	14.0	14.0	7.0	13.0
16.5	21.0	23.0	15.0	17.0
2.5	2.0	2.0	2.0	1.0
36.0	35.5	41.0	34.0	35.0
20.5	21.0	17.5	19.0	18.0
225.5	249.0	241.0	219.5	220.5

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

Function/Program	2014	2013	2012	2011
<b>General Government</b>				
<i>Council and Clerk(1)</i>				
Number of Ordinances Passed	75	71	74	53
Number of Resolutions Passed	17	15	16	15
<i>Finance Department(2)</i>				
Number of checks/ vouchers issued	3,389	1,806	3,396	3,456
Amount of checks written (Accounts Payable - in thousands)	\$ 17,269	\$ 19,028	\$ 16,298	\$ 15,718
General Fund Interest earnings (cash basis)	\$ 128,796	\$ 74,755	\$ 96,590	\$ 116,562
Number of Journal Entries issued	304	315	278	266
Number of Budget Adjustments issued	6	5	6	5
Agency Ratings - Moody's Financial Services	AA2	AA2	AA2	AA2
General Fund Receipts (cash basis in thousands)	\$ 12,160	\$ 12,216	\$ 13,720	\$ 13,596
General Fund Expenditures (cash basis in thousands)	\$ 12,043	\$ 11,812	\$ 13,519	\$ 13,646
General Fund Cash Balances (in thousands)	\$ 1,853	\$ 1,735	\$ 1,331	\$ 1,130
<i>Municipal Court(3)</i>				
Total Civil/Small claims cases filed	2,908	2,697	2,529	3,183
Number of Berea civil/small claims cases	589	577	576	802
Total Criminal cases filed	2,316	1,963	1,900	1,641
Number of Berea felony cases	30	22	4	9
Number of Berea misdemeanor cases	385	410	445	390
<i>Civil Service(4)</i>				
Number of police entry tests administered	1	0	1	0
Number of fire entry tests administered	0	0	1	0
Number of police promotional tests administered	2	0	0	0
Number of fire promotional tests administered	0	0	2	0
Number of hires of Police Officers from certified lists	1	0	2	3
Number of hires of Fire/Medics from certified lists	2	0	2	6
Number of promotions from police certified lists	4	0	0	2
Number of promotions from fire certified lists	0	0	1	5
<b>Security of Persons &amp; Property</b>				
<i>Police(5)</i>				
Total Calls for Services	9,202	7,553	8,094	28,192
Number of traffic citations issued	1,523	1,898	2,334	1,666
Number of parking citations issued	1,608	1,898	2,479	2,289
Number of criminal arrests	1,176	1,186	1,429	1,243
Animal Warden service calls responded to per annual report	349	230	1,720	1,163
Police Dept. Auxiliary hours worked	2,128	2,089	2,229	2,137
DUI Arrests	97	82	85	95
Motor Vehicle Accidents	327	298	292	274
Property damage accidents/Self reported traffic accidents	101	90	84	90
<i>Fire(6)</i>				
EMS Calls	1,916	1,755	1,689	1,715
Ambulance Billing Collections (net)	\$ 427,296	\$ 404,008	\$ 385,006	\$ 355,938
Fire Calls	565	426	441	254
Fires with Loss	43	28	19	6
Fires with Losses exceeding \$10K	0	2	3	4
Fire Losses \$	\$ 5,300	\$ 60,000	\$ 714,500	\$ 286,250
Fire Safety Inspections	300	350	230	836

	2010	2009	2008	2007	2006	2005
	66	67	61	62	59	62
	15	19	17	15	25	22
	3,494	3,329	4,951	3,404	3,398	3,246
\$	16,403	\$ 16,312	\$ 18,700	\$ 28,113	\$ 15,455	\$ 16,519
\$	148,186	\$ 131,865	\$ 188,798	\$ 178,482	\$ 236,248	\$ 130,350
	280	288	295	244	207	200
	4	6	6	5	4	5
	AA2	AA3	AA3	AA3	AA3	AA3
\$	13,823	\$ 13,742	\$ 13,986	\$ 40,747	\$ 14,321	\$ 13,417
\$	13,759	\$ 14,289	\$ 13,922	\$ 38,785	\$ 13,994	\$ 13,356
\$	1,180	\$ 1,116	\$ 1,084	\$ 5,702	\$ 969	\$ 642
	3,462	3,598	4,245	3,802	3,288	3,012
	817	812	882	871	779	741
	1,539	1,773	1,992	2,175	2,303	2,837
	9	30	61	57	52	48
	400	436	557	507	616	656
	145	0	104	0	120	0
	179	0	118	0	139	0
	2	0	0	0	0	12
	1	0	0	0	0	0
	0	0	1	1	1	2
	0	0	2	0	0	2
	0	0	0	0	2	1
	0	0	0	0	0	0
	24,723	28,663	31,970	31,904	33,430	30,329
	1,995	1,964	2,520	2,548	2,632	1,589
	2,156	2,096	2,343	2,515	2,371	1,707
	1,335	1,435	1,623	1,497	1,847	1,371
	1,209	1,360	702	341	380	N/A
	2,209	1,971	2,209	3,473	3,412	N/A
	97	96	113	113	209	162
	305	330	363	338	306	348
	88	40	110	175	100	133
	1,622	1,555	1,550	1,539	1,594	1,514
\$	351,982	\$ 328,363	\$ 292,052	\$ 318,208	\$ 230,416	\$ 276,472
	227	227	243	262	226	242
	5	12	8	10	15	19
	2	5	4	6	7	6
\$	210,100	\$ 314,400	\$ 193,500	\$ 390,095	\$ 193,598	\$ 692,734
	876	738	748	756	758	762

(continued)

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

Function/Program	2014	2013	2012	2011
<b>Leisure Time Services</b>				
<i>Recreation(2)</i>				
Outdoor swimming pool receipts	\$ 87,834	\$ 83,694	\$ 94,715	\$ 87,184
Membership receipts	\$ 173,949	\$ 188,740	\$ 187,664	\$ 188,758
Program fees	\$ 172,533	\$ 151,096	\$ 149,361	\$ 119,983
(Includes indoor and outdoor rec programs)				
<i>Building Department(7)</i>				
Construction Permits Issued	1,235	1,278	1,365	1,481
Estimated Value of Construction	\$ 14,571,224	\$ 18,812,145	\$ 31,824,793	\$ 36,768,876
Amount of Revenue generated from permits	\$ 175,946	\$ 274,278	\$ 289,842	\$ 299,738
Number of contract registrations issued	513	527	560	570
Amount of Revenue generated from contract registrations	\$ 64,125	\$ 65,875	\$ 56,000	\$ 57,000
Number of rental inspections performed*	587	529	481	470
Number of point of sale inspections	344	192	190	169
<i>Engineer Contracted Services(8)</i>				
Dollar amount of Construction overseen by Engineer	\$ 2,071,675	\$ 3,755,000	\$ 1,779,077	\$ 1,625,020
<b>Transportation(8,10)</b>				
Street Improvements - asphalt overlay (linear feet)	10,560	10,510	4,752	13,186
Street Repair (Curbs, aprons, berms, asphalt) (hours)	14,831	11,057	12,675	15,609
Municipal Signs (hours)	2,223	3,567	4,169	4,023
Paint Striping (hours)	448	1,146	2,022	1,948
Street Cleaning (hours)	733	1,037	1,732	1,714
Snow & Ice Removal regular hours	3,004	1,290	89	1,717
Snow & Ice Removal overtime hours	1,099	729	600	689
Sewer Crew (hours)	6,291	6,149	2,973	4,403
Leaf collection (hours)	1,836	1,907	1,300	1,605
Number of Trees Planted per year	78	105	118	101
Tons of snow melting salt purchased (Nov-Mar)	4,900	2,971	1,866	3,081
Cost of salt purchased	\$ 149,046	\$ 94,943	\$ 85,076	\$ 142,537
<b>Water Department(9)</b>				
Average Water Rate per 1000 gallons of water used	\$ 4.09	\$ 4.09	\$ 4.71	\$ 4.71
<b>Wastewater Department(9)</b>				
Average Wastewater Rates per 1000 gallons of water used	\$ 8.63	\$ 7.75	\$ 7.01	\$ 6.40
Average daily flow (Millions of gallons per day)	2.00	2.20	1.96	2.04

- 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

2010	2009	2008	2007	2006	2005
\$ 78,107	\$ 80,418	\$ 84,039	\$ 76,324	\$ 65,482	\$ 67,002
\$ 199,473	\$ 166,046	\$ 157,699	\$ 157,693	\$ 157,280	\$ 104,487
\$ 82,992	\$ 66,515	\$ 62,162	\$ 44,416	\$ 45,933	\$ 26,294
1,551	1,673	1,738	1,533	1,853	1,727
\$ 34,130,240	\$ 77,870,198	\$ 25,573,472	\$ 9,901,081	\$ 23,586,423	\$ 21,510,741
\$ 431,117	\$ 625,070	\$ 739,580	\$ 618,813	\$ 1,185,594	\$ 741,419
523	548	534	543	536	571
\$ 50,100	\$ 54,800	\$ 53,400	\$ 54,300	\$ 53,600	\$ 57,100
198	146	674	245	98	16
183	200	224	241	267	259
\$ 5,707,254	\$ 2,813,504	\$ 5,149,826	\$ 6,427,990	\$ 7,372,177	\$ 6,076,671
10,757	21,200	6,434	17,108	26,558	32,525
16,455	17,611	16,122	20,005	14,150	8,316
3,972	3,599	3,518	3,597	2,491	1,538
2,028	1,267	977	1,580	1,302	1,581
1,993	2,033	1,375	1,662	1,778	1,688
1,381	2,016	4,722	3,324	1,207	5,654
1,158	977	1,563	1,771	660	2,842
5,164	5,589	7,642	6,990	3,684	4,226
1,831	2,346	2,365	2,226	1,443	1,785
58	60	37	173	0	72
3,979	3,439	4,895	3,980	2,812	4,120
\$ 180,833	\$ 198,600	\$ 193,940	\$ 164,208	\$ 118,454	\$ 166,526
\$ 4.09	\$ 4.09	\$ 4.09	\$ 4.09	\$ 3.72	\$ 3.38
\$ 6.33	\$ 6.33	\$ 5.06	\$ 4.35	\$ 4.35	\$ 4.13
2.00	2.07	2.10	2.15	2.00	2.15

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

Function/Program	2014	2013	2012	2011
<b>General Government</b>				
Number of Buildings	4	4	4	4
Square footage of Buildings:				
City Hall/Municipal Court	17,000	17,000	17,000	17,000
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	10	11	12	11
Inspection Vehicles	4	3	3	3
Municipal Court Vehicles	1	1	1	1
<b>Police</b>				
Stations	1	1	1	1
Square footage of station	9,700	9,700	9,700	9,700
Vehicles	28	24	26	22
<b>Fire</b>				
Stations	1	1	1	1
Square footage of station	7,900	7,900	7,900	7,900
Vehicles:				
Aerial Tower	1	1	1	1
Pumpers	2	2	3	2
Rescue Ambulances	2	2	3	3
Utility	1	0	1	1
Staff vehicles	2	2	2	2
<b>Recreation</b>				
Number of Parks	5	5	5	5
Number of Pools	2	2	2	2
Number of Racquetball Courts	1	1	1	1
Number of Basketball Courts	3	3	3	2
Number of Baseball Diamonds	4	4	4	4
Number of Soccer Fields	3	3	3	3
Number of Playground Areas	5	5	5	4
Number of Vehicles	4	4	4	3
<b>Other Public Works</b>				
Streets (miles)	73.4	89.8	90.3	90.3
Service Vehicles	35	38	42	43
<b>Wastewater</b>				
Sanitary Sewers (miles)	75.5	76.2	73.5	73.5
Storm Sewers (miles)	90.5	53.5	53.5	53.5
Vehicles	2	2	2	2
<b>Water Department</b>				
Water Lines (miles)	84.0	83.9	80.3	80.3
Vehicles	6	7	8	7

Source: City of Berea Service Department

2010	2009	2008	2007	2006	2005
4	4	4	4	4	4
17,000	17,000	14,500	14,500	14,500	14,500
19,100	19,100	2,075	2,075	2,075	2,075
25,400	25,400	3,000	3,000	3,000	3,000
33,000	33,000	30,000	30,000	30,000	30,000
9	11	6	3	3	N/A
3	3	3	6	6	N/A
1	1	1	1	1	N/A
1	1	1	1	1	1
9,700	9,700	9,700	9,700	9,700	9,700
23	22	24	N/A	N/A	N/A
1	1	1	1	1	1
7,900	7,900	5,000	5,000	5,000	5,000
1	1	1	1	1	1
2	2	2	2	2	2
3	2	2	2	2	2
1	1	1	1	1	1
2	2	2	2	2	2
5	5	5	5	5	5
2	2	2	2	2	2
2	2	2	2	2	2
2	2	2	2	2	2
4	4	4	4	4	4
2	2	2	2	2	2
4	4	4	4	4	4
2	3	6	5	5	N/A
89.9	89.8	89.8	86.0	82.5	82.5
39	34	38	25	25	N/A
73.5	73.5	73.5	73.5	73.5	73.5
73.5	53.4	73.5	73.5	73.5	73.5
2	2	2	2	2	N/A
77.0	79.7	77.0	77.0	77.0	77.0
6	6	5	5	5	N/A

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# Dave Yost • Auditor of State

**CITY OF BEREA**

**CUYAHOGA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 21, 2015**