



OHIO AUDITOR OF STATE
KEITH FABER



CITY OF BRECKSVILLE
CUYAHOGA COUNTY

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OHIO AUDITOR OF STATE KEITH FABER



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

City of Brecksville
Cuyahoga County
9069 Brecksville Road
Brecksville, Ohio 44141

To the City Council:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio (the City) as of and for the year ended December 31, 2022, 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 26, 2023, wherein we noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the City.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

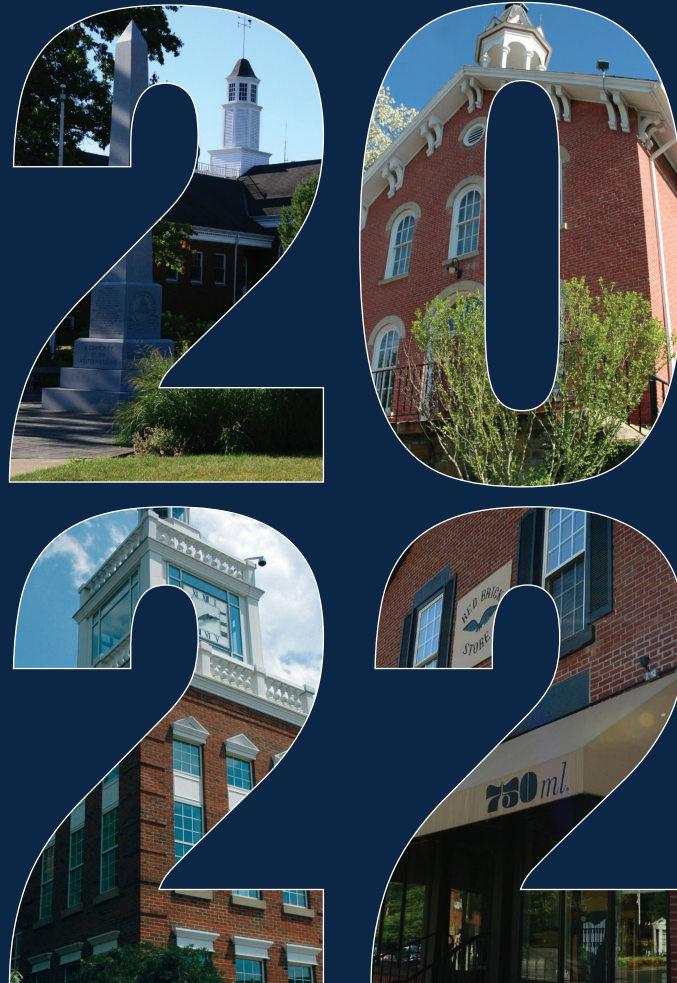


Keith Faber
Auditor of State
Columbus, Ohio

June 26, 2023



City of Brecksville, Ohio



Annual Comprehensive Financial Report

For the period ended December 31, 2022

Brecksville City Council



Laura Redinger,
President



Dominic Caruso
Vice-President



A.J. Ganim



Daryl Kingston



Ann Koepke



Beth Savage



Brian Stucky

CITY OF BRECKSVILLE, OHIO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2022

ISSUED BY THE DEPARTMENT OF FINANCE

Laura Starosta, CGFM, CPFO

FINANCE DIRECTOR

City of Brecksville, Ohio
Annual Comprehensive Financial Report
For the Year Ended December 31, 2022
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June 26, 2023

To Members of Brecksville City Council and
The Citizens of Brecksville, Ohio

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 Ohio Revised Code Section 117.38 which requires cities reporting on a GAAP basis to file an annual report with the Auditor of State within 150 days of fiscal year end.

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

State statutes require the City of Brecksville (the City) to be subjected to an annual examination by the Auditor of State. Either the Auditor of State of Ohio or, if the Auditor permits, an independent public accounting firm conducts these audits. The Auditor of State rendered an opinion on the City's financial statements as of December 31, 2022. The Independent Auditor's Report on the basic financial statements is included in 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.

Profile of the Government

The City of Brecksville was founded in 1811. It was incorporated as a village under the laws of the State of Ohio in 1921 and attained City status in 1960 by virtue of its population exceeding 5,000. It is located in Cuyahoga County in northeastern Ohio, in the heart of rolling woodlands approximately fifteen miles south of the City of Cleveland. The City covers 19.54 square miles. In the year 2022, the U.S. Census Bureau reported that Brecksville had a population of 13,539, down 0.11 percent from 13,554 in 2013.

The City of Brecksville operates under and is governed by its Charter, first adopted by the voters on November 6, 1956 and amended from time to time. The Charter provides for a Mayor-Council form of government. The nine-member Charter Review Commission reviewed the Charter in 2013. Ten proposed charter changes were placed on the November ballot with nine of them passing.



Legislative authority is vested in a seven-member City Council which is elected at large and whose terms are staggered. Four Council members are elected at each regular municipal election in November of odd numbered years. Of the four elected, the three receiving the highest number of votes serve a term of four years and the fourth serves a term of two years. The Council fixes compensation of City

officials and employees and enacts ordinances and resolutions relating to City services, tax levies, the appropriation and borrowing of money, the licensing and regulation of business and the trades, and other municipal purposes. The presiding officer is the President who is elected by the Council for a one-year term.

The City of Brecksville's chief executive officer is the Mayor who is elected by the voters for a four-year term. The Mayor appoints, subject to approval of Council, the directors of the City's departments except for the Director of Finance, the Law Director and the Clerk of Council, all of whom are appointed by Council. He is the chief conservator of the peace, oversees the enforcement of all laws and ordinances, and executes all contracts, conveyances, evidences of indebtedness and all other instruments to which the municipality is a party. He is the official and ceremonial head of the City. The Mayor is also the Safety Director and presides over the Mayor's Court.

As Mayor serving my ninth consecutive term after being re-elected in the November 2019 general election, I am the only Brecksville mayor to be elected to nine consecutive four-year terms since Brecksville became a village in 1921.

The City's Service Department works hard to respond to the needs of the residents, providing curbside rubbish and recycling collection, street maintenance, snow removal and maintenance of City recreational facilities, among other services. The Department is responsible for an annual, aggressive road repair and maintenance program.

Security of one's person and property is foremost on the minds of our full-time Police Department and Fire Department with full-time paramedic service. Brecksville takes pride in its low crime rate and rapid response by both police and fire units. Our safety departments are constantly updating training, procedures and equipment to provide effective services to our City.

Water service is provided to City residents by the City of Cleveland and sewer services are provided by the Northeast Regional Sewer District. Certain water lines and sewer lines are owned and maintained by the City.

Profile of the City

We're proud of our City's beautiful, safe and uncongested environment. We are a community that is "building our future with respect for our past," a dynamic idea that combines forward thinking with our Western Reserve heritage which is evident not only in our prevailing architectural style but in our business-friendly philosophy.

Residents have a variety of nearby transportation options. By automobile or by connections through downtown Cleveland on the Regional Transit Authority bus and rail lines, one can reach all areas of Cuyahoga County conveniently. State Routes 21 and 82 bisect Brecksville and there is easy access to interstate highways. I-77 and I-80, which is the Ohio Turnpike, both crisscross Brecksville. I-480, an east-west interstate is just 6 miles north of Brecksville. Amtrak cross-country rail service is available in downtown Cleveland and Hopkins International Airport is located about fifteen miles from Brecksville.

Entertainment abounds just a short distance away for residents of Brecksville. In downtown Cleveland, the Cleveland Browns of the National Football League play in their spectacular First Energy Stadium. Progressive Field is the home of Major League Baseball's Cleveland Guardians. The Cleveland Cavaliers of the National Basketball Association, play at Rocket Mortgage Fieldhouse which is also a venue for concerts by major recording artists, ice shows, and a variety of other professional attractions. Cleveland State University's Wolstein Center is home to the Cleveland State University Vikings and even more concerts and shows. Just a short drive from Brecksville through the Cuyahoga Valley National Park, Blossom Music Center is the summer home of the Cleveland Orchestra and a venue for the biggest music stars touring the planet.

Residents have access to many cultural attractions such as the world-famous Cleveland Orchestra at Severance Hall, The Cleveland Museum of Art, The Great Lakes Science Center and the Rock n' Roll Hall of Fame and Museum. There are unique shopping areas such as Tower City Center and nightlife with dining in the Warehouse District and dining and entertainment on East 4th Street downtown and a concert venue in the "Flats" along the Cuyahoga River. Cleveland's downtown is a center of activity for all ages and just minutes from Brecksville.

Metro Health, Marymount, and Parma Community General Hospitals serve as emergency care facilities for our residents and visitors who require use of our Fire Department's ambulances and staff of professional paramedics and EMTs. The Greater Cleveland area is known worldwide for excellence in health care including the Cleveland Clinic and University Hospitals who supplement health care provided by nearby community hospitals and immediate care centers.

Brecksville's wooded hills and ravines that lace the area help define its neighborhoods. As a result, every resident is close to natural beauty that has always been a hallmark of Brecksville living. Many neighborhoods are located next to the Brecksville Reservation of the Cleveland Metroparks and the 33,000 acre Cuyahoga Valley National Park. Brecksville is unique among Cuyahoga County communities because one-third of the City is park land. Located within the Cuyahoga Valley National Park is the Ohio Canal National Heritage area. The Brecksville Reservation of the Cleveland Metroparks offers facilities for picnicking, softball, horseback riding, golf, hiking and cross-country skiing. A paved all-purpose fitness trail offers walking, biking, running or strolling by the beautiful scenery. Two ski areas are close by. Brecksville was named a Tree City USA for the 28th consecutive year in 2022.

Housing in Brecksville offers a mix of sizes, styles and price ranges with colonial and Western Reserve styles predominating. Despite its proximity to major metropolitan attractions, Brecksville maintains its quiet, suburban environment. Retail shopping is concentrated downtown near the Square, and shopping malls in nearby communities complement local merchants.

The City of Brecksville provides many programs for all ages through its Recreation Department. Baseball, basketball, volleyball, swimming, golf, tennis, spinning and exercise classes, crafts and day camps are just some of the many programs for family fun, fitness and recreation. Recreational facilities include the 160 acre Blossom Hill recreational area with its playground, pavilion, baseball fields, comfort station, safety town and a state of the art artificial turf soccer and lacrosse field. The City is in the final stages of constructing a field house on the property, which will connect to a new elementary school being constructed by the Brecksville-Broadview Heights City School District. At City Hall there are three lighted baseball fields and three lighted tennis courts. The 75,004 square foot Community Center houses the Recreation Department as well as a field house, indoor lap pool, indoor aquatics center, outdoor aquatics center, elevated running track, youth game room, large cardio-vascular room and a large weight room, whirlpool spa, saunas and a dividable community room with facilities for meetings and catering.

Brecksville's, 29,000 square foot Human Services Center attracts children less than one year old to folks in their 90s. The second floor of the beautiful building houses the Community Center's vast cardio-vascular fitness section. Headquartered in the Human Services Center is the Department of Human Services, which maintains many programs including snow removal and a food bank for low income seniors. It coordinates the local Meals on Wheels program and provides free blood pressure screenings. The Human Services Center has a 30 by 50 foot warm water therapy exercise pool on the lower level and a full service kitchen with an accompanying large gathering area seating 125. The serene Kay Broughton center courtyard complete with tables, benches, and fountain, provide the opportunity for quiet book reading or a lively game of cards surrounded by beautiful plantings.

A quality education for our children is provided by the Brecksville-Broadview Heights City School District. Cleveland Magazine routinely ranks the district as one of the top suburban districts in the area. Brecksville is also home to the Cuyahoga Valley Career Center, which is the area's vocational school for high school students and additionally provides a multitude of adult education programs for area residents.

Economic Development

The City is a business advocate and a connector. It helps companies navigate site relocation and retention by uniting all the necessary elements to assure that the City is an optimum business destination. The City's efforts in assisting companies has resulted in significant development projects siting in the City. Some of the current business development projects within the City are described as follows.

To facilitate future economic development, the City created the Brecksville Community Improvement Corporation (the CIC). The CIC is a corporation certified by the State, separate from the City, with its own code or regulations and directors. The CIC can be used to facilitate private entity borrowing or to hold properties, as approved by the City, for use in enhancing business opportunities.

In 2018, the United States Department of Veterans Affairs (the VA) conveyed to the City a 103-acre site near the intersection of Interstate Highway 77 and the Ohio Turnpike (Interstate 80). On this site, the VA had operated a veterans' hospital for more than 50 years, prior to its closure in 2012. Under its agreement with the VA and the State's Historic Preservation Office, the City agreed that, as a part of a proposed commercial redevelopment of the site, land for a memorial park commemorating the site as a former VA hospital would be set aside.

In its efforts to redevelop the site, the City subsequently transferred the 103 acres to the CIC. Following the land transfer, the City and the CIC entered into an agreement with a private developer setting forth a development plan wherein the developer is obligated to purchase portions of the site from the CIC in multiple phases. Furthermore, the developer demolished the former hospital structures and remediated those sites at its own cost. The developer is further required to proceed with a phased-in mixed-use development that may include stores, restaurants, apartments, hotels, hospitals, light manufacturing plants, warehouses, offices, and laboratories.

The City entered into a development agreement with the Sherwin-Williams Company during 2021. Approximately 45 acres of the Valor Acres site and 73 acres of adjacent real property will be the site of their new research and development project. According to the development agreement, the project will create approximately 680 new jobs with an estimated payroll of \$55,760,000. The City entered into a job creation income tax incentive agreement during 2021 to cause the company to commit to constructing the project by providing a 15-year incentive equal to 35 percent of the first \$55,760,000 of annual payroll taxes of employees of the company and its affiliates, as well as 40 percent of annual payroll taxes of employees of the company and its affiliates in excess of said amount. As Sherwin-Williams has moved forward with their development, they have provided the City with a revised count of approximately 900 new jobs. This project also includes a tax increment financing agreement as authorized by City Council.

During 2021, the City also entered into a development agreement with DiGeronimo Development LLC and VA Land LLC to provide for the construction of a mixed use development on approximately 25 acres of the Valor Acres site. It anticipates a mixed-use development, including one or more commercial office buildings with at least 150,000 combined square feet of space. Additionally during 2021, the City entered into a job creation incentive agreement with DiGeronimo Development LLC causing the company to commit to constructing the project in the City by providing a 15-year job creation income tax incentive equal to 35 percent of the first \$22,500,000 of annual payroll taxes of employees of the company and its affiliates and 40 percent of annual payroll taxes of employees of the company and its affiliates in excess of such amount. This project also includes a tax increment financing agreement as authorized by City Council.

DiGeronimo Development LLC announced that it will relocate its corporate headquarters to the Valor Aces site in 2024.

A subdivision agreement with DiGeronimo Development LLC was entered into on adjacent land to the north of the Valor Acres site during 2021. This project includes a tax increment financing agreement as authorized by City Council. The agreement includes a proposed residential plan of 238 units that consists of 157 units in a multi-family apartment building, 28 townhouse apartments in five separate buildings, 17 townhouse units in three separate buildings, 32 attached homes, and four single family homes.

Approximately 21 acres of the Valor Acres site remains held by the CIC for future development.

The City entered into one of its largest economic development projects with the MetroHealth System, a County hospital and health provider system with numerous locations around northeast Ohio. In 2016, the MetroHealth System opened its Brecksville Health and Surgery Center (“Center”), a \$48,000,000, 63,000 square foot facility, on about 21 acres near the intersection of State Routes 77 and 82, overlapping with the City of Broadview Heights. The Center offers both primary and specialty care and contain medical office space, diagnostic and laboratory facilities, a retail pharmacy, a compounding pharmacy, an emergency room, and an ambulatory surgery center. Specialty care provided in the medical offices including cardiology, dermatology, podiatry, gastroenterology, neurology, OB/GYN, ophthalmology, orthopedics, and radiology services.

Lubrizol Advanced Materials, Incorporated is one of the City’s largest and most established employers. Lubrizol is a technology-driven, global company that combines complex specialty chemicals to optimize its products while reducing environmental impact. Lubrizol products include advanced specialty polymers, polymer-based additives, and chemical additives used in everyday consumer and industrial applications. The company has a complex of buildings on a 165-acre site in the City, serving the company’s global operations. Lubrizol completed a \$30,000,000 project to expand and renovate its facilities on the site in 2017.

Accomplishments

The City is very pleased that Moody’s Investors Services continues to rate our City a bond rating of Aa1. This rating attests to our strong economic health and prudent fiscal management.

The City of Brecksville’s Finance Department was proud to receive its 32nd consecutive, Certificate of Achievement for Excellence in Financial Reporting for its Annual Comprehensive Financial Report for the Fiscal Year ended December 31, 2021. It was also the 16th year that the Finance Department produced its award winning Popular Annual Financial Report.

The City completed the construction of an addition to the indoor pool as well as the removal and construction of a replacement outdoor aquatics facility. These facilities were opened in the spring of 2021 and final items were completed in 2022.

During 2019, the City entered into a construction agency agreement with the Brecksville-Broadview Heights City School District (School District) as construction agent. This agreement will provide for the design, development, acquisition, construction, installation, equipping and improvement of a portion of the Blossom Hill Park property to construct a new field house which shall be adjacent to the proposed elementary school. The new field house is operational as final items are being completed during 2023. Along with the two new facilities, a shared use and management agreement has been entered into, which will allow the use of portions of each building between the two entities. In exchange for conveying approximately 25 acres of the Blossom Hill property to the School District, the School District has conveyed to the City three properties: the old Central School property and the Comstock property adjacent to Central School totaling approximately 3.6 acres, which will be held until a future use is determined and approximately 10.6 acres of land on Stadium Drive to be utilized for recreational activities.

The City completed various capital projects, which are discussed in the Management's Discussion and Analysis.

2023 Priorities:

- Completion of the final construction punch-list for the field house at Blossom Hill Park.
- Discussion and design of remodel of City Hall will continue. Space previously used by the Police Department will be available for repurpose and renovation and will allow for the reconfiguration of all of City Hall.
- The City has budgeted various sanitary and storm sewer projects for 2023 as part of the City's ongoing commitment to improving infrastructure. This includes the Chippewa Road sanitary and storm sewer project and the Glenwood sanitary and storm sewer project.
- During 2022, the City and the Ohio Department of Transportation are currently under contract for construction of the Interstate 77 and Miller Road interchange project. This area has long been targeted for improvements as it will provide greater access to land designated for future economic development. The planned work will consist of adding a northbound exit ramp to Miller Road, adding a southbound entrance ramp to Interstate 77, adding an auxiliary lane between the new southbound entrance ramp and the existing Interstate 80 exit ramp, widening of Miller Road, and improvements to the Miller Road and Southpointe Parkway intersection.

Long-Term Financial Planning

As part of the annual budget process, the Mayor and City Council review five year capital budget projections. Based on these estimates, financial strategies are developed to maximize services supplied and infrastructure improvements desired. This budget is modified regularly as new projects present themselves and priorities change.

The City continues to adhere to a pay as you go philosophy as it relates to small projects and equipment purchases. By only borrowing for large projects and keeping debt levels low, it provides the City the opportunity to borrow in low interest environments. A summary of the 2022 borrowings can be found in the MD&A and the notes to the basic financial statements.

Relevant Financial Policies

By City ordinance, \$3,020,004 of total income tax proceeds are credited to the following capital projects funds: \$1,700,004 to the buildings and improvements fund, \$360,000 to the road improvements fund, and \$960,000 to the general municipal improvement fund, with the remainder credited to the general fund.

There are also ordinances in place to allocate 25 percent of all building permit fees collected into the recreation expansion fund along with corporate membership fees designated specifically for community center improvements. Sanitary sewer tap-in, septic conversion, and sanitary repair fees are deposited into the public utility improvement fund and used for utility services.

An ordinance is also in place to allocate water connection permit fees to the water system maintenance and repair fund and the water system bond retirement fund based on a legislated schedule. These funds shall be used for future improvements of the City's water distribution system and any necessary debt funding thereof.

The compensated absence, workers' compensation, and hospitalization funds are all used to accumulate funds which can be used during times of higher expenditures or lower revenues. They are designed to smooth cash inflows and outflows in other operating funds. On a generally accepted accounting principles (GAAP) basis, the workers' compensation fund was allocated back into funds which contributed to it. The compensated absences fund was a part of the general fund on a GAAP basis. On a GAAP basis, the hospitalization fund is presented as an internal service.

Awards and Acknowledgements

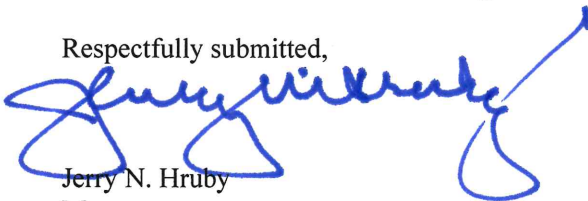
The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to those governmental entities whose Annual Comprehensive Financial Report is easily readable, efficiently organized, and conforms to GFOA reporting standards. Such a report must satisfy both generally accepted accounting principles (GAAP) as well as applicable legal requirements. The City of Brecksville received this honor for its Annual Comprehensive Financial Report for the year ended December 31, 2021. A Certificate of Achievement is valid for a period of one year only. The City of Brecksville believes the current report conforms to the Certificate of Achievement Program requirements, and has submitted it to the GFOA to determine its eligibility for another Certificate of Achievement.

Successful preparation of a report of this scope depends upon the dedicated contribution of many employees. The sincere appreciation of those primarily responsible for its completion is extended to all contributors but especially to those employees in the Department of Finance who have spent their time and energy on various parts of the project and to Local Government Services for their assistance in helping the City prepare this report in conformity with generally accepted accounting principles (GAAP) and the requirements of the Government Finance Officers Association.

In addition, we would like to thank Brecksville City Council, without whose positive leadership and encouragement, the preparation of this report would not have been possible.

In closing, we would like to thank the residents and taxpayers of the City of Brecksville for entrusting us with the administration of their local government.

Respectfully submitted,



Jerry N. Hruby
Mayor



Laura J. Starosta, CGFM, CPFO
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Brecksville
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

City of Brecksville, Ohio

City Officials

ELECTED OFFICIALS

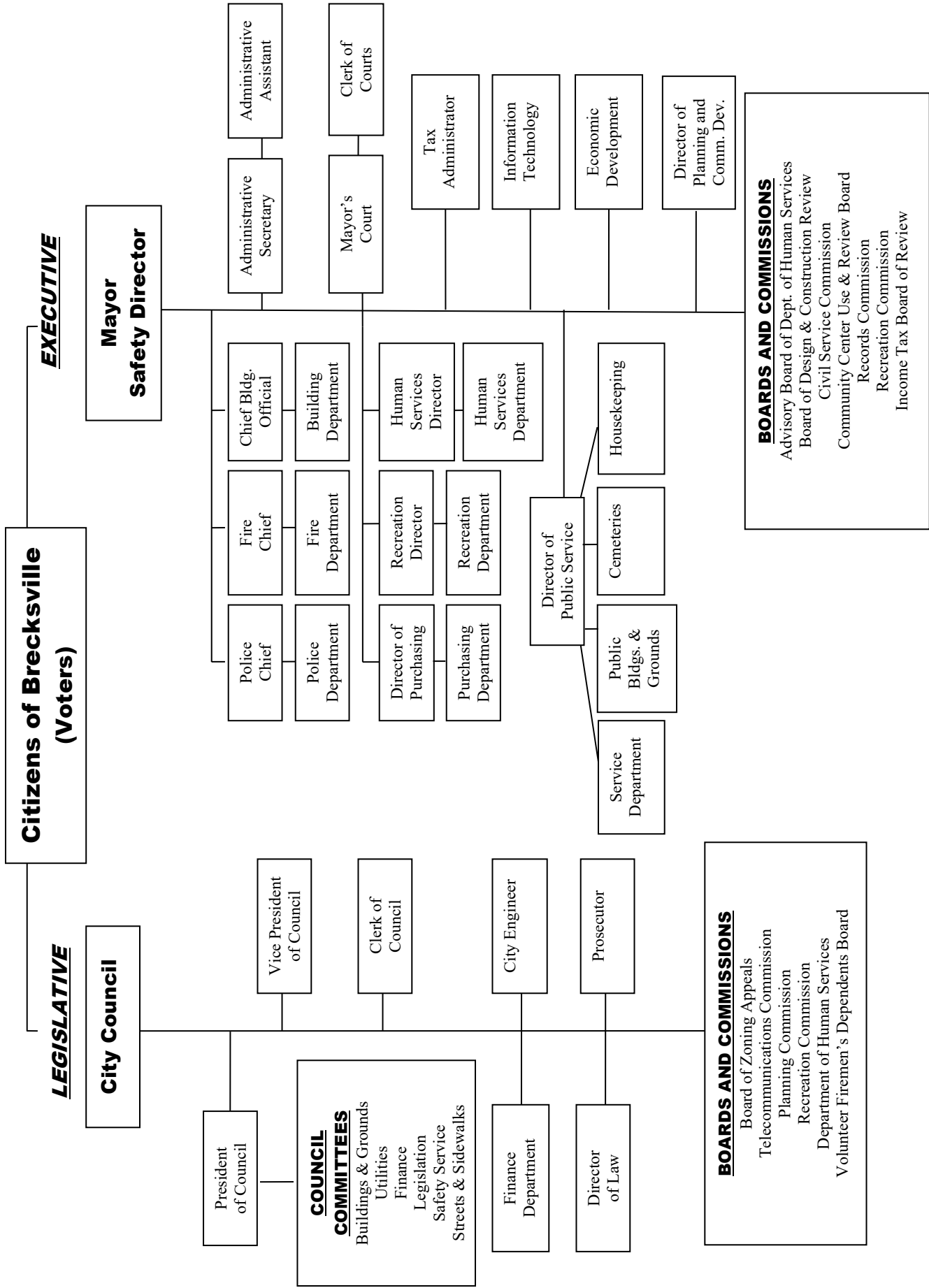
Mayor and Safety Director.....	Jerry N. Hruby
President of Council.....	Laura C. Redinger
Vice-President of Council.....	Dominic J. Caruso
Council Member	Arthur J. Ganim
Council Member	Daryl J. Kingston
Council Member	Ann M. Koepke
Council Member	Elizabeth A. Savage
Council Member	Brian R. Stucky

APPOINTED OFFICIALS

Director of Finance	Laura J. Starosta
Police Chief.....	Stanton A. Korinek
Fire Chief	Nikola N. Zamiska
Service Director	Ronald J. Weidig
Director of Purchasing	Rebecca A. Riser
Chief Building Official	Scott M. Packard
Clerk of Courts.....	Shelley A. Kazimore
Director of Recreation.....	Rachele K. Engle
Director of Law	David J. Matty
Prosecutor	Lisa A. Sabol
City Engineer	Gerald M. Wise
Clerk of Council.....	Tammy L. Tabor
Director of Human Services.....	Steven L. Paciorek

CITY OF BRECKSVILLE, OHIO

ORGANIZATIONAL CHART





OHIO AUDITOR OF STATE KEITH FABER



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

INDEPENDENT AUDITOR'S REPORT

City of Brecksville
Cuyahoga County
9069 Brecksville Road
Brecksville, Ohio 44141

To the City Council:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and the Fire Department Fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 26 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the City. We did not modify our opinion regarding this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

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

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we will also issue our report dated June 26, 2023, 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

June 26, 2023

City of Brecksville, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

The discussion and analysis of the City of Brecksville's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2022. 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 2022 are as follows:

- The assets and deferred outflows of resources of the City of Brecksville exceeded its liabilities and deferred inflows of resources by \$112,380,052. This is an increase of \$13,025,607 over last year's net position.
- Total costs of all City services were \$28,338,960 in 2022, a decrease of \$1,980,685, or 6.53 percent, under 2021. This decrease can be attributed to decreases in legislative and executive and recreational activities expenses, offset by increased expenses of all other expense types from general inflation prices. Legislative and executive expenses in the general fund decreased from the prior year due to the decrease in deposits held payable from a large residential subdivision deposit being returned. Recreational activities decreased from 2021 due to expenses related to the field house project, which is currently in progress.
- Total liabilities increased by \$11,497,362 over 2021. This increase is due to an increase in general obligation bonds and tax increment financing revenues bonds from new issuances, offset by decreases in deposits held payable and net pension liability. The decrease of deposits held payable was caused by the return of a large deposit to DiGeronimo Development, LLC for a new development project for a residential subdivision and the decrease of the net pension liability was a result of changes in assumptions for benefits, contribution rates, and return on investments.
- Total capital assets increased by \$17,730,647 over 2021. There was an increase to additions exceeding depreciation and deletions. The largest portion of the current year additions consisted of the ongoing work on the Interstate 77 and Miller Road interchange and Chippewa sanitary sewer projects.
- The equity in pooled cash and cash equivalents balance at the end of 2022, in the general fund of \$11,056,359, represents 213 days of operating expenditures for the City and is a reflection of its ongoing viability and its desire to protect the ability to provide future services.

Using This Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the City of Brecksville as a financial whole or as an entire operating entity. The statements provide a detailed look at the City's specific financial conditions.

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 assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in one column.

City of Brecksville, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

Reporting the City of Brecksville as a Whole

Statement of Net Position and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole considers all financial transactions and asks the question, "How did we do financially during 2022?" 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 the private sector. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net position and the changes in that net position. The change in net position is important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, non-financial information such as changes in the City's tax base and the condition of the City's capital assets also needs to be evaluated.

The statement of net position and the statement of activities are divided into the following categories:

- Assets
- Deferred Outflows of Resources
- Liabilities
- Deferred Inflows of Resources
- Net Position
- Program Expenses and Revenues
- General Revenues
- Net Position Beginning of Year and End of Year

Reporting the City of Brecksville's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The City of Brecksville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the City's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The presentation of the City's major funds begins on page 18. Fund financial reports provide detailed information about the City's major funds based on the restrictions on the use of monies. The City has established many funds, which account for the multitude of services, facilities and infrastructure provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of Brecksville, the major funds are the general, fire department, general obligation bond retirement, general municipal improvement, buildings and improvements, road improvements, and capital urban redevelopment tax increment equivalents funds.

Governmental Funds Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. All City activities are reported in the governmental funds focusing on how money flows into and out of those funds and

City of Brecksville, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

the balances left at year-end available for future spending. Our funds are reported using the modified accrual accounting method. The modified accrual method measures cash and all other financial assets expected to be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general operations and the basic services it provides. Governmental fund information helps determine the level of financial resources that can be spent in the near future on residential services. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

Proprietary Fund The City maintains a proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City's internal service fund accounts for medical and prescription drug self-insurance. The proprietary fund uses the accrual basis of accounting.

Fiduciary Funds Fiduciary funds are used to account for amounts collected and distributed on behalf of another government or organization. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the City's programs. These funds use the accrual basis of accounting.

The City of Brecksville as a Whole

Recall that the statement of net position pictures the City as a whole. Table 1 provides a summary of the City's net position for 2022 compared to 2021.

Table 1
Net Position

	Governmental Activities		
	2022	Restated 2021	Change
Assets			
Current and Other Assets	\$61,264,637	\$53,912,487	\$7,352,150
Leases Receivable	1,682,892	1,215,201	467,691
Net Pension Asset	99,147	78,330	20,817
Net OPEB Asset	1,445,833	792,820	653,013
Capital Assets, Net	133,890,892	116,160,245	17,730,647
<i>Total Assets</i>	198,383,401	172,159,083	26,224,318
Deferred Outflows of Resources			
Asset Retirement Obligations	7,823	9,955	(2,132)
Deferred Charges on Refunding	32,888	63,000	(30,112)
Pension	5,077,187	2,662,525	2,414,662
OPEB	1,032,557	1,547,703	(515,146)
<i>Total Deferred Outflows of Resources</i>	\$6,150,455	\$4,283,183	\$1,867,272

(continued)

City of Brecksville, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

Table 1
Net Position (continued)

	Governmental Activities		
	2022	Restated 2021	Change
Liabilities			
Current and Other Liabilities	\$12,437,403	\$8,238,193	(\$4,199,210)
Long-Term Liabilities			
Due Within One Year	1,890,540	1,689,559	(200,981)
Due in More Than One Year:			
Net Pension Liability	13,982,527	17,843,569	3,861,042
Net OPEB Liability	1,723,354	1,715,333	(8,021)
Other Amounts	43,866,231	32,916,039	(10,950,192)
<i>Total Liabilities</i>	<u>73,900,055</u>	<u>62,402,693</u>	<u>(11,497,362)</u>
Deferred Inflows of Resources			
Property Taxes	5,593,655	5,564,259	(29,396)
Leases	1,679,974	1,213,327	(466,647)
Pension	8,790,945	4,630,818	(4,160,127)
OPEB	2,189,175	3,276,724	1,087,549
<i>Total Deferred Inflows of Resources</i>	<u>18,253,749</u>	<u>14,685,128</u>	<u>(3,568,621)</u>
Net Position			
Net Investment in Capital Assets	88,292,505	85,063,992	3,228,513
Restricted for:			
Debt Service	1,042,613	967,569	75,044
Other Purposes	4,097,573	3,988,865	108,708
Unrestricted	18,947,361	9,334,019	9,613,342
<i>Total Net Position</i>	<u>\$112,380,052</u>	<u>\$99,354,445</u>	<u>\$13,025,607</u>

The net pension liability (NPL) is one of the largest single liabilities reported by the City at December 31, 2022. GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the “employment exchange” – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange; however, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

City of Brecksville, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

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

Net position may serve as a useful indicator of a government's financial position over time. In the case of the City of Brecksville, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources at December 31, 2022. By far the largest portion of the City of Brecksville's net position is its investment in capital assets including land, buildings, streets, water lines, storm water lines, and machinery net of related debt. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City of Brecksville's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The City's net position increased during the current year. Net position increased mainly due to increased capital assets from additions, including the ongoing work on the Interstate 77 and Miller Road interchange and Chippewa sanitary sewer projects. Also affecting the increase in net position is the changes in the net pension/OPEB liabilities/assets and deferred inflows/outflows, which can be attributed to the changes in assumptions for benefits and contribution rates.

The City carefully invests its cash and equivalents in a variety of investment types with the primary focus being safety of principal, but with an attention to investment opportunities to increase yield. The Investment Board, which consists of the Mayor, Finance Director, and Law Director, pay close attention to daily investment earnings rates and long-term financial trends. The City's investment earnings and other interest revenue decreased during 2022 as a result of the application of GASB 31 and the change in the fair value of investments from the prior year.

Table 2 shows the changes in net position for the year ended December 31, 2022 compared to 2021.

Table 2
Changes in Net Position

	Governmental Activities		
	2022	Restated 2021	Change
Program Revenues			
Charges for Services and Operating Assessments	\$3,311,447	\$5,937,146	(\$2,625,699)
Operating Grants and Contributions	3,190,863	1,647,594	1,543,269
Capital Grants and Contributions	7,735,651	3,737,248	3,998,403
<i>Total Program Revenues</i>	\$14,237,961	\$11,321,988	\$2,915,973

(continued)

City of Brecksville, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

Table 2
Changes in Net Position (continued)

	Governmental Activities		
	2022	Restated 2021	Change
General Revenues			
Property Taxes	\$5,692,713	\$4,990,128	\$702,585
Income Taxes	20,601,455	21,443,836	(842,381)
Grants and Entitlements	539,245	558,923	(19,678)
Contributions and Donations	250,000	0	250,000
Investment Earnings and Other Interest	(561,260)	(90,398)	(470,862)
Other	604,453	587,197	17,256
Total General Revenues	<u>27,126,606</u>	<u>27,489,686</u>	<u>(363,080)</u>
<i>Total Revenues</i>	<u>41,364,567</u>	<u>38,811,674</u>	<u>2,552,893</u>
Program Expenses			
General Government:			
Legislative and Executive	8,212,504	8,941,766	729,262
Judicial System	89,182	62,931	(26,251)
Public Safety:			
Police	5,317,879	5,196,435	(121,444)
Fire	3,115,344	3,065,057	(50,287)
Public Health and Social Services	1,085,248	839,300	(245,948)
Street Construction, Maintenance, and Repair	4,087,210	3,603,878	(483,332)
Housing and Community Development	901,426	496,099	(405,327)
Basic Utility Services	2,229,433	1,443,134	(786,299)
Recreational Activities	2,047,004	5,984,955	3,937,951
Interest	1,253,730	686,090	(567,640)
Total Program Expenses	<u>28,338,960</u>	<u>30,319,645</u>	<u>1,980,685</u>
<i>Change in Net Position</i>	13,025,607	8,492,029	4,533,578
Net Position Beginning of Year - Restated	<u>99,354,445</u>	<u>90,862,416</u>	<u>8,492,029</u>
Net Position End of Year	<u>\$112,380,052</u>	<u>\$99,354,445</u>	<u>\$13,025,607</u>

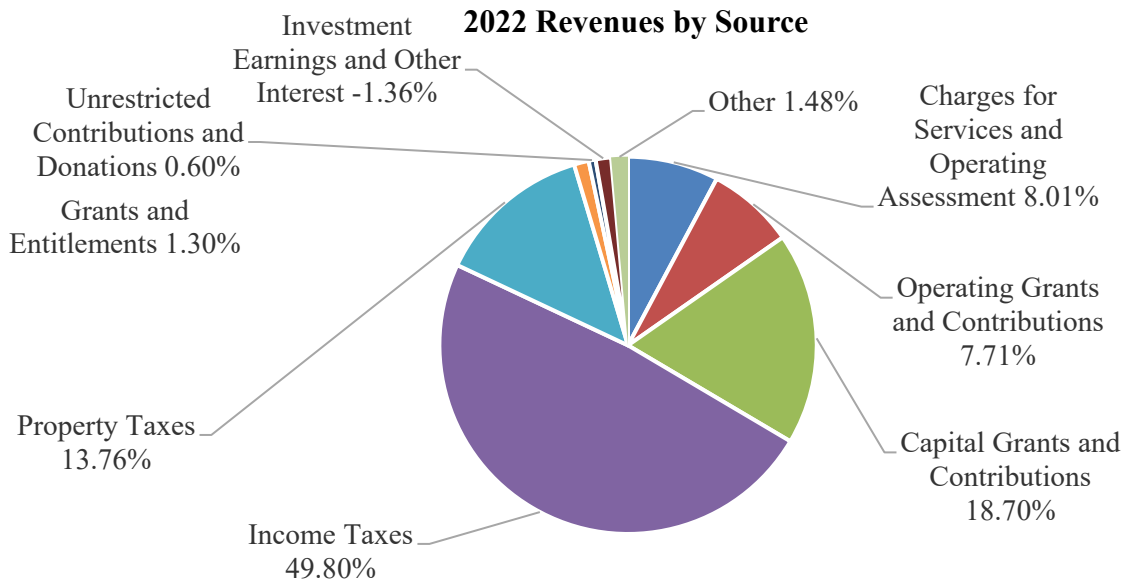
Governmental Activities

Several revenue sources fund our governmental activities with City income tax being the largest contributor. The income tax rate of 2 percent was created by City Charter and became effective January 1990. This tax created by Charter amendment will remain until such time as the City's electorate changes the rate, which is not anticipated. The income tax revenue amount has decreased from the prior year. This decrease can be attributed to decreases in employer withholdings due to a large employer moving to a "work from home" schedule for many of their employees and net profits, which was offset by an increase in individual taxpayer collections. Additionally, there was a large amount of refunds of withholding income taxes relating to 2021 "work from home" employment. The City has an active economic development program, which continually works on recruiting new establishments to the City while retaining its current businesses.

City of Brecksville, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

In 2022, City income tax revenue of \$3,020,004 per year is earmarked for specific City improvements. \$141,667 per month, or \$1,700,004 per year, is allocated toward building improvements. \$30,000 per month, or \$360,000 per year, is part of the funding designated for road improvements. \$80,000 per month, or \$960,000 per year, is allocated toward general municipal improvements. These revenues are allocated by ordinance of City Council providing that a substantial portion of income tax collections is designated for roads, City facilities and capital needs.

Of the total revenue, the following is the portion provided by each revenue source:



Charges for services and operating assessments saw a significant decrease in 2022. This decrease is primarily due to a large licenses and permits from DiGeronimo Development, LLC, according to a new development project for a residential subdivision from the prior year.

Operating grants and contributions saw a significant increase in 2022. This increase is primarily due to the receipts in the local fiscal recovery fund, which were used towards a portion of the police department's salaries and related benefits.

Capital grants and contributions saw a significant increase compared to 2021. In 2022, the Brecksville Community Improvement Corporation (CIC) approved and remitted a payment of \$2,896,568 to the City, which was receipted into the general fund.

The City recognized a slight increase in property tax collections in 2022. In the next few years the City anticipates a steady increase in valuation as corporate renovations, expansions, and new developments are recognized, and as several housing developments become populated with new homes.

Investment earnings fell compared to 2021. Again, this is primarily due to the application of GASB 31 fair value of investments adjustment.

Costs contained within the legislative and executive category include all administrative, legal, economic development, engineering and income tax collection costs. The legislative and executive category also contains all costs associated with maintenance of City land and buildings as well as major supplies such as gasoline and utility costs.

City of Brecksville, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

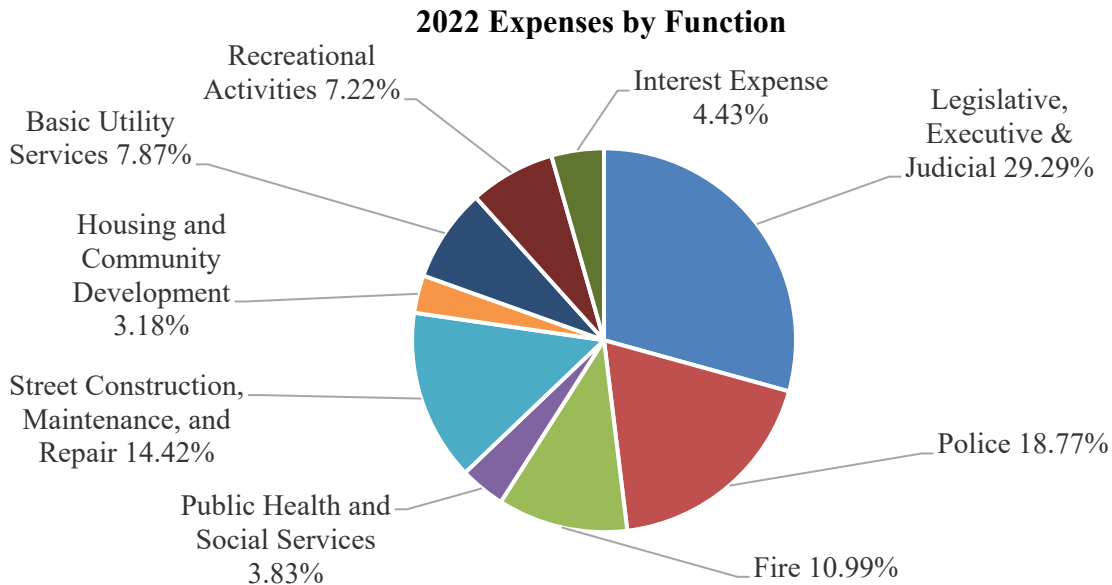
Public safety, including the police and fire departments, accounted for a large portion of program expenses. Our police department continues to improve their equipment to better serve our community and at the same time provide extra safety for our officers. The fire department is funded through Charter levy millage. The majority of operating costs for maintaining the fire department 24 hours a day, 7 days a week are financed with this millage. In 2022, the fire department also received a transfer in from the general fund to maintain its operation level. Billing for ambulance services provides additional stable funding designated for the purchase of fire equipment. We continue to strive to provide better police and fire service at a lower cost per man-hour.

Public health and social services expenses include charges for county health programs, cemetery maintenance, and the human service department.

The community center expenses are included in the recreational activities expenses. There was a decrease in this expense from 2021 mainly due to expenses related to the field house project, which is currently in progress.

The City's on-going commitment to infrastructure maintenance is reflected in the \$2,229,433 spent on utilities and \$4,087,210 spent on street construction and maintenance. Services provided by these activities include garbage removal, recycling, leaf pick-up, storm drainage, snow removal, street maintenance and vehicle upkeep.

Total program expenses for the current year by function are as follows:



The City's Funds

Information about the City's governmental funds begins on page 18. These funds are accounted for using the modified accrual basis of accounting. Governmental funds in total saw a decrease in fund balance during the year. The most significant fund is our general fund with an unassigned fund balance at year-end. The general fund experienced a loss in fund balance. As discussed prior, the decrease in licenses and permits revenue is primarily due to a large licenses and permits from DiGeronimo Development, LLC, according to a new development project for a residential subdivision from the prior year. Contributions and donations increased during the year mostly due to contributions from the CIC, as discussed previously. Expenditures in the general fund decreased from the prior year. The largest decrease can be seen in general government legislative and executive as a result of the large deposit being held payable in the prior year. The general fund made two large

City of Brecksville, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

non-recurring transfers during 2022. First, a transfer of \$4,146,568 to the general municipal improvement fund was made to support both the Interstate 77 and Miller Road interchange and Miller Road widening projects. Secondly, a transfer of \$1,430,723 to the road repaving fund was made to support the road program. Additionally, during 2022 some expenditures were expensed out of the local fiscal recovery fund as a response to the COVID-19 pandemic.

Another significant fund is the fire department fund. Its primary revenue source, property tax, had a slight increase in 2022. The fire department fund, for the 10th year in a row, required a transfer in from the general fund.

The general obligation bond retirement fund saw a decrease in fund balance during 2022. Bond anticipation notes were retired and rolled over to general obligation bonds, with more retired than rolled over, thus decreasing the overall fund balance of the fund.

The City has four other funds presented as major funds. These four funds are the general municipal improvement fund, the buildings and improvements fund, the road improvements fund and the capital urban redevelopment tax increment equivalents fund. The general municipal improvement fund decreased from bond anticipation notes being considered as short-term notes payable in the current year, which was offset with transfers in from the general fund to support the Interstate 77 and Miller Road interchange and Miller Road widening projects. Even though the buildings and improvements fund balance saw an increase in fund balance, there was less of an increase than the prior year because less income tax receivable estimated than the prior year based on the City's allocation split among various funds. The road improvements fund balance increased from transfers in from the general to support the road program. The capital urban redevelopment tax increment equivalents fund balance increased slightly as bond proceeds collected during the year exceeded capital outlay for the Valor Acres Phase II residential development project.

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 2022, the City amended its general fund budget several times. Actual revenues were higher than original and final budgeted revenues because the City prefers to take a conservative approach for its revenue projections. While actual expenditures were slightly higher than original appropriations, actual expenditures still came in below final appropriations due to the City's conservative approach to budgeting. All recommendations for budget changes come to the Finance Committee of City Council for review before going to the whole Council for ordinance enactment on the change. The general fund supports many of our major activities including the police department, fire department, recreation department, and most legislative and executive activities. The general fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

Capital Assets and Debt Administration

Capital Assets

Total capital assets, net of depreciation, increased over 2021 due to significant capital investments made to the City. Additions included the new police station, joint widening of State Route 82 with the City of Broadview heights, city hall roof and air handler, the aquatics facility, Phase II of the Valor Acres residential development, and the fieldhouse at Blossom Hill being built with the Brecksville-Broadview Heights City School District.

The City is committed to a long-term goal of rebuilding its infrastructure and facilities. We have a five year capital plan in place providing for rebuilding major residential streets, water, sewer and storm sewer lines. The five year plan also includes adding additional facilities to complement our current structures and updating our

City of Brecksville, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

current structures to improve their integrity and usefulness. Use of grants and loans, as well as short-term notes and long-term bonds, enable the City to improve its capital assets, and at the same time, maintain our fund levels. See Note 10 for additional information on the City's capital assets.

Debt

The general obligation bond retirement bonds, including premiums, are composed of a 2012 Human Services Facility Refunding Bond of \$413,240, a 2017 Police Facility Project Bond for \$7,365,510, a 2017 Service Center Garage Bond for \$1,531,034, a 2019 Police Facility Project Bond for \$1,921,121, a 2019 Aquatic Facility Project Bond for \$6,271,025, a 2022 State Route 82 Project (A) for \$1,586,632, a 2022 State Route 82 Project (B) for \$1,296,840, a 2022 Field House Project for \$8,724,542, a 2022 Miller Road Project for \$987,824, and a 2015 Refunding Tree Farm Property Bond from direct placement for \$805,000.

The tax increment financing revenue bonds consist of 2022 Valor Acres Project bonds of \$9,316,800, including discounts. Principal and interest for these bonds will be paid from the collection of payments in lieu of taxes by the County Fiscal Officer.

The special assessment bonds consist of Route 21/Hilton/Whitewood Sewer and Storm, Katherine Boulevard Improvements, Riverview Road Sewer, and Refunding Route 21 Access Road from direct placement. Principal and interest for these bonds are paid from the collection of special assessments by the County Fiscal Officer.

During 2022, the City issued various purpose notes in the anticipation of bonds in the amounts of \$5,200,000 for constructing sanitary sewer along a portion of Chippewa Road, of which \$3,600,000 is considered to be long-term liabilities.

The Ohio Public Works Commission (OPWC) loans from direct borrowings are paid semi-annually. All loans will be paid in full in the year 2034.

The City had lease agreements for police vehicles. Leases will be paid in full in the year 2024.

The City's overall debt increased in 2022 as the result of increases in general obligation bonds, tax increment financing revenue bonds, and bond anticipation notes. The City had an overall legal debt margin of \$50,103,865 and an unvoted debt margin of \$10,918,837. See Note 17 for additional information on the City's debt.

Current Financial Related Activities

The City of Brecksville continues to remain financially strong. Economic development agreements entered into in previous years are proving fruitful. Due to our increased income tax we are able to support our Fire Department without asking for additional property tax. The additional cash balances allow us to take advantage of any other economic development opportunities that may arise.

In order to help support operations and provide for capital investment, the City actively pursues grant opportunities. Annually, the City receives various outside funding for items such as training, law enforcement, recycling, and equipment. In addition, some funding for large capital projects comes in the form of grants and loans from various agencies. Having capital funds in reserve to be able to meet matching grant requirements has proven to be a winning philosophy for the City and has allowed for improvement of streets, storm drainage systems, bridges, retaining walls, water and sewer lines, and recreation facilities.

Another method used by the City to reduce costs is to cooperate with neighboring communities in the purchase of commodity items such as salt and asphalt. Research and communication with neighboring communities creates opportunities to negotiate lower pricing on electric and gas services. Cooperative agreements have

City of Brecksville, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
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been entered into for sharing equipment, joint training, and back up services when in need. The Service Department continues to perform many functions in house that are typically outsourced; which not only provides excellent service, but also saves money.

The City has entered into an agreement with a neighboring city to provide building inspection services for them. Brecksville collects a fee for the service and the neighboring community saves money by not having to hire their own employee. In 2017, the City entered into an agreement with three other area cities to create the Cuyahoga Valley Council of Government (COG). This COG will be used to consolidate services; such as, dispatch, jail and other community services, which lend itself to consolidation. The City entered into an agreement with Chagrin Valley Dispatch Council during 2017 for dispatch services, which is located at the City's police station. Lastly, in 2021, the City entered into an agreement with the Chagrin Valley Dispatch Council for managed information technology services.

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

The City monitors its fund balances, particularly the general fund, to ensure that adequate balances are in place to safeguard future years. In particular, the general fund balance is compared to forty-five percent of the previous year's expenses in accordance with rating agency standards. Annual budgeting is prepared using very conservative estimates. Using this methodology has allowed the City to maintain safe fund balances and have funds available for unanticipated expenses or revenue downturns. This fiscally moderate management style has also allowed the City to continue to provide excellent services without any increase in property tax rates.

The Mayor, City Council, and the Finance Director work extremely hard at keeping our debt low. We plan our finances so that we can pay cash for many of the facility improvements and acquisitions, and continue to pay cash for all equipment and other major purchases necessary to maintain our level of services. From 2001 to 2010, the City of Brecksville has enjoyed a Moody's Investors Service bond rating of Aa1. In 2010, Moody's recalibrated their rating criteria to level the ratings between government and private ratings. The result of this recalibration is that Brecksville's bond rating was increased to Aaa. In 2019, Moody's downgraded the City's rating to Aa1, the level the City was at prior to the recalibration. This rating places Brecksville at an elite level of government ratings.

The City has received the Government Finance Officers Award (GFOA) Certificate of Achievement for Excellence since 1990, the year of our first Annual Comprehensive Financial Report (ACFR). The City has prepared a Popular Annual Financial Report (PAFR) since 2006. The financial information for this report is taken from the ACFR and condensed into a ten page, reader friendly financial publication. The PAFR has been submitted to the GFOA annually and has received an Award for Outstanding Achievement each year. Our commitment to our residents has always been one of full disclosure of the financial position of the City and work to make that information available to them. The City's website www.brecksville.oh.us contains the ACFR and PAFR, as well as other financial information related to revenue, expenditures, and property and income tax.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and demonstrate the City's accountability for all money it receives, spends, and invests. Please direct any questions about this report or financial information inquiries to Laura Starosta, Director of Finance, City of Brecksville, 9069 Brecksville Road, Brecksville, Ohio 44141, email lstarosta@brecksville.oh.us or telephone 440-526-4351.

City of Brecksville, Ohio
Statement of Net Position
December 31, 2022

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$35,257,528
Cash and Cash Equivalents:	
In Segregated Accounts	8,362
With Fiscal Agent	498,523
With Escrow Agent	3,256,353
Accrued Interest Receivable	22,854
Materials and Supplies Inventory	377,868
Accounts Receivable	130,123
Intergovernmental Receivable	9,876,288
Municipal Income Taxes Receivable	4,945,459
Property Taxes Receivable	5,790,541
Special Assessments Receivable	673,528
Prepaid Items	290,110
Assets Held for Resale	137,100
Leases Receivable	1,682,892
Net Pension Asset (See Note 12)	99,147
Net OPEB Asset (See Note 13)	1,445,833
Nondepreciable Capital Assets	35,226,338
Depreciable Capital Assets, Net	98,664,554
<i>Total Assets</i>	198,383,401
Deferred Outflows of Resources	
Asset Retirement Obligations	7,823
Deferred Charges on Refunding	32,888
Pension	5,077,187
OPEB	1,032,557
<i>Total Deferred Outflows of Resources</i>	6,150,455
Liabilities	
Accounts Payable	351,365
Contracts Payable	1,937,529
Retainage Payable	397,184
Accrued Wages	769,069
Payroll Withholdings Payable	23,853
Intergovernmental Payable	196,631
Deposits Held Payable	1,576,054
Notes Payable	6,194,454
Accrued Interest Payable	236,329
Claims Payable	313,976
Vacation Benefits Payable	440,959
Long-Term Liabilities:	
Due Within One Year	1,890,540
Due In More Than One Year:	
Net Pension Liability (See Note 12)	13,982,527
Net OPEB Liability (See Note 13)	1,723,354
Other Amounts	43,866,231
<i>Total Liabilities</i>	73,900,055
Deferred Inflows of Resources	
Property Taxes	5,593,655
Leases	1,679,974
Pension	8,790,945
OPEB	2,189,175
<i>Total Deferred Inflows of Resources</i>	18,253,749
Net Position	
Net Investment in Capital Assets	88,292,505
Restricted for:	
Debt Service	1,042,613
Court Computerization	146,860
Fire Department	1,435,356
Police Department	550,580
Road Maintenance	382,759
Street Construction, Maintenance, and Repair	1,370,202
Pension Plans	96,243
Other Purposes	115,573
Unrestricted	18,947,361
<i>Total Net Position</i>	\$112,380,052

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Activities
For the Year Ended December 31, 2022

	Expenses	Program Revenues			Net (Expense)
		Charges for Services and Operating Assessments	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
Governmental Activities					
General Government:					
Legislative and Executive	\$8,212,504	\$806,413	\$35,883	\$2,951,396	(\$4,418,812)
Judicial System	89,182	176,350	0	0	87,168
Public Safety:					
Police	5,317,879	4,462	1,591,356	0	(3,722,061)
Fire	3,115,344	481,181	309,099	0	(2,325,064)
Public Health and Social Services	1,085,248	88,779	37,651	0	(958,818)
Street Construction, Maintenance, and Repair	4,087,210	6,293	1,062,102	16,785	(3,002,030)
Housing and Community Development	901,426	287,492	25,000	335,609	(253,325)
Basic Utility Services	2,229,433	83,920	23,717	4,382,224	2,260,428
Recreational Activities	2,047,004	1,376,557	106,055	49,637	(514,755)
Interest	1,253,730	0	0	0	(1,253,730)
<i>Total Governmental Activities</i>	<u>\$28,338,960</u>	<u>\$3,311,447</u>	<u>\$3,190,863</u>	<u>\$7,735,651</u>	<u>(14,100,999)</u>

General Revenues

Property Taxes Levied for:

General Purposes	2,433,794
Fire Department	2,357,515
Road Maintenance	693,388
Police Department	208,016

Municipal Income Taxes Levied for:

General Purposes	17,764,785
Capital Outlay	2,836,670

Grants and Entitlements not Restricted to Specific Programs

Unrestricted Contributions and Donations	539,245
Investment Earnings and Other Interest	250,000
Miscellaneous	(561,260)
	<u>604,453</u>

Total General Revenues

27,126,606

Change in Net Position

13,025,607

Net Position Beginning of Year - Restated
(See Note 3)

99,354,445

Net Position End of Year

\$112,380,052

See accompanying notes to the basic financial statements

City of Brecksville, Ohio

Balance Sheet

Governmental Funds

December 31, 2022

	General	Fire Department	General Obligation Bond Retirement	General Municipal Improvement
Assets				
Equity in Pooled Cash and Cash Equivalents	\$11,056,359	\$1,562,184	\$688,384	\$8,868,914
Cash and Cash Equivalents:				
In Segregated Accounts	6,362	0	0	0
With Fiscal Agent	0	0	0	0
Accrued Interest Receivable	6,556	801	0	4,870
Materials and Supplies Inventory	256,963	51,250	0	0
Accounts Receivable	83,153	0	1,376	0
Interfund Receivable	2,636,898	0	0	0
Intergovernmental Receivable	385,012	145,801	0	8,664,951
Municipal Income Taxes Receivable	4,625,459	0	0	160,000
Property Taxes Receivable	2,475,630	2,398,025	0	0
Special Assessments Receivable	0	0	0	0
Prepaid Items	287,015	317	0	0
Assets Held for Resale	137,100	0	0	0
Leases Receivable	1,682,892	0	0	0
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	1,578,058	0	0	0
Cash and Cash Equivalents with Escrow Agent	0	0	0	0
<i>Total Assets</i>	<u>\$25,217,457</u>	<u>\$4,158,378</u>	<u>\$689,760</u>	<u>\$17,698,735</u>
Liabilities				
Accounts Payable	\$245,154	\$12,592	\$0	\$31,565
Contracts Payable	20,183	0	0	214,448
Retainage Payable	0	0	0	92,474
Accrued Wages	599,064	120,274	0	0
Payroll Withholdings Payable	16,704	7,149	0	0
Interfund Payable	0	0	0	2,579,598
Intergovernmental Payable	169,674	17,929	0	0
Deposits Held Payable from Restricted Assets	1,573,708	0	0	0
Notes Payable	0	0	44,454	6,150,000
Accrued Interest Payable	0	0	0	67,009
<i>Total Liabilities</i>	<u>2,624,487</u>	<u>157,944</u>	<u>44,454</u>	<u>9,135,094</u>
Deferred Inflows of Resources				
Property Taxes	2,391,441	2,316,495	0	0
Leases	1,679,974	0	0	0
Unavailable Revenue	2,136,138	227,331	0	8,651,489
<i>Total Deferred Inflows of Resources</i>	<u>6,207,553</u>	<u>2,543,826</u>	<u>0</u>	<u>8,651,489</u>
Fund Balances				
Nonspendable	724,428	51,567	0	0
Restricted	0	1,405,041	645,306	0
Committed	882,242	0	0	0
Assigned	384,827	0	0	0
Unassigned (Deficit)	14,393,920	0	0	(87,848)
<i>Total Fund Balances</i>	<u>16,385,417</u>	<u>1,456,608</u>	<u>645,306</u>	<u>(87,848)</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$25,217,457</u>	<u>\$4,158,378</u>	<u>\$689,760</u>	<u>\$17,698,735</u>

See accompanying notes to the basic financial statements

Buildings and Improvements	Road Improvements	Capital Urban Redevelopment Tax Incremental Equivalents	Other Governmental Funds	Total Governmental Funds
\$1,852,958	\$1,886,715	\$0	\$5,675,017	\$31,590,531
0	0	0	2,000	8,362
0	0	0	498,523	498,523
1,018	1,036	4,867	2,560	21,708
0	0	0	69,655	377,868
12,197	0	0	32,005	128,731
0	0	0	0	2,636,898
0	0	0	680,524	9,876,288
100,000	60,000	0	0	4,945,459
0	0	0	916,886	5,790,541
0	0	0	673,528	673,528
0	0	0	2,778	290,110
0	0	0	0	137,100
0	0	0	0	1,682,892
0	0	0	2,346	1,580,404
0	0	1,561,351	1,695,002	3,256,353
<u>\$1,966,173</u>	<u>\$1,947,751</u>	<u>\$1,566,218</u>	<u>\$10,250,824</u>	<u>\$63,495,296</u>
\$14,887	\$0	\$0	\$46,791	\$350,989
7,000	0	1,561,351	134,547	1,937,529
0	0	0	304,710	397,184
0	0	0	49,731	769,069
0	0	0	0	23,853
0	17,300	0	40,000	2,636,898
0	0	0	9,028	196,631
0	0	0	2,346	1,576,054
0	0	0	0	6,194,454
0	73	0	0	67,082
<u>21,887</u>	<u>17,373</u>	<u>1,561,351</u>	<u>587,153</u>	<u>14,149,743</u>
0	0	0	885,719	5,593,655
0	0	0	0	1,679,974
0	0	0	1,232,978	12,247,936
<u>0</u>	<u>0</u>	<u>0</u>	<u>2,118,697</u>	<u>19,521,565</u>
0	0	0	72,433	848,428
0	0	4,867	4,033,684	6,088,898
1,944,286	1,930,378	0	2,220,848	6,977,754
0	0	0	1,244,030	1,628,857
0	0	0	(26,021)	14,280,051
<u>1,944,286</u>	<u>1,930,378</u>	<u>4,867</u>	<u>7,544,974</u>	<u>29,823,988</u>
<u>\$1,966,173</u>	<u>\$1,947,751</u>	<u>\$1,566,218</u>	<u>\$10,250,824</u>	<u>\$63,495,296</u>

City of Brecksville, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 December 31, 2022*

Total Governmental Fund Balances \$29,823,988

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		133,890,892
Other long-term assets are not available to pay for current period expenditures and therefore are reported as unavailable in the funds:		
Delinquent Property Taxes	\$196,886	
Municipal Income Taxes	1,740,222	
Charges for Services	98,957	
Intergovernmental	9,537,192	
Special Assessments	673,528	
Miscellaneous	1,151	
Total	12,247,936	12,247,936
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.		1,774,779
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(169,247)
Vacation benefits payable are not expected to be paid with expendable available financial resources and therefore are not reported in the funds.		(440,959)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Deferred Charges on Refunding	32,888	
General Obligation Bonds	(30,902,768)	
Tax Increment Financing Revenue Bonds	(9,316,800)	
Special Assessment Bonds	(605,000)	
Bond Anticipation Notes	(3,600,000)	
OPWC Loans	(203,023)	
Leases	(5,366)	
Compensated Absences	(1,059,809)	
Deferred Outflows - Asset Retirement	7,823	
Asset Retirement Obligations	(64,005)	
Total	(45,716,060)	(45,716,060)
The net pension asset, net pension liability, net OPEB asset, and net OPEB liability are not due and payable in the current period and therefore the assets, liabilities, and related deferred inflows/outflows are not reported in governmental funds:		
Net Pension Asset	99,147	
Net OPEB Asset	1,445,833	
Deferred Outflows - Pension	5,077,187	
Deferred Outflows - OPEB	1,032,557	
Net Pension Liability	(13,982,527)	
Net OPEB Liability	(1,723,354)	
Deferred Inflows - Pension	(8,790,945)	
Deferred Inflows - OPEB	(2,189,175)	
Total	(19,031,277)	(19,031,277)

Net Position of Governmental Activities

\$112,380,052

City of Brecksville, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2022

	General	Fire Department	General Obligation Bond Retirement	General Municipal Improvement
Revenues				
Property Taxes	\$2,418,360	\$2,342,570	\$0	\$0
Municipal Income Taxes	17,664,275	0	0	960,000
Charges for Services	143,266	0	0	0
Licenses and Permits	1,000,139	0	0	0
Fines, Forfeitures, and Settlements	117,256	0	0	0
Intergovernmental	707,594	290,302	0	809,683
Special Assessments	0	0	0	21,704
Investment Earnings and Other Interest	(110,472)	(30,779)	0	(214,242)
Contributions and Donations	3,186,612	0	0	10,943
Leases	66,844	0	0	0
Rentals	58,292	0	0	0
Miscellaneous	379,068	1,273	1,376	2,595
<i>Total Revenues</i>	<u>25,631,234</u>	<u>2,603,366</u>	<u>1,376</u>	<u>1,590,683</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	8,601,308	0	0	0
Judicial System	130,040	0	0	0
Public Safety:				
Police	3,682,507	0	0	0
Fire	33,728	2,829,035	0	0
Public Health and Social Services	1,076,468	0	0	0
Street Construction, Maintenance, and Repair	2,503,614	0	0	0
Housing and Community Development	1,168,558	0	0	0
Basic Utility Services	1,710,264	0	0	0
Recreational Activities	0	0	0	0
Capital Outlay	0	0	0	9,809,654
Debt Service:				
Principal Retirement	4,412	0	14,130,000	0
Interest	1,281	0	1,032,625	69,395
Issuance Costs	0	0	263,778	0
<i>Total Expenditures</i>	<u>18,912,180</u>	<u>2,829,035</u>	<u>15,426,403</u>	<u>9,879,049</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>6,719,054</u>	<u>(225,669)</u>	<u>(15,425,027)</u>	<u>(8,288,366)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	3,181	481	0	0
General Obligation Bonds Issued	0	0	11,855,000	0
Premium on General Obligation Bonds	0	0	1,084,006	0
Tax Increment Financing Revenue Bonds Issued	0	0	0	0
Discount on Tax Increment Financing Revenue Bonds	0	0	0	0
Bond Anticipation Notes Issued	0	0	0	3,600,000
Inception of Lease	6,842	0	0	0
Transfers In	0	421,000	2,327,466	4,146,568
Transfers Out	(7,468,291)	0	0	(700,989)
<i>Total Other Financing Sources (Uses)</i>	<u>(7,458,268)</u>	<u>421,481</u>	<u>15,266,472</u>	<u>7,045,579</u>
<i>Net Change in Fund Balances</i>	<u>(739,214)</u>	<u>195,812</u>	<u>(158,555)</u>	<u>(1,242,787)</u>
<i>Fund Balances (Deficit) Beginning of Year -</i>				
<i>Restated (See Note 3)</i>	<u>17,124,631</u>	<u>1,260,796</u>	<u>803,861</u>	<u>1,154,939</u>
<i>Fund Balances End of Year</i>	<u>\$16,385,417</u>	<u>\$1,456,608</u>	<u>\$645,306</u>	<u>(\$87,848)</u>

See accompanying notes to the basic financial statements

(continued)

City of Brecksville, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds (continued)
For the Year Ended December 31, 2022

	Buildings and Improvements	Road Improvements	Capital Urban Redevelopment Tax Increment Equivalents	Other Governmental Funds	Total Governmental Funds
Revenues					
Property Taxes	\$0	\$0	\$0	\$895,691	\$5,656,621
Municipal Income Taxes	1,516,670	360,000	0	0	20,500,945
Charges for Services	0	0	0	1,617,190	1,760,456
Licenses and Permits	0	0	0	174,326	1,174,465
Fines, Forfeitures, and Settlements	0	0	0	8,035	125,291
Intergovernmental	43,885	16,785	0	2,564,655	4,432,904
Special Assessments	0	6,293	0	231,251	259,248
Investment Earnings and Other Interest	(45,910)	(53,930)	36,461	(92,574)	(511,446)
Contributions and Donations	0	0	335,609	40,555	3,573,719
Leases	0	0	0	0	66,844
Rentals	0	0	0	59,181	117,473
Miscellaneous	0	0	0	9,122	393,434
<i>Total Revenues</i>	<u>1,514,645</u>	<u>329,148</u>	<u>372,070</u>	<u>5,507,432</u>	<u>37,549,954</u>
Expenditures					
Current:					
General Government:					
Legislative and Executive	0	0	0	9,951	8,611,259
Judicial System	0	0	0	5,133	135,173
Public Safety:					
Police	0	0	0	1,611,458	5,293,965
Fire	0	0	0	0	2,862,763
Public Health and Social Services	0	0	0	0	1,076,468
Street Construction, Maintenance, and Repair	0	0	0	1,856,361	4,359,975
Housing and Community Development	0	0	0	27,913	1,196,471
Basic Utility Services	0	0	0	5,766	1,716,030
Recreational Activities	0	0	0	2,476,026	2,476,026
Capital Outlay	374,886	217,877	7,401,847	2,020,437	19,824,701
Debt Service:					
Principal Retirement	0	0	0	291,155	14,425,567
Interest	0	1,113	0	312,747	1,417,161
Issuance Costs	0	0	311,345	0	575,123
<i>Total Expenditures</i>	<u>374,886</u>	<u>218,990</u>	<u>7,713,192</u>	<u>8,616,947</u>	<u>63,970,682</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,139,759</u>	<u>110,158</u>	<u>(7,341,122)</u>	<u>(3,109,515)</u>	<u>(26,420,728)</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	0	0	0	2,027	5,689
General Obligation Bonds Issued	0	0	0	0	11,855,000
Premium on General Obligation Bonds	0	0	0	0	1,084,006
Tax Increment Financing Revenue Bonds Issued	0	0	7,734,189	1,970,811	9,705,000
Discount on Tax Increment Financing Revenue Bonds	0	0	(388,200)	0	(388,200)
Bond Anticipation Notes Issued	0	0	0	0	3,600,000
Inception of Lease	0	0	0	0	6,842
Transfers In	0	1,430,723	0	1,501,157	9,826,914
Transfers Out	(943,837)	0	0	(713,797)	(9,826,914)
<i>Total Other Financing Sources (Uses)</i>	<u>(943,837)</u>	<u>1,430,723</u>	<u>7,345,989</u>	<u>2,760,198</u>	<u>25,868,337</u>
<i>Net Change in Fund Balances</i>	195,922	1,540,881	4,867	(349,317)	(552,391)
<i>Fund Balances (Deficit) Beginning of Year - Restated (See Note 3)</i>	<u>1,748,364</u>	<u>389,497</u>	<u>0</u>	<u>7,894,291</u>	<u>30,376,379</u>
<i>Fund Balances End of Year</i>	<u>\$1,944,286</u>	<u>\$1,930,378</u>	<u>\$4,867</u>	<u>\$7,544,974</u>	<u>\$29,823,988</u>

See accompanying notes to the basic financial statements

City of Brecksville, 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, 2022*

Net Change in Fund Balances - Total Governmental Funds (552,391)

Amounts reported for governmental activities in the statement of activities are different because:

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/amortization expense. This is the amount by which capital outlay exceeded depreciation/amortization in the current period.

Capital Asset Additions	\$21,352,127	
Current Year Depreciation/Amortization	(3,618,543)	
Total	17,733,584	17,733,584

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.

(2,937)

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

Delinquent Property Taxes	36,092	
Municipal Income Taxes	100,510	
Charges for Services	98,957	
Intergovernmental	3,709,136	
Special Assessments	(291,287)	
Miscellaneous	1,151	
Total	3,654,559	3,654,559

Other financing sources in the governmental funds increase long-term liabilities in the statement of net position:

General Obligation Bonds Issued	(11,855,000)	
Premium on General Obligation Bonds	(1,084,006)	
Tax Increment Financing Revenue Bonds Issued	(9,705,000)	
Discount on Tax Increment Financing Revenue Bonds	388,200	
Bond Anticipation Notes Issued	(3,600,000)	
Inception of Lease	(6,842)	
Total	(25,862,648)	(25,862,648)

Repayment of long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

14,425,567

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Accrued Interest on Debt	(15,254)	
Amortization of Premium on Debt	208,797	
Amortization of Deferred Charges on Refunding	(30,112)	
Total	163,431	163,431

Some expenses require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences	77,111	
Vacation Payable	(14,340)	
Total	62,771	62,771

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.

Pension	1,929,410	
OPEB	27,287	
Total	1,956,697	1,956,697

Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB asset/liabilities are reported as pension/OPEB expense in the statement of activities.

Pension	206,984	
OPEB	1,190,108	
Total	1,397,092	1,397,092

The internal service fund used by management to charge the individual funds is reported in the statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated.

52,014

Asset retirement obligation 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.

(2,132)

Net Position of Governmental Activities

\$13,025,607

City of Brecksville, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Property Taxes	\$2,387,046	\$2,387,046	\$2,418,360	\$31,314
Municipal Income Taxes	15,964,996	15,964,996	17,858,464	1,893,468
Charges for Services	104,100	104,100	143,386	39,286
Licenses and Permits	1,147,500	1,150,768	1,032,765	(118,003)
Fines, Forfeitures, and Settlements	141,050	141,050	173,247	32,197
Intergovernmental	554,847	682,199	678,868	(3,331)
Investment Earnings and Other Interest	150,000	150,000	144,580	(5,420)
Contributions and Donations	28,100	2,924,668	2,936,612	11,944
Rentals	163,855	163,855	177,690	13,835
Miscellaneous	274,397	1,309,588	630,888	(678,700)
<i>Total Revenues</i>	<u>20,915,891</u>	<u>24,978,270</u>	<u>26,194,860</u>	<u>1,216,590</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	9,745,375	14,288,315	12,189,868	2,098,447
Judicial System	179,489	159,489	135,102	24,387
Public Safety:				
Police	5,594,728	4,171,469	3,668,761	502,708
Fire	23,472	52,991	33,728	19,263
Public Health and Social Services	1,207,141	1,219,841	1,094,431	125,410
Street Construction, Maintenance, and Repair	2,650,372	2,665,633	2,503,946	161,687
Housing and Community Development	1,203,512	1,441,142	1,168,667	272,475
Basic Utility Services	2,165,131	2,242,346	2,042,902	199,444
Debt Service:				
Principal Retirement	4,412	4,412	4,412	0
Interest	1,281	1,281	1,281	0
<i>Total Expenditures</i>	<u>22,774,913</u>	<u>26,246,919</u>	<u>22,843,098</u>	<u>3,403,821</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,859,022)</u>	<u>(1,268,649)</u>	<u>3,351,762</u>	<u>4,620,411</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	5,000	5,000	3,311	(1,689)
Advances In	300,000	300,000	300,000	0
Advances Out	(340,000)	(2,579,898)	(2,579,898)	0
Transfers Out	(1,891,000)	(7,468,291)	(7,468,291)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(1,926,000)</u>	<u>(9,743,189)</u>	<u>(9,744,878)</u>	<u>(1,689)</u>
<i>Net Change in Fund Balance</i>	<u>(3,785,022)</u>	<u>(11,011,838)</u>	<u>(6,393,116)</u>	<u>4,618,722</u>
<i>Fund Balance Beginning of Year</i>	17,866,076	17,866,076	17,866,076	0
Prior Year Encumbrances Appropriated	476,733	476,733	476,733	0
<i>Fund Balance End of Year</i>	<u>\$14,557,787</u>	<u>\$7,330,971</u>	<u>\$11,949,693</u>	<u>\$4,618,722</u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Department Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Revenues				
Property Taxes	\$2,312,238	\$2,312,238	\$2,342,570	\$30,332
Intergovernmental	277,469	277,469	291,502	14,033
Investment Earnings and Other Interest	15,000	15,000	22,864	7,864
Miscellaneous	1,302	1,302	1,845	543
<i>Total Revenues</i>	2,606,009	2,606,009	2,658,781	52,772
Expenditures				
Current:				
Public Safety:				
Fire	3,001,166	3,001,166	2,850,460	150,706
<i>Excess of Revenues Under Expenditures</i>	(395,157)	(395,157)	(191,679)	203,478
Other Financing Sources				
Sale of Capital Assets	500	500	481	(19)
Transfers In	421,000	421,000	421,000	0
<i>Total Other Financing Sources</i>	421,500	421,500	421,481	(19)
<i>Net Change in Fund Balance</i>	26,343	26,343	229,802	203,459
<i>Fund Balance Beginning of Year</i>	1,320,993	1,320,993	1,320,993	0
Prior Year Encumbrances Appropriated	26,474	26,474	26,474	0
<i>Fund Balance End of Year</i>	<u>\$1,373,810</u>	<u>\$1,373,810</u>	<u>\$1,577,269</u>	<u>\$203,459</u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Fund Net Position
Proprietary Fund
December 31, 2022

	Internal Service Fund - Insurance
Assets	
<i>Current Assets:</i>	
Equity in Pooled Cash and Cash Equivalents	\$2,086,593
Accounts Receivable	1,392
Accrued Interest Receivable	1,146
<i>Total Assets</i>	2,089,131
Liabilities	
<i>Current Liabilities:</i>	
Accounts Payable	376
Claims Payable	313,976
<i>Total Liabilities</i>	314,352
Net Position	
Unrestricted	\$1,774,779

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Year Ended December 31, 2022

	Internal Service Fund - Insurance
Operating Revenues	
Charges for Services	\$2,282,574
Miscellaneous	209,868
<i>Total Operating Revenues</i>	2,492,442
Operating Expenses	
Purchased Services	4,525
Claims	2,386,089
<i>Total Operating Expenses</i>	2,390,614
<i>Operating Income</i>	101,828
Non-Operating Revenues	
Investment Earnings and Other Interest	(49,814)
<i>Change in Net Position</i>	52,014
<i>Net Position Beginning of Year</i>	1,722,765
<i>Net Position End of Year</i>	\$1,774,779

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2022

	Internal Service Fund - Insurance
Increases (Decreases) in Cash and Cash Equivalents	
Cash Flows from Operating Activities	
Cash Received from Customers	\$2,282,574
Other Operating Revenues	220,165
Cash Payments to Suppliers for Purchased Services	(4,149)
Cash Payments for Claims	(2,291,249)
<i>Net Cash Provided by Operating Activities</i>	207,341
Cash Flows from Investing Activities	
Investment Earnings and Other Interest	(50,960)
<i>Net Increase in Cash and Cash Equivalents</i>	156,381
<i>Cash and Cash Equivalents Beginning of Year</i>	1,930,212
<i>Cash and Cash Equivalents End of Year</i>	\$2,086,593
 Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	\$101,828
<i>Adjustments:</i>	
Decrease in Assets:	
Accounts Receivables	3,231
Intergovernmental Receivable	7,066
Increase in Liabilities:	
Accounts Payable	376
Claims Payable	94,840
<i>Total Adjustments</i>	105,513
<i>Net Cash Provided by Operating Activities</i>	\$207,341

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2022

	Private Purpose Trust	Custodial Mayor's Court
	Cemetery	Court
Assets		
Equity in Pooled Cash and Cash Equivalents	\$3,336	\$3,663
Accrued Interest Receivable	2	0
<i>Total Assets</i>	3,338	3,663
Liabilities		
Intergovernmental Payable	0	3,663
Net Position		
Held in Trust for Cemetery	338	0
Endowments	3,000	0
<i>Total Net Position</i>	\$3,338	\$0

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2022

	Private Purpose Trust	Custodial Mayor's Court
	Cemetery	Court
Additions		
Fines and Forfeitures for Other Governments	\$0	\$49,018
Investment Earnings and Other Interest	(78)	0
<i>Total Additions</i>	(78)	49,018
Deductions		
Distributions of Court Funds to Other Governments	0	49,018
<i>Net Increase (Decrease) in Fiduciary Net Position</i>	(78)	0
<i>Net Position Beginning of Year</i>	3,416	0
<i>Net Position End of Year</i>	\$3,338	\$0

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 1 – Description of the City and Reporting Entity

The City of Brecksville (the "City") was incorporated under the laws of the State of Ohio in 1921, and adopted its first charter in 1956. The Charter provides for a Mayor-Council form of government. The Mayor is elected for a four-year term and the seven Council members are elected at large for staggered terms. Four Council members are elected at each regular municipal election in November of odd numbered years. Of the four elected, the three receiving the highest number of votes serve a term of four years and the fourth serves a term of two years.

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Brecksville, this includes the agencies and departments that provide the following services: police and fire protection, emergency medical, parks and recreation, planning, zoning, human services, street maintenance and repair and general administrative services. The operation of each of these activities is directly controlled by Council through the budgetary process.

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

The City participates in one insurance purchasing pool, the Ohio Association of Public Treasurers; five jointly governed organizations, the Southwest Council of Governments, the Northeast Ohio Public Energy Council, the Cuyahoga Valley Council of Governments, the Chagrin Valley Dispatch Council, and the Regional Income Tax Agency; and one related organization, the Brecksville Community Improvement Corporation. A jointly governed organization is managed by representatives from each of the governments that create the organization, but there is neither ongoing financial interest nor responsibility on the part of the participating governments. These organizations are discussed in Notes 21, 22, and 23 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 principles. The more significant of the City's accounting policies are described as follows.

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 Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

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. These statements usually distinguish between those activities of the City that are governmental and those that are considered business-type. The City, however, has no business-type activities.

The statement of net position presents the financial condition of the governmental 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. 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 investment earnings 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 function 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 fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

Fund Accounting

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

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

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

Fire Department Fund This fund is used to account for and report monies derived from a 3.4 mill charter levy restricted to providing equipment and personnel for the fire department.

General Obligation Bond Retirement Fund This fund is used to account for and report transfers in and tax levies that are restricted for the repayment of general obligation debt.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

General Municipal Improvement Fund This fund accounts for and reports the City income tax committed for the acquisition, construction, and improvement of various facilities within the City.

Buildings and Improvements Fund This fund accounts for and reports City income tax committed to the acquisition, construction, and improvement of major capital facilities.

Road Improvements Fund This fund accounts for and reports income tax monies committed to the improvements of various City roads.

Capital Urban Redevelopment Tax Incremental Equivalents Fund This fund accounts for and reports bond proceeds restricted for the development of what is known as Valor Acres. The fund did not have any budgetary activity in 2022; therefore, budgetary information is not provided.

The other governmental funds of the City account for grants and other resources whose use is restricted, committed or assigned to a particular purpose.

Proprietary Fund Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The City's only proprietary fund is classified as an internal service fund.

Internal Service Fund Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's only internal service fund is a health fund that accounts for prescription drug and hospital/medical claims of the City employees.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics. The City's only trust fund is a private purpose trust which accounts for the perpetual care and maintenance of an individual family's burial plots in the City's cemetery through an endowment. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The City's only custodial fund accounts for various fines and forfeitures collected for the benefit of and distributed to other governments. When the fines and forfeitures are collected, no further action is needed to release the assets to the beneficiaries.

Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the 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.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Like the government-wide statements, all proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

For proprietary funds, the statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

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

Basis of Accounting

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

Revenues - Exchange and Non-Exchange 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.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied. (See Note 6.) Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange 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 taxes, EMS services, state-levied locally shared taxes (including gasoline tax and motor vehicle license fees), grants, and rentals.

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources include asset retirement obligations, deferred charges on refunding, pension and OPEB reported on the

City of Brecksville, Ohio
Notes to the Basic Financial Statements
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government-wide statement of net position. The deferred outflows of resources related to asset retirement obligations is originally measured at the amount of the corresponding liability. This amount is expensed in a systematic and rational manner over the tangible asset's useful life. Deferred charges on refunding result from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 12 and 13.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, leases, pension, OPEB, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2022, but which were levied to finance 2023 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. The deferred inflow for leases is related to leases receivable and is being recognized as lease revenue in a systematic and rational manner over the term of the lease. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, municipal income taxes, charges for services, intergovernmental grants, special assessments, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the reconciliation of total governmental fund balance to net position of governmental activities found on page 20. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (see Notes 12 and 13).

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. Budgetary information for the debt urban redevelopment tax increment equivalents debt service fund and capital urban redevelopment tax increment equivalents capital projects fund are not reported because it is not included in the entity for which the "appropriated budget" is adopted. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, 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 ordinance 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 budgetary control is at the personal services and other object level within each department for all funds. Budgetary modifications may only be made by ordinance of the City Council at the legal level of control.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the finance director. The amounts reported as the original and final budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original and final appropriations were enacted by Council.

City of Brecksville, Ohio
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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.

Equity in Pooled Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Individual fund integrity is maintained through the City's records. Investment earnings and other interest in the pool is presented as "equity in pooled cash and 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 as "cash and cash equivalents in segregated accounts" since they are not required to be deposited into the City treasury.

The City is financing the construction of a new field house as part of the new school in the Brecksville-Broadview Heights City School District, which the School District is holding as fiscal agent as part of the total construction of the school building. The balances in these accounts are presented on the statement of fund net position as "cash and cash equivalents with fiscal agent."

The City utilizes a financial institution to service revenue bonded debt as principal and interest payments come due and the urban redevelopment renovation payments as prescribed by the agreement when they come due. The balances in these accounts are presented on the statement of net position as "cash and cash equivalents with escrow agent."

During 2022, investments were limited to STAR Ohio, American treasury obligation fund accounts, government securities, negotiable certificates of deposit, municipal securities, Tennessee Valley authority bonds, US treasury bonds and notes, and commercial paper.

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

For 2022, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates; however, 24 hours advance notice for deposits and withdrawals of \$100 million or more is encouraged. STAR Ohio reserves the right to limit the transactions to \$250 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

American treasury obligation fund accounts, governmental securities, negotiable certificates of deposit, municipal securities, Tennessee Valley authority bonds, US treasury bonds and notes, and commercial paper are reported at fair value, which is based on quoted market prices. Gains (or losses) to fair value are booked annually as "investment earnings and other interest." The fair value of investments continued to decline during 2022, resulting in negative investment earnings and other interest revenue of (\$561,260) in governmental activities.

City of Brecksville, Ohio
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Investment procedures are restricted by the provisions of the Ohio Revised Code. Investment earnings and other interest revenue is distributed to all funds. Investment earnings and other interest revenue credited to the general fund during 2022 amounted to (\$110,472), of which \$34,690 was assigned from other funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the City are presented on the financial statements as cash equivalents.

Materials and Supplies Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventory consists of expendable supplies.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2022, 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.

Assets Held for Resale

Assets held for resale represent various land and buildings received by the City, which will be sold.

Restricted Assets

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the general fund and community center special revenue fund represent money set aside for unclaimed monies and amounts held for contractors. Restricted assets in the debt urban redevelopment tax increment equivalents debt service fund represent money set aside for bond principal and interest payments. Restricted assets in the capital urban redevelopment tax increment equivalents capital projects fund represent money set aside for the multi-use residential properties and commercial facilities.

Capital Assets

The City's only capital assets are general 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.

All capital assets (except for intangible right-to-use lease assets which are discussed later) are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

City of Brecksville, Ohio
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For the Year Ended December 31, 2022

All reported capital assets are depreciated, except for land 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:

Description	Estimated Lives
Land	N/A
Land Improvements	5 - 50 years
Buildings and Improvements	5 - 60 years
Machinery and Equipment	3 - 50 years
Furniture and Fixtures	5 - 40 years
Infrastructure	10 - 99 years

The City's infrastructure consists of roads, sidewalks, guardrails, traffic signals, storm sewers, sanitary sewers, and water lines and includes infrastructure acquired prior to December 31, 1980.

The City is reporting intangible right to use assets related to leased equipment. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, these intangible assets are being amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables." Interfund balance amounts are eliminated in the statement of net position.

Pensions/Other Postemployment Benefits (OPEB)

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

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributed 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 employees with more than one year of service. Since the City's policy limits the accrual of vacation time to one year from the employee's anniversary date, the outstanding liability is recorded as "vacation benefits payable" on the statement of net position rather than as a long-term liability.

Sick leave benefits are accrued as a liability using the termination method. An accrual for sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the City's past experience of making termination payments.

City of Brecksville, Ohio
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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 the proprietary fund are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds; however, claims and 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, bond anticipation notes, long-term loans, and leases are recognized as a liability on the governmental fund financial statements when due. Net pension/OPEB liabilities should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plans' fiduciary net position is not sufficient for payment of those benefits.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes property acquired for resale and the long-term amount of interfund loans, unless the use of the proceeds from the sale of those properties and the proceeds from the collection of those receivables are 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 or enabling legislation (City ordinances).

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party—such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by the highest level formal action (ordinance or resolution, as both are equally binding) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

City of Brecksville, Ohio
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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. These amounts are assigned by City Council. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance or by State statute. State statute authorizes the finance director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. City Council assigned fund balance to cover a gap between estimated revenue and appropriations in the 2023 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.

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.

Net Position

Net position represents the difference between all other elements in the statement of net position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Amounts restricted for pension plans represent the restricted asset after considering the related deferred outflows and deferred inflows. Net position restricted for other purposes included resources which will be used for unclaimed monies, Natureworks grants, recycling demolition grant, and tree programs.

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

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the City, these revenues are charges for services for self-insurance programs. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

OneOhio Opioid Settlement Monies

During 2021, Ohio reached an agreement with the three largest distributors of opioids. Although the settlement has been reached, uncertainties remain related to measurement. As a participating subdivision, the City received the first of eighteen distributions in 2022. This distribution of \$2,083 is reflected as fines, forfeitures and settlements revenue in the OneOhio Opioid Settlement special revenue fund in the accompanying financial statements.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
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Internal Activity

Transfers between governmental activities are eliminated on the government wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Interfund payments for services provided and used are not eliminated.

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

Premiums and Discounts

On the government-wide financial statements, premiums and discounts are amortized over the term of the debt issuance using the straight-line method. Debt issuances are reported net of the applicable premium or discount. On the governmental fund statements, premiums and discounts are recognized in the period in which the debt issuances are issued. Under Ohio law, premiums on the original issuance of debt are to be deposited to the debt service fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

Deferred Charges on Refunding

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt, the gain/loss on the refunding, is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old or new debt, whichever is shorter, using the effective interest method and is presented as deferred outflows of resources on the statement of net position.

Leases

The City serves as both lessee and lessor in various noncancellable leases. These leases are accounted for as follows:

Lessee At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. In most cases, the deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

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.

Note 3 – Changes in Accounting Principles and Restatement of Fund Balances and Net Position

Changes in Accounting Principles

For fiscal year 2022, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases* and related guidance from (GASB) Implementation Guide No. 2019-3, *Leases*. The City also implemented GASB Statement No. 91, *Conduit Debt Obligations*, GASB Statement No. 92, *Omnibus 2020*, GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, and *Implementation Guide No. 2020-1*.

GASB Statement 87 enhances the relevance and consistency of information of the government’s leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. These changes were incorporated in the City’s 2022 financial statements. The City recognized \$1,215,201 in leases receivable at January 1, 2022; however, \$1,213,327 was offset by the deferred inflows related to leases. The difference of \$1,874 is due to amounts received by lessees after the end of the prior year but that were due prior to the end of the year. The City also recognized \$2,936 in leases payable at January 1, 2022 which was offset by the intangible asset, right to use lease – equipment.

GASB 91 clarifies the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

GASB 92 addresses a variety of topics including reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers and references to nonrecurring fair value measurements of assets or liabilities in authoritative literature. These changes did not impact the City’s financial statements.

GASB 97, among other items, requires that a Section 457 plan be classified as either a pension plan or an other employee benefit plan depending on whether the plan meets the definition of a pension plan.

The changes for GASB 91 and GASB 97 were incorporated in the City’s 2022 financial statements; however, there was no effect on beginning net position/fund balance.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Restatement of Fund Balances and Net Position

The implementation of GASB 87 had the following effect on fund balances:

	General	Fire Department	General Obligation Bond Retirement	General Municipal Improvement
Fund Balances December 31, 2021	\$17,122,757	\$1,260,796	\$803,861	\$1,154,939
GASB 87	1,874	0	0	0
Restated Fund Balances December 31, 2021	<u>\$17,124,631</u>	<u>\$1,260,796</u>	<u>\$803,861</u>	<u>\$1,154,939</u>

	Buildings and Improvements	Road Improvements	Other Governmental Funds	Total Governmental Funds
Fund Balances December 31, 2021	\$1,748,364	\$389,497	\$7,894,291	\$30,374,505
GASB 87	0	0	0	1,874
Restated Fund Balances December 31, 2021	<u>\$1,748,364</u>	<u>\$389,497</u>	<u>\$7,894,291</u>	<u>\$30,376,379</u>

The implementation of GASB 87 increased governmental activities net position at December 31, 2021 in the amount of \$1,874, from \$99,352,571 to \$99,354,445.

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 and fire department funds, is 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. Investments reported at cost (budget) rather than fair value (GAAP).
3. Advances In and Advances Out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).

City of Brecksville, Ohio
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4. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
5. Encumbrances are treated as expenditures (budget) rather than as restricted, committed, or assigned fund balances (GAAP).

Adjustments necessary to convert the results of operations at the end of the year on the GAAP basis to the Budget basis are as follows:

Net Change in Fund Balance		
General Fund and Fire Department Special Revenue Fund		
	General	Fire Department
GAAP Basis	(\$739,214)	\$195,812
Net Adjustment for Revenue Accruals	247,478	971
Beginning Fair Value Adjustment for Investments	(72,319)	0
Ending Fair Value Adjustment for Investments	381,755	54,444
Advances In	300,000	0
Advances Out	(2,579,898)	0
Net Adjustment for Expenditure Accruals	(2,824,143)	10,785
Encumbrances	(1,106,775)	(32,210)
Budget Basis	(\$6,393,116)	\$229,802

Note 5 – Deposits and Investments

The City is a charter City and follows their established investment policy. The City has elected to follow the provisions of State statute and classify monies held by the City into three categories.

Active deposits are public deposits determined to be necessary to meet current demands upon the City treasury. Active 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 five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

City of Brecksville, Ohio
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Interim monies held by the City can be deposited or invested in the following securities:

1. United States Treasury bills, bonds notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivision of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the 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 the term of the agreement must not exceed thirty days.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited.

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, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The City has passed an ordinance allowing the City to invest monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;

City of Brecksville, Ohio
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2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and
3. Obligations of the City.

Deposits

Custodial Credit Risk Custodial credit risk for deposits is the risk that in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2022, \$619,820 of the City's bank balance of \$3,509,893 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. One of the City's financial institutions that participates in the Ohio Pooled Collateral System (OPCS) and was approved for a reduced collateral floor of 50 percent resulting in the uninsured and uncollateralized balance.

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

Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

Investments

Investments are reported at fair value. As of December 31, 2022, the City had the following investments:

Measurement/Investment	Measurement Amount	Maturity	Standard & Poor's Rating	Percent of Total Investments
Net Asset Value Per Share:				
STAR Ohio	\$9,836,330	Average of 31.9 Days	AAAm	30.59 %
Fair Value - Level 1 Input:				
American Treasury Obligation Fund	696,727	Less than one year	AAAm	N/A
Fair Value - Level 2 Inputs:				
Federal Home Loan Bank Notes	2,734,969	Less than five years	AA+	8.51
Federal Home Loan Mortgage Corporation Notes	1,043,480	Less than three years	AA+	N/A
Federal Farm Credit Bank Notes	2,997,611	Less than five years	AA+	9.32
Federal National Mortgage Association Notes	644,797	Less than three years	AA+	N/A
Negotiable Certificates of Deposit	3,077,818	Less than five years	N/A	9.57
Municipal Securities	252,187	Less than one year	AA	N/A
Tennessee Valley Authority Bonds	228,693	Less than three years	AA+	N/A
US Treasury Bonds and Notes	9,386,058	Less than five years	AA+	29.19
Commercial Paper	1,256,585	Less than one year	A-1/A-1+	N/A
Total Fair Value - Level 2 Inputs	21,622,198			
Total Investments	\$32,155,255			

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The preceding chart identifies the City's recurring fair value measurements as of December 31, 2022. The American Treasury Obligation Fund is measured at fair value and is valued using quoted market prices (Level 1 inputs). The City's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

Interest Rate Risk As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within five 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. To date, no investments have been purchased with a life greater than five years. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

Credit Risk 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 addresses credit risk.

Concentration of Credit Risk The City places no limit on the amount it may invest in any one issuer.

Note 6 – Receivables

Receivables at December 31, 2022, consisted primarily of accrued interest on investments; accounts (billings for user charged services, licenses and permits, rentals, and miscellaneous reimbursements); interfund; intergovernmental receivables arising from grants, entitlements, and shared revenues; municipal income taxes; property taxes; special assessments; and leases. No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. All receivables except for special assessments, delinquent property taxes, and leases are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Special assessments expected to be collected in more than one year amount to \$442,277 in the special assessments bond retirement fund. At December 31, 2022, the amount of delinquent special assessments was \$11,528.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2022 for real and public utility property taxes represents collections of 2021 taxes.

2022 real property taxes were levied after October 1, 2022, on the assessed value as of January 1, 2022, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2022 real property taxes are collected in and intended to finance 2023.

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. 2022 public utility property taxes which became a lien December 31, 2021, are levied after October 1, 2022, and are collected in 2023 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2022, was \$8.21 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2022 property tax receipts were based are as follows:

Category	Assessed Value
Real Estate:	
Residential/Agricultural	\$639,519,870
Other Real Estate	121,639,410
Tangible Personal Property Public Utility	22,541,280
Total Assessed Values	\$783,700,560

The County Fiscal Officer collects property taxes on behalf of all taxing districts in 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, 2022, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2022 operations is offset to deferred inflows of resources – property taxes. 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.

Leases Receivable

The City is reporting leases receivable of \$1,682,892 in the general fund at December 31, 2022. These amounts represent the discounted future lease payments. This discount is being amortized using the interest method. For 2022, the City recognized lease revenue of \$66,844 and interest revenue of \$58,292 in the general fund related to lease payments received. A description of the City’s leasing arrangements is as follows:

Cell Tower Lease – The City has entered into a lease agreement for a cell tower with New Cingular Wireless. The lease commencement began in 2018 and will mature in 10 years through 2028. This lease is collected monthly.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Building Leases – The City has entered into various lease agreements for buildings with multiple companies at varying years and terms as follows:

Company	Lease Commencement Date	Years	Lease Ending Date	Payment Method
Brecksville Cooperative Pre-School Building 10	2019	11	2030	Quarterly
South Suburban Montessori Building 7	2019	15	2034	Monthly
South Suburban Montessori Building 6	2022	27	2049	Monthly
Chagrin Valley Dispatch Council Building 2	2022	5	2027	Quarterly
Chagrin Valley Dispatch Council Building 12	2022	5	2027	Monthly

A summary of future lease revenue in the general fund is as follows:

Year	Principal	Interest
2023	\$84,389	\$57,628
2024	87,112	53,788
2025	111,449	51,132
2026	125,390	46,791
2027	110,733	42,332
2028-2032	587,497	147,441
2033-2037	271,365	49,657
2038-2042	109,249	31,681
2043-2047	144,503	15,961
2048-2049	51,205	1,023
Total	<u>\$1,682,892</u>	<u>\$497,434</u>

Income Tax

The City levies a municipal income tax of two percent on substantially all income earned within the City. This tax also applies to the net income of businesses operating within the City. Residents of the City are granted 100 percent credit for taxes paid to other municipalities, with the exception of tax years 2015 through 2020 where 87.5 percent credit was granted.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. In 2022, by City ordinance, \$3,020,004 of total income tax proceeds are credited to the following capital projects funds: \$960,000 to the general municipal improvement fund, \$1,700,004 to the buildings and improvements fund and \$360,000 to the road improvements fund.

The Regional Income Tax Agency administers and collects income taxes for the City. Payments are remitted monthly net of collection fees of approximately three percent.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Intergovernmental Receivables

A summary of the intergovernmental receivables follows:

Governmental Activities:	
County District 13 Grant Projects	\$4,333,412
NEORSD Grants	2,824,017
ODSA Roadwork Development Grant	600,000
County Improvement Grant	459,176
Excise and Gasoline Tax	381,324
Homestead and Rollback	350,387
County Community Grant	250,000
ODOT Grants	198,346
Local Government	113,489
Ohio Attorney General EMS Collections	101,026
ODNR Community Grant	73,500
Ohio Office of Criminal Justice Body Worn Camera Grant	69,120
Auto Registration	50,779
County Planning Grant	24,182
DARE Grant	23,994
Permissive Tax	18,414
Cleveland Water Road Repair Reimbursements	1,625
Ohio Attorney General Restitution Collections	1,151
County Police Training Grant	750
Field House Project Reimbursements	700
EMS Grant	696
Fines & Forfeitures from Garfield Heights Municipal Court	200
Total	<u><u>\$9,876,288</u></u>

Payments in Lieu of Taxes

According to State law, the City has established tax incremental financing districts within the City under which the City has granted property tax exemptions and agreed to construct certain infrastructure improvements. The property owners have agreed to make payments to the City to help pay the costs of the infrastructure improvements. The amount of those payments generally reflects all or a portion of the property taxes which the property owners would have paid if the property had not been declared exempt. The property owners' contractual promise to make these payments in lieu of taxes generally continues until the costs of the improvement have been paid or the agreement expires, whichever occurs first. Future development by these owners or others may result in subsequent agreements to make payments in lieu of taxes and may therefore spread the costs of the improvements to a larger number of property owners. Collection of payments in lieu of taxes are anticipated to be received in 2024 and therefore no receivable exists at year end.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 7 – Tax Abatements

As of December 31, 2022, the City provides tax abatements through two economic development agreements.

Pursuant to Council Ordinance, the City established these economic development agreements to provide income tax abatements to encourage employment growth in the City. Abatements are obtained if the entity meets the established level of employment. The amount of the abatement is refunded to the recipient. The City’s net income tax value was reduced by \$446,188 through expenses during 2022.

Note 8 – Risk Management

Property and Liability

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2022, the City contracted with Wichert Insurance Services and Curtis Insurance Services for various types of insurance as follows:

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage Amount</u>
Wichert Insurance Services	Blanket Building/Contents	\$93,450,837
	Boiler and Machinery	Unlimited
	Inland Marine	2,038,500
	Crime	1,000,000
	Public Officials Liability	1,000,000
	General Liability	2,000,000
	Garage Keepers Liability	120,000
	Auto	1,000,000
	Umbrella Liability	10,000,000
	Abuse and Molestation	1,000,000
	Cyber Liability	2,000,000
Curtis Insurance Services	Law Enforcement	1,000,000

Settled claims have not exceeded commercial coverage in any of the last five years. There were no significant reductions in coverage from the prior year.

Workers’ Compensation

The City participates in the Ohio Association of Public Treasurer’s (OAPT) group rating pool (See Note 21). The intent of the OAPT is to achieve the benefit of a reduced premium for the participants, foster safer working environments and foster cost-effective claims management by virtue of its grouping and representation with other participants. The workers’ compensation experience rating of the participating cities is calculated as one experience and a common premium rate is applied to all cities in the group. Each participant pays its workers’ compensation premium to the State based on the rate for the OAPT group rather than its individual rate. Participation in the OAPT group is limited to cities that can meet the OAPT’s selection criteria. The firm of Sedgwick Claims Management Service, Incorporated provides administrative, cost control, and actuarial services to the OAPT.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Employee Insurance Benefits

The City manages employee prescriptions and health benefits on a self-insured basis. The employee health benefit plan provides basic health coverage through Medical Mutual, the third-party administrator of the program, which reviews and pays the claims. A specific excess loss coverage insurance (stop-loss) policy with Medical Mutual covers claims in excess of \$110,000 per person per year.

The claims liability of \$313,976, reported in the self-insurance fund at December 31, 2022, is estimated by the third-party administrator and is based on the requirements of Governmental Accounting Standards Board Statement No. 30, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claims adjustments expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the fund's claims liability amount for the last two years follow:

Year	Balance at Beginning of Year	Current Year Claims	Claims Payment	Balance at End of Year
2021	\$271,169	\$2,426,644	\$2,478,677	\$219,136
2022	219,136	2,386,089	2,291,249	313,976

Note 9 – Interfund Transfers and Balances

Interfund Transfers

Interfund transfers for the year ended December 31, 2022, consisted of the following:

Transfers From	Transfers To					Totals
	Fire Department	General Obligation Bond Retirement	General Municipal Improvement	Road Improvements	Other Governmental Funds	
General	\$421,000	\$0	\$4,146,568	\$1,430,723	\$1,470,000	\$7,468,291
General Municipal Improvement	0	669,832	0	0	31,157	700,989
Buildings and Improvements	0	943,837	0	0	0	943,837
Other Governmental Funds	0	713,797	0	0	0	713,797
<i>Total All Funds</i>	<u>\$421,000</u>	<u>\$2,327,466</u>	<u>\$4,146,568</u>	<u>\$1,430,723</u>	<u>\$1,501,157</u>	<u>\$9,826,914</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. Transfers from the general fund to the fire department and community center funds were to fund their specific operations. Transfers from the general fund to the general municipal improvement, road improvements, and recreation facilities expansion funds were to fund their specific capital projects. To provide funds for loan payments, transfers totaling \$31,157 were made to the issue II fund from the general municipal improvement fund. The general bond retirement fund is funded for debt payment obligations from the general municipal improvement, building and improvements, police station building, and recreation facilities expansion funds.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Interfund Balances

The general fund has an interfund receivable balance of \$2,579,898, the general municipal improvement capital projects fund had an interfund payable balance of \$2,539,898, and other governmental funds had an interfund payable balance of \$40,000. The purpose of these advances were to fund operations until revenues could cover the fund and to help cover debt obligations until revenues could cover the fund.

Additionally, the general municipal improvement and road improvements major capital projects funds had interfund payable balances of \$39,700 and \$17,300, respectively, and the general fund had an interfund receivable balance of \$57,000 due to the issuance of a manuscript bond. The manuscript bond represents a special assessment bond that was issued on August 13, 2008, at 5.05 percent. The manuscript bond was issued by the City and purchased by the general fund. The schedule of future payments is as follows:

Years	Brecksville Road Access Road		
	Principal	Interest	Total
2023	\$18,000	\$2,878	\$20,878
2024	19,000	1,970	20,970
2025	20,000	1,010	21,010
Total	\$57,000	\$5,858	\$62,858

Note 10 – Capital Assets

A summary of changes in capital assets during 2022 follows:

	Balance 12/31/2021	Additions	Deductions	Balance 12/31/2022
Governmental Activities:				
<i>Capital Assets not being Depreciated/Amortized:</i>				
Land	\$7,300,238	\$39,561	\$0	\$7,339,799
Construction in Progress	18,573,369	19,495,128	(10,181,958)	27,886,539
<i>Total Capital Assets not being Depreciated/Amortized</i>	25,873,607	19,534,689	(10,181,958)	35,226,338
<i>Capital Assets being Depreciated/Amortized:</i>				
Land Improvements	5,556,831	973,585	0	6,530,416
Buildings and Improvements	50,186,444	9,529,513	0	59,715,957
Machinery and Equipment	17,687,463	309,162	(10,800)	17,985,825
Furniture and Fixtures	447,078	0	0	447,078
Infrastructure:				
Roads	49,842,718	994,713	(217,080)	50,620,351
Sidewalks	3,597,083	0	0	3,597,083
Guardrails	623,128	57,992	(17,033)	664,087
Traffic Signals	2,320,884	0	0	2,320,884
Storm Sewers	14,508,599	127,589	0	14,636,188
Sanitary Sewers	16,739,009	0	0	16,739,009
Water Lines	226,460	0	0	226,460
Intangible Right to Use Lease - Equipment**	2,936	6,842	(2,936)	6,842
<i>Total Capital Assets being Depreciated/Amortized</i>	\$161,738,633	\$11,999,396	(\$247,849)	\$173,490,180

(continued)

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Governmental Activities (continued):	Balance 12/31/2021	Additions	Deductions	Balance 12/31/2022
Less Accumulated Depreciation/Amortization:				
Land Improvements	(\$3,776,591)	(\$261,593)	\$0	(\$4,038,184)
Buildings and Improvements	(17,129,883)	(1,028,621)	0	(18,158,504)
Machinery and Equipment	(12,195,278)	(991,382)	10,799	(13,175,861)
Furniture and Fixtures	(323,596)	(11,743)	0	(335,339)
Infrastructure:				
Roads	(24,053,718)	(864,870)	217,080	(24,701,508)
Sidewalks	(3,312,476)	(14,608)	0	(3,327,084)
Guardrails	(262,789)	(15,618)	17,033	(261,374)
Traffic Signals	(1,987,981)	(107,643)	0	(2,095,624)
Storm Sewers	(3,418,781)	(146,551)	0	(3,565,332)
Sanitary Sewers	(4,830,995)	(169,081)	0	(5,000,076)
Water Lines	(159,907)	(5,357)	0	(165,264)
Intangible Right to Use Lease - Equipment**	0	(1,476)	0	(1,476)
<i>Total Accumulated Depreciation/Amortization</i>	<u>(71,451,995)</u>	<u>(3,618,543)*</u>	<u>244,912</u>	<u>(74,825,626)</u>
<i>Total Capital Assets being Depreciated/Amortized, Net</i>	<u>90,286,638</u>	<u>8,380,853</u>	<u>(2,937)</u>	<u>98,664,554</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$116,160,245</u>	<u>\$27,915,542</u>	<u>(\$10,184,895)</u>	<u>\$133,890,892</u>

*Depreciation/amortization expense was charged to governmental activities as follows:

General Government:	
Legislative and Executive	\$439,865
Public Safety:	
Police	327,301
Fire	306,007
Public Health Services	201,434
Street Construction, Maintenance and Repair	1,191,269
Housing and Community Development	12,545
Basic Utility Services	678,576
Recreational Activities	461,546
Total Depreciation/Amortization Expense	<u>\$3,618,543</u>

** Of the current year depreciation/amortization total of \$3,618,543, \$1,476 is presented as public safety police expense on the Statement of Activities related to the City's intangible asset of a vehicle, which is included as an Intangible Right to Use Lease. With the implementation of Governmental Accounting Standards Board Statement No. 87, *Leases*, a lease meeting the criteria of this statement requires the lessee to recognize the lease liability and an intangible right to use asset.

Note 11 – Assets Held for Resale

Assets held for resale represent various parcels within the City. One parcel was received through the land reutilization program, which will be sold for future development/ownership. At December 31, 2022, this one parcel was held for resale with a value of \$137,100.

City of Brecksville, Ohio
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Note 12 – Defined Benefit Pension Plans

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

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

The net pension liability (asset) and the net OPEB liability (asset) reported on the statement of net position represent liabilities to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions – between an employer and its employees – of salaries and benefits for employee services. Pensions/OPEB are provided to an employee – on a deferred-payment basis – as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

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

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

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan’s unfunded benefits is presented as a *net pension/OPEB asset* or a long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable*. The remainder of this note includes the required pension disclosures. See Note 13 for the required OPEB disclosures.

Plan Description – Ohio Public Employees Retirement System (OPERS)

City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The combined plan is a combination cost-sharing,

City of Brecksville, Ohio
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multiple-employer defined benefit/defined contribution pension plan. The member-directed plan is a defined contribution plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

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

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

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

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

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

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost

City of Brecksville, Ohio
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For the Year Ended December 31, 2022

of living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Effective January 1, 2022, the combined plan is no longer available for member selection.

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

	State and Local
2022 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
2022 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-employment Health Care Benefits **	0.0
Total Employer	14.0 %
Employee	10.0 %

* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

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

City of Brecksville, Ohio
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For 2022, the City's contractually required contribution was \$1,026,064 for the traditional plan, \$16,777 for the combined plan and \$14,531 for the member-directed plan. Of these amounts, \$41,628 is reported as an intergovernmental payable for the traditional plan, \$682 for the combined plan, and \$589 for the member-directed plan.

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

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

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

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

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

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

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

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.0 percent or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

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

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

	Police	Firefighters
2022 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2022 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll.

The City's contractually required contribution to OP&F was \$886,569 for 2022. Of this amount, \$103,764 is reported as an intergovernmental payable.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability (asset) for OPERS was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2021, and was determined by rolling forward the total pension liability as of January 1, 2021, to December 31, 2021. The City's proportion of the net pension liability (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense of the City's defined benefit pension plans:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Proportion of the Net Pension Liability/Asset:				
Current Measurement Date	0.04781200%	0.02516400%	0.15722790%	
Prior Measurement Date	0.04596800%	0.02713500%	0.16189770%	
Change in Proportionate Share	0.00184400%	-0.00197100%	-0.00466980%	
Proportionate Share of the:				
Net Pension Liability	\$4,159,836	\$0	\$9,822,691	\$13,982,527
Net Pension Asset	0	(99,147)	0	(99,147)
Pension Expense	(\$756,782)	(\$2,835)	\$552,633	(\$206,984)

City of Brecksville, Ohio
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2022 pension expense for the member-directed defined contribution plan was \$14,531. The aggregate pension expense for all pension plans was (\$192,453) for 2022.

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to defined benefit pensions from the following sources:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Deferred Outflows of Resources				
Differences between expected and actual experience	\$212,062	\$615	\$283,229	\$495,906
Changes of assumptions	520,183	4,982	1,795,166	2,320,331
Changes in proportion and differences between City contributions and proportionate share of contributions	228,179	10,716	92,645	331,540
City contributions subsequent to the measurement date	1,026,064	16,777	886,569	1,929,410
<i>Total Deferred Outflows of Resources</i>	<u>\$1,986,488</u>	<u>\$33,090</u>	<u>\$3,057,609</u>	<u>\$5,077,187</u>
Deferred Inflows of Resources				
Differences between expected and actual experience	\$91,236	\$11,089	\$510,645	\$612,970
Net difference between projected and actual earnings on pension plan investments	4,947,976	21,256	2,575,358	7,544,590
Changes in proportion and differences between City contributions and proportionate share of contributions	39,268	3,649	590,468	633,385
<i>Total Deferred Inflows of Resources</i>	<u>\$5,078,480</u>	<u>\$35,994</u>	<u>\$3,676,471</u>	<u>\$8,790,945</u>

\$1,929,410 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability or increase to the net pension asset in 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Year Ending December 31:				
2023	(\$530,968)	(\$5,679)	(\$104,975)	(\$641,622)
2024	(1,636,510)	(8,174)	(840,385)	(2,485,069)
2025	(1,163,469)	(5,071)	(418,546)	(1,587,086)
2026	(787,109)	(3,534)	(301,511)	(1,092,154)
2027	0	494	159,986	160,480
Thereafter	0	2,283	0	2,283
Total	<u>(\$4,118,056)</u>	<u>(\$19,681)</u>	<u>(\$1,505,431)</u>	<u>(\$5,643,168)</u>

City of Brecksville, Ohio
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Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2021, using the following key actuarial assumptions and methods applied to all periods included in the measurement in accordance with the requirements of GASB 67. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 7.2 percent down to 6.9 percent, for the defined benefit investments. Key actuarial assumptions and methods used in the latest actuarial valuation, prepared as of December 31, 2021, reflecting experience study results, are presented as follows:

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>
Wage Inflation	2.75 percent	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation	2.75 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3.0 percent, simple	3.0 percent, simple
Post-January 7, 2013 Retirees	3.0 percent, simple through 2022, then 2.05 percent, simple	3.0 percent, simple through 2022, then 2.05 percent, simple
Investment Rate of Return	6.9 percent	6.9 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

Key actuarial assumptions and methods used in the prior actuarial valuation, prepared as of December 31, 2020, are presented as follows:

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3.0 percent, simple	3.0 percent, simple
Post-January 7, 2013 Retirees	0.5 percent, simple through 2021, then 2.15 percent, simple	0.5 percent, simple through 2021, then 2.15 percent, simple
Investment Rate of Return	7.2 percent	7.2 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

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For 2021, pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 15 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all these tables.

For 2020, pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all the above-described tables.

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

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 15.3 percent for 2021.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

City of Brecksville, Ohio
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Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	24.00%	1.03%
Domestic Equities	21.00	3.78
Real Estate	11.00	3.66
Private Equity	12.00	7.43
International Equities	23.00	4.88
Risk Parity	5.00	2.92
Other investments	4.00	2.85
Total	100.00%	4.21%

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

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

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
City's proportionate share of the net pension liability (asset):			
OPERS Traditional Plan	\$10,967,595	\$4,159,836	(\$1,505,122)
OPERS Combined Plan	(73,982)	(99,147)	(118,774)

Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2021, is based on the results of an actuarial valuation date of January 1, 2021, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered are: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

City of Brecksville, Ohio
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Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2021, are presented as follows.

Valuation Date	January 1, 2021, with actuarial liabilities rolled forward to December 31, 2021
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	2.2 percent simple per year

In February 2022, the OP&F Board adopted a change in the investment rate of return, changing it from 8 percent for the 2020 measurement period to 7.5 percent for the 2021 measurement period.

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

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

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

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2021, are summarized as follows:

City of Brecksville, Ohio
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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	21.00	3.60
Non-US Equity	14.00	4.40
Private Markets	8.00	6.80
Core Fixed Income *	23.00	1.10
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation Linked Bonds*	17.00	0.80
Midstream Energy Infrastructure	5.00	5.00
Real Assets	8.00	5.90
Gold	5.00	2.40
Private Real Estate	12.00	4.80
Total	125.00 %	

Note: Assumptions are geometric.

* levered 2x

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

Discount Rate For 2021, the total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return of 7.50 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
	City's proportionate share of the net pension liability	\$14,566,912	\$9,822,691

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Note 13 – Defined Benefit OPEB Plans

See Note 12 for a description of the net OPEB liability (asset).

Plan Description – Ohio Public Employees Retirement System (OPERS)

The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS. For those retiring on or after January 1, 2015, the allowance has been determined by applying a percentage to the base allowance. The percentage applied is based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance. Those who retired prior to January 1, 2015, will have an allowance of at least 75 percent of the base allowance.

The health care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60. Members in Group A are eligible for coverage at any age with 30 or more years of qualifying service. Members in Group B are eligible at any age with 32 years of qualifying service, or at age 52 with 31 years of qualifying service. Members in Group C are eligible for coverage with 32 years of qualifying service and a minimum age of 55. Current retirees eligible (or who became eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements change for those retiring after January 1, 2022, with differing

City of Brecksville, Ohio
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eligibility requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2022, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2022, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2022 was 4.0 percent.

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

The City's contractually required contribution was \$5,812 for 2022. Of this amount, \$235 is reported as an intergovernmental payable.

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

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

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

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

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

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

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2022, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded. The OP&F Board of Trustees is also authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contractually required contribution to OP&F was \$21,475 for 2022. Of this amount, \$2,518 is reported as an intergovernmental payable.

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OPEB Liabilities (Assets), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2021, and was determined by rolling forward the total OPEB liability as of January 1, 2021, to December 31, 2021. The City's proportion of the net OPEB liability (asset) was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the Net OPEB Liability/Asset:			
Current Measurement Date	0.04616100%	0.15722790%	
Prior Measurement Date	<u>0.04450100%</u>	<u>0.16189770%</u>	
Change in Proportionate Share	<u>0.00166000%</u>	<u>-0.00466980%</u>	
Proportionate Share of the:			
Net OPEB Liability	\$0	\$1,723,354	\$1,723,354
Net OPEB Asset	(1,445,833)	0	(1,445,833)
OPEB Expense	(\$1,363,025)	\$172,917	(\$1,190,108)

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$0	\$78,397	\$78,397
Changes of assumptions	0	762,809	762,809
Changes in proportion and differences between City contributions and proportionate share of contributions	27,929	136,135	164,064
City contributions subsequent to the measurement date	<u>5,812</u>	<u>21,475</u>	<u>27,287</u>
<i>Total Deferred Outflows of Resources</i>	<u>\$33,741</u>	<u>\$998,816</u>	<u>\$1,032,557</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$219,311	\$227,765	\$447,076
Changes of assumptions	585,257	200,157	785,414
Net difference between projected and actual earnings on OPEB plan investments	689,271	155,676	844,947
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>35,585</u>	<u>76,153</u>	<u>111,738</u>
<i>Total Deferred Inflows of Resources</i>	<u>\$1,529,424</u>	<u>\$659,751</u>	<u>\$2,189,175</u>

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\$27,287 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or an increase in the net OPEB asset in 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2023	(\$941,123)	\$102,915	(\$838,208)
2024	(310,779)	79,803	(230,976)
2025	(150,602)	81,086	(69,516)
2026	(98,991)	3,463	(95,528)
2027	0	26,326	26,326
Thereafter	0	23,997	23,997
Total	(\$1,501,495)	\$317,590	(\$1,183,905)

Actuarial Assumptions - OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing historical assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions. The actuarial valuation used for 2021 compared to those used for 2020 are as follows:

	December 31, 2021	December 31, 2020
Wage Inflation	2.75 percent	3.25 percent
Projected Salary Increases,	2.75 to 10.75 percent	3.25 to 10.75 percent
	including wage inflation	including wage inflation
Single Discount Rate	6.00 percent	6.00 percent
Investment Rate of Return	6.00 percent	6.00 percent
Municipal Bond Rate	1.84 percent	2.00 percent
Health Care Cost Trend Rate	5.5 percent, initial	8.5 percent, initial
	3.50 percent, ultimate in 2034	3.50 percent, ultimate in 2035
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

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For 2021, pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

For 2020, pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above-described tables.

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

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contributions are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 14.3 percent for 2021.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

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Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00%	0.91%
Domestic Equities	25.00	3.78
Real Estate Investment Trust	7.00	3.71
International Equities	25.00	4.88
Risk Parity	2.00	2.92
Other investments	7.00	1.93
Total	100.00%	3.45%

Discount Rate A single discount rate of 6.0 percent was used to measure the OPEB liability on the measurement date of December 31, 2021. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 1.84 percent (Fidelity Index’s “20-Year Municipal GO AA Index”). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2121. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2121, the duration of the projection period through which projected health care payments are fully funded.

Sensitivity of the City’s Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate The following table presents the City’s proportionate share of the net OPEB asset calculated using the single discount rate of 6.00 percent, as well as what the City’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.00 percent) or one-percentage-point higher (7.00 percent) than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
City's proportionate share of the net OPEB asset	\$850,286	\$1,445,833	\$1,940,147

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

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Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2022 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	Current Health Care Cost Trend Rate		
	1% Decrease	Assumption	1% Increase
City's proportionate share of the net OPEB asset	\$1,461,457	\$1,445,833	\$1,427,298

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2021, is based on the results of an actuarial valuation date of January 1, 2021, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

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

Valuation Date	January 1, 2021, with actuarial liabilities rolled forward to December 31, 2021
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent
Blended discount rate:	
Current measurement date	2.84 percent
Prior measurement date	2.96 percent
Cost of Living Adjustments	2.2 percent simple per year

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In February 2022, the OP&F Board adopted a change in the investment rate of return, changing it from 8 percent for the 2020 measurement period to 7.5 percent for the 2021 measurement period.

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

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

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

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

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

OP&F health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 12.

Discount Rate For 2021, the total OPEB liability was calculated using the discount rate of 2.84 percent. For 2020, the total OPEB liability was calculated using the discount rate of 2.96 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 7.5 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.05 percent at December 31, 2021, and 2.12 percent at December 31, 2020, was blended with the long-term rate of 7.5 percent for 2021 and 8 percent for 2020, which resulted in a blended discount rate of 2.84 percent for 2021 and 2.96 percent for 2020. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2037. The long-term expected rate of return on health care investments was applied to projected costs through 2037, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 2.84 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.84 percent), or one percentage point higher (3.84 percent) than the current rate.

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	1% Decrease (1.84%)	Current Discount Rate (2.84%)	1% Increase (3.84%)
City's proportionate share of the net OPEB liability	\$2,166,293	\$1,723,354	\$1,359,255

Note 14 – Other Employee Benefits

Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Employees earn two to six weeks of vacation per year, depending upon length of service. Vacation accumulation is limited to one year. All accumulated unused vacation time is paid upon termination of employment.

Employees earn sick leave at the rate of 6.47 hours per pay for firefighters and 4.62 hours per pay for all other employees. Upon retirement or death, an employee shall be paid 33 percent of accumulated sick leave. Employees may deduct up to 120 hours from their sick balance and defer payment on it until the following January.

Dental Insurance

The City provides dental benefits to employees through Lincoln Financial. The family and single premiums for 2022 were \$96.85 and \$32.10, respectively.

Deferred Compensation

City employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan was created in accordance with Internal Revenue Code Section 456 and are considered an other employee benefit plan. Participation is on a voluntary payroll deduction basis. The plans permit deferral of compensation until future years. According to the plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

Note 15 – Contingencies

Grants

The City received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2022.

Litigation

The City is party to various legal proceedings. City management is of the opinion that ultimate settlement of such claims not covered by insurance will not result in a material adverse effect on the City's financial position.

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Note 16 – Asset Retirement Obligations

The Bureau of Underground Storage Tank Regulations (BUSTR) regulates petroleum and hazardous substances stored in underground storage tanks. These regulations are included in Ohio Administrative Code Section 1301-7-9 and require a City classified as an “owner” or “operator,” to remove from the ground any underground storage tank (UST) that is not in use for a year or more. A permit must first be obtained for that year it is not being used. Once the UST is removed, the soil in the UST cavity and excavated material must be tested for contamination. These assets’ retirement obligations (ARO) of \$64,005 associated with the City’s underground storage tanks was estimated by the City engineer. The remaining useful life of these USTs is 30 years. The City maintains insurance related to any potential pollution remediation associated with the USTs.

Note 17 – Long-Term Obligations

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

	Original Issue Date	Interest Rate	Original Issue Amount	Date of Maturity
General Obligation Bonds:				
Human Services Facility Refunding	2012	1.25% to 2.25%	\$3,580,000	December 1, 2023
Police Facility Project	2017	2.00 to 3.00	8,000,000	December 1, 2036
Service Center Garage	2017	2.00 to 3.00	1,980,000	December 1, 2036
Police Facility Project	2019	2.88 to 5.00	2,000,000	December 1, 2043
Aquatic Facility Project	2019	2.88 to 5.00	6,500,000	December 1, 2039
State Route 82 Project (A)	2022	3.00 to 4.00	1,560,000	December 1, 2030
State Route 82 Project (B)	2022	3.00 to 4.00	1,275,000	December 1, 2030
Field House Project	2022	3.00 to 4.00	8,080,000	December 1, 2051
Miller Road Project	2022	3.00 to 4.00	940,000	December 1, 2041
<i>From Direct Placement:</i>				
Various Purpose Tree Farm Refunding	2015	2.03	2,525,000	December 1, 2025
Tax Increment Financing Revenue Bonds:				
Valor Acres Project	2022	5.625	9,705,000	December 1, 2053
Special Assessment Bonds:				
Route 21, Hilton, Whitewood Sewer and Storm	2005	3.00 to 5.00	1,075,000	December 1, 2025
Katherine Boulevard Improvements	2012	1.25 to 2.25	1,430,000	December 1, 2022
Riverview Road Sewer	2012	1.25 to 2.75	575,000	December 1, 2032
<i>From Direct Placement:</i>				
Various Purpose Route 21 Access Road Refunding	2015	2.03	115,000	December 1, 2025
Bond Anticipation Notes:				
Chippewa Road Improvements Notes	2022	2.32	3,600,000	June 22, 2023
OPWC Loans from Direct Borrowings:				
Route 21, Hilton, Whitewood Sanitary Sewer	2005	0.00	231,143	July 1, 2025
Fitzwater, Riverview, Wiese, Carriage Hill Cleaning	2006	0.00	162,934	January 1, 2027
Wiese Road Retaining Wall Improvement	2013	0.00	229,030	January 1, 2033
Leases:				
Police Vehicle	2019	1.86	8,744	July 19, 2022
Police Vehicle	2022	1.59	6,842	June 30, 2024

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A schedule of changes in bonds and other long-term obligations of the City during 2022 follows:

	Principal Outstanding 12/31/2021	Additions	Deletions	Principal Outstanding 12/31/2022	Amounts Due in One Year
Governmental Activities					
<i>General Obligations Bonds:</i>					
2012 Human Services Facility Refunding	\$805,000	\$0	(\$400,000)	\$405,000	\$405,000
Premium on Bonds	16,480	0	(8,240)	8,240	0
2017 Police Facility Project					
Serial Bond	2,660,000	0	(105,000)	2,555,000	110,000
Term Bond	4,710,000	0	0	4,710,000	0
Premium on Bonds	107,689	0	(7,179)	100,510	0
2017 Service Center Garage					
Serial Bond	660,000	0	(90,000)	570,000	90,000
Term Bond	935,000	0	0	935,000	0
Premium on Bonds	27,894	0	(1,860)	26,034	0
2019 Police Facility Project					
Serial Bond	725,000	0	(50,000)	675,000	55,000
Term Bond	1,160,000	0	0	1,160,000	0
Premium on Bonds	90,222	0	(4,101)	86,121	0
2019 Aquatic Facility Project					
Serial Bond	3,225,000	0	(230,000)	2,995,000	240,000
Term Bond	2,845,000	0	0	2,845,000	0
Premium on Bonds	451,550	0	(20,525)	431,025	0
2022 State Route 82 Project (A)					
Serial Bond	0	1,560,000	(135,000)	1,425,000	155,000
Premium on Bonds	0	181,840	(20,208)	161,632	0
2022 State Route 82 Project (B)					
Serial Bond	0	1,275,000	(110,000)	1,165,000	130,000
Premium on Bonds	0	148,316	(16,476)	131,840	0
2022 Field House Project					
Serial Bond	0	45,000	(5,000)	40,000	5,000
Term Bond	0	8,035,000	0	8,035,000	0
Premium on Bonds	0	671,938	(22,396)	649,542	0
2022 Miller Road Project					
Serial Bond	0	340,000	(30,000)	310,000	35,000
Term Bond	0	600,000	0	600,000	0
Premium on Bonds	0	81,912	(4,088)	77,824	0
<i>From Direct Placement:</i>					
2015 Various Purpose Tree Farm Refunding	1,070,000	0	(265,000)	805,000	265,000
Total General Obligation Bonds	19,488,835	12,939,006	(1,525,073)	30,902,768	1,490,000
<i>Tax Increment Financing Revenue Bonds:</i>					
2022 Valor Acres Project	0	9,705,000	0	9,705,000	0
Discount on Bonds	0	(388,200)	0	(388,200)	0
Total Tax Increment Financing Revenue Bonds	0	9,316,800	0	9,316,800	0
<i>Special Assessment Bonds:</i>					
2005 Route 21, Hilton, Whitewood Sewer and Storm	305,000	0	(65,000)	240,000	75,000
2012 Katherine Boulevard Improvements	155,000	0	(155,000)	0	0
Premium on Bonds	3,806	0	(3,806)	0	0
2012 Riverview Road Sewer					
Serial Bond	60,000	0	(30,000)	30,000	30,000
Term Bond	290,000	0	0	290,000	0
<i>From Direct Placement:</i>					
2015 Various Purpose Route 21 Access Road Refunding	55,000	0	(10,000)	45,000	10,000
Total Special Assessment Bonds	868,806	0	(263,806)	605,000	115,000
<i>Bond Anticipation Notes:</i>					
2021 Field House Bond Anticipation Notes	8,600,000	0	(8,600,000)	0	0
2021 Route 82 Bond Anticipation Notes	3,110,000	0	(3,110,000)	0	0
2021 Interchange at Miller Road and Interstate 77 Notes	1,000,000	0	(1,000,000)	0	0
Premium on Notes	99,918	0	(99,918)	0	0
2022 Chippewa Road Improvements Notes	0	3,600,000	0	3,600,000	0
Total Bond Anticipation Notes	\$12,809,918	\$3,600,000	(\$12,809,918)	\$3,600,000	\$0

(continued)

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Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

	Principal Outstanding 12/31/2021	Additions	Deletions	Principal Outstanding 12/31/2022	Amounts Due in One Year
Governmental Activities (continued)					
<i>OPWC Loans from Direct Borrowings:</i>					
2005 Route 21, Hilton, Whitewood Sanitary Sewer	\$46,228	\$0	(\$11,557)	\$34,671	\$11,557
2006 Fitzwater, Riverview Wiese, Carriage Hill Cleaning	44,806	0	(8,146)	36,660	8,147
2013 Wiese Road Retaining Wall Improvement	143,144	0	(11,452)	131,692	11,451
<i>Total OPWC Loans</i>	<u>234,178</u>	<u>0</u>	<u>(31,155)</u>	<u>203,023</u>	<u>31,155</u>
Leases	2,936	6,842	(4,412)	5,366	3,406
<i>Net Pension Liability:</i>					
OPERS	6,806,859	0	(2,647,023)	4,159,836	0
OP&F	11,036,710	0	(1,214,019)	9,822,691	0
<i>Total Net Pension Liability</i>	<u>17,843,569</u>	<u>0</u>	<u>(3,861,042)</u>	<u>13,982,527</u>	<u>0</u>
<i>Net OPEB Liability:</i>					
OP&F	1,715,333	8,021	0	1,723,354	0
Compensated Absences	1,136,920	178,357	(255,468)	1,059,809	250,979
Asset Retirement Obligations	64,005	0	0	64,005	0
<i>Total Governmental Activities</i>	<u>\$54,164,500</u>	<u>\$26,049,026</u>	<u>(\$18,750,874)</u>	<u>\$61,462,652</u>	<u>\$1,890,540</u>

On September 20, 2012, the City issued \$3,580,000 in general obligation bonds for the purpose of refunding a portion of the 2004 Human Services Facility Bonds. These bonds were issued for a twelve year period with a final maturity of December 1, 2023. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2022, \$425,000 of the defeased bonds are still outstanding.

During 2015, the City issued \$2,525,000 of various purpose refunding bonds for the purpose of retiring the 2005 tree farm property bonds and \$115,000 of various purpose refunding bonds for the purpose of retiring the 2005 Route 21 Access Road special assessment bonds from direct placement. The new bonds were issued for a period of 10 years at an interest rate of 2.03 percent. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2022, \$905,000 of the defeased bonds are still outstanding.

Prior Redemption The bonds maturing on and after December 1, 2021, are subject to prior redemption on and after December 1, 2020, by and at the sole option of the City, either in whole or in part (as selected by the City) on any date and in whole multiples of \$5,000, at par, plus accrued interest to the redemption date.

On June 7, 2017, the City issued \$8,000,000 and \$1,980,000 in general obligation bonds for the purpose of the construction of the new police station building and the retirement of 2016 bond anticipation notes related to the service center garage project, respectively. \$4,335,000 of the bonds issued were serial bonds, while \$5,645,000 of the bonds issued were term bonds. These bonds were issued for a twenty year period with a final maturity of December 1, 2036.

Mandatory Redemption The bonds maturing on December 1, 2036, are subject to mandatory sinking fund redemption in part by lot pursuant to the terms of the mandatory sinking fund redemption requirements of the authorizing legislation, at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to the redemption date, on December 1 of the years shown in, and according to, the following schedule.

City of Brecksville, Ohio
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Year	Principal Amount to be Redeemed
2029	\$640,000
2030	655,000
2031	675,000
2032	695,000
2033	715,000
2034	735,000
2035	755,000
Total mandatory sinking fund payment	4,870,000
Amount due at stated maturity	775,000
Total	\$5,645,000
<i>Stated Maturity</i>	12/1/2036

Optional Redemption The bonds maturing on or after December 1, 2026, are subject to prior redemption, by and at the sole option of the City, in whole or in part as selected by the City (in whole multiples of \$5,000), on any date on or after December 1, 2025, at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to the redemption date.

On June 12, 2019, the City issued \$8,500,000 in general obligation bonds for the purpose of constructing, reconstructing, renovating, enlarging, furnishing, equipping and otherwise improving the municipal swimming pool facilities and related recreational facilities as well as the new police department and otherwise improving the site. \$4,495,000 of the bonds issued were serial bonds, while \$4,005,000 of the bonds issued were term bonds. These police facility and aquatic facility bonds were issued for a twenty-five and twenty year period with a final maturity of December 1, 2043 and December 1, 2039, respectively.

Mandatory Redemption The bonds maturing on December 1, 2039 and December 1, 2043, are subject to mandatory sinking fund redemption in part by lot pursuant to the terms of the mandatory sinking fund redemption requirements of the authorizing legislation, at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to the redemption date, on December 1 of the years shown in, and according to, the following schedule.

Year	Principal Amount to be Redeemed	Principal Amount to be Redeemed
2033	\$460,000	\$0
2034	470,000	0
2035	485,000	0
2036	495,000	0
2037	510,000	0
2038	525,000	0
2040	0	100,000
2041	0	135,000
2042	0	140,000
Total mandatory sinking fund payment	2,945,000	375,000
Amount due at stated maturity	540,000	145,000
Total	\$3,485,000	\$520,000
<i>Stated Maturity</i>	12/1/2039	12/1/2043

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Optional Redemption The bonds maturing on or after December 1, 2027, are subject to prior redemption, by and at the sole option of the City, in whole or in part as selected by the City (in whole multiples of \$5,000), on any date on or after December 1, 2025, at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to the redemption date.

On February 15, 2022, the City issued \$11,855,000 in general obligation bonds. \$2,835,000 was for the purpose of State Route 82 street improvements. \$8,080,000 was for the purpose of paying costs of designing, developing, constructing, installing, equipping and improving an athletic fieldhouse to be located on the Blossom Hill property on Oakes Road. \$940,000 was for the purpose of expanding the interchange at Miller Road and Interstate 77. \$3,220,000 of the bonds issued were serial bonds, while \$8,635,000 of the bonds issued were term bonds. These bonds were issued for a thirty year period with a final maturity of December 1, 2051. At December 31, 2022, the \$8,080,000 field house project obligations had unspent proceeds of \$498,523.

Mandatory Redemption The bonds maturing on December 1, 2032, December 1, 2037, December 1, 2039, December 1, 2042, December 1, 2044, and December 1, 2051, are subject to mandatory sinking fund redemption in part by lot pursuant to the terms of the mandatory sinking fund redemption requirements of the authorizing legislation, at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to the redemption date, on December 1 of the years shown in, and according to, the following schedule.

Year	Principal Amount to be Redeemed	Principal Amount to be Redeemed	Principal Amount to be Redeemed	Principal Amount to be Redeemed	Principal Amount to be Redeemed	Principal Amount to be Redeemed
2031	\$210,000	\$0	\$0	\$0	\$0	\$0
2033	0	230,000	0	0	0	0
2034	0	235,000	0	0	0	0
2035	0	245,000	0	0	0	0
2036	0	250,000	0	0	0	0
2038	0	0	445,000	0	0	0
2040	0	0	0	470,000	0	0
2041	0	0	0	490,000	0	0
2043	0	0	0	0	450,000	0
2045	0	0	0	0	0	480,000
2046	0	0	0	0	0	495,000
2047	0	0	0	0	0	515,000
2048	0	0	0	0	0	535,000
2049	0	0	0	0	0	560,000
2050	0	0	0	0	0	580,000
Total mandatory sinking fund payment	210,000	960,000	445,000	960,000	450,000	3,165,000
Amount due at stated maturity	225,000	255,000	460,000	435,000	465,000	605,000
Total	\$435,000	\$1,215,000	\$905,000	\$1,395,000	\$915,000	\$3,770,000
<i>Stated Maturity</i>	12/1/2032	12/1/2037	12/1/2039	12/1/2042	12/1/2044	12/1/2051

Optional Redemption The bonds maturing on or after December 1, 2032, are subject to prior redemption, by and at the sole option of the City, in whole or in part as selected by the City (in whole multiples of \$5,000), on any date on or after December 1, 2030, at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to the redemption date.

City of Brecksville, Ohio
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On May 24, 2022, the City issued \$9,705,000 in tax increment financing (TIF) revenue term bonds for the purpose of paying costs of constructing and improving public infrastructure in the Valor Acres development and paying certain financing and other costs of the bonds. The bonds carry an interest rate of 5.625 percent and will mature on December 1, 2053. The bonds are secured with TIF revenue on the parcels involved with the project. Any shortfalls on the debt service payments generated from the TIF revenue are not held against the City, but rather moneys held by the Trustee in the Debt Service Reserve Fund. The bonds have \$1,561,351 in unspent proceeds (before related contracts payables) as of December 31, 2022.

Mandatory Redemption The bonds are subject to mandatory redemption at a redemption price equal to 100 percent of the principal amount redeemed, plus accrued interest to the redemption date, according to the following schedule:

Year	Principal Amount to be Redeemed
2025	\$100,000
2026	140,000
2027	145,000
2028	155,000
2029	165,000
2030	175,000
2031	180,000
2032	190,000
2033	205,000
2034	215,000
2035	225,000
2036	240,000
2037	255,000
2038	265,000
2039	280,000
2040	300,000
2041	315,000
2042	330,000
2043	350,000
2044	370,000
2045	390,000
2046	415,000
2047	435,000
2048	460,000
2049	485,000
2050	515,000
2051	545,000
2052	575,000
Total mandatory sinking fund payment	8,420,000
Amount due at stated maturity	1,285,000
Total	\$9,705,000
<i>Stated Maturity</i>	12/1/2053

Optional Redemption The bonds maturing on or after December 1, 2033, are subject to prior redemption on any date occurring on or after December 1, 2032, at the option of the issuer, in whole or in part, in \$5,000 increments, at a redemption price equal to 100 percent of the principal amount redeemed plus interest accrued on that principal amount to the redemption date, following written notice provided to the hold at least thirty days prior to the date of redemption.

City of Brecksville, Ohio
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For the Year Ended December 31, 2022

On September 8, 2005, the City issued \$1,075,000 in special assessment bonds for sanitary sewer construction on Route 21 and on Hilton and Whitewood Roads. The bonds were issued for a twenty year period with final maturity at December 1, 2025. These bonds were partially refunded in 2015.

On September 20, 2012 the City issued \$1,430,000 in special assessment bonds for infrastructure improvements on Katherine Boulevard. The bonds were issued for a ten year period with final maturity on December 1, 2022.

On September 20, 2012 the City issued \$575,000 in special assessment bonds for sanitary sewer construction on Riverview Road. The bonds were issued for a twenty year period with final maturity on December 1, 2032.

Mandatory Redemption The Riverview Road bonds are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 of the years and in the respective principal amounts as follows:

Year	Principal Amount to be Redeemed
2024	\$30,000
2025	30,000
2026	30,000
2027	30,000
2028	30,000
2029	35,000
2030	35,000
2031	35,000
Total mandatory sinking fund payment	255,000
Amount due at stated maturity	35,000
Total	\$290,000
<i>Stated Maturity</i>	12/1/2031

Optional Redemption The bonds maturing on or after December 1, 2022, will be subject to prior redemption, on or after December 1, 2021, by and at the option of the City, either in whole or in part on any date, and in integral multiples of \$5,000, at par, plus accrued interest to the redemption date.

On February 24, 2021, the City issued bond anticipation notes in the amount of \$10,560,000. Of this amount, \$8,600,000 was for the purpose of paying costs of designing, developing, constructing, installing, equipping and improving an athletic fieldhouse to be located on the Blossom Hill property on Oakes Road, \$960,000 was for the purpose of Route 82 street improvements in a joint project with the City of Broadview Heights, and \$1,000,000 was for the purpose of expanding the interchange at Miller Road and Interstate 77. The notes were issued at an interest rate of 1.00 percent and matured on February 24, 2022. The notes were issued with a premium of \$83,213.

On June 2, 2021, the City issued bond anticipation notes in the amount of \$2,150,000. Of this amount, \$750,000 was for the purpose of Route 82 street improvements in a joint project with the City of Broadview Heights and \$1,400,000 for the purpose of Route 82 street improvements. The notes were issued at an interest rate of 1.25 percent and matured on February 24, 2022. The notes were issued with a premium of \$16,705.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

On June 23, 2022, the City issued bond anticipation notes in the amount of \$5,200,000, which was for the purpose of constructing sanitary sewer along a portion of Chippewa Road. \$1,600,000 of these notes was paid down and was reflected as a fund liability at December 31, 2022. The notes were issued at an interest rate of 2.322 percent and mature on June 22, 2023. At December 31, 2022, the City notes were considered to be unspent proceeds.

The OPWC loans from direct borrowings contain provisions that in an event of default (1) OPWC may apply late fees of 8 percent per year, (2) loans more than 60 days late will be turned over to the Attorney General’s office for collection, and as provided by law, the OPWC may require that such payment be taken from the City’s share of the City undivided local government fund. The OPWC administers Issue II loans.

The City has outstanding agreements to lease police vehicles. Due to the implementation of GASB Statement 87, these leases have met the criteria of leases thus requiring them to be recorded by the City. The future lease payments were discounted based on the interest rate implicit in the lease. This discount is being amortized using the interest method over the life of the lease. A summary of the principal and interest amounts for the remaining leases is as follows:

	Principal	Interest
2023	\$3,406	\$734
2024	1,960	110
Total	\$5,366	\$844

All bonds are secured by the full faith and credit of the City. General obligation bonds will be paid from existing balances and transfers into the debt service fund. Tax increment financing revenue bonds will be paid from the debt urban redevelopment tax increment equivalents fund, which will be paid from payments in lieu of taxes agreed upon by the City. The special assessment bonds will be paid from the proceeds of special assessments levied against benefited property owners. In the event that a property owner would fail to pay the assessment, payment would be made by the City.

The loans will be paid with monies from the Issue II capital projects fund. The leases will be paid from the general fund. There is no repayment schedule for net pension/OPEB liabilities; however, employer pension contributions are made from the general fund and the fire department, community center, enforcement and education, police pension, and local fiscal recovery special revenue funds. For additional information related to the net pension/OPEB liabilities see Notes 12 and 13. Compensated absences will be paid from the general fund and the fire department and community center special revenue funds. Asset retirement obligations will be paid from the buildings and improvements or general municipal improvement capital projects fund.

The City's overall legal debt margin was \$50,103,865 at December 31, 2022. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2022, are as follows:

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For the Year Ended December 31, 2022

	General Obligation Bonds				General Obligation Bonds from Direct Placement - Serial	
	Serial Portion		Term Portion		Principal	Interest
	Principal	Interest	Principal	Interest		
2023	\$1,225,000	\$946,988	\$0	\$0	\$265,000	\$16,341
2024	1,195,000	909,376	0	0	270,000	10,962
2025	1,230,000	869,577	0	0	270,000	5,481
2026	1,290,000	822,776	0	0	0	0
2027	1,335,000	773,576	0	0	0	0
2028-2032	3,865,000	2,010,551	3,100,000	1,126,038	0	0
2033-2037	0	0	6,615,000	2,006,137	0	0
2038-2042	0	0	3,740,000	1,212,644	0	0
2043-2047	0	0	2,550,000	741,550	0	0
2048-2051	0	0	2,280,000	232,600	0	0
Total	\$10,140,000	\$6,332,844	\$18,285,000	\$5,318,969	\$805,000	\$32,784

	Tax Increment Financing Revenue Bonds - Term		Special Assessment Bonds				OPWC Loans from Direct Borrowings
	Principal	Interest	Serial Portion		Term Portion		Principal
			Principal	Interest	Principal	Interest	
2023	\$0	\$545,906	\$115,000	\$13,589	\$0	\$7,975	\$31,155
2024	0	545,906	95,000	8,960	30,000	7,975	31,156
2025	100,000	545,907	105,000	4,656	30,000	7,150	31,155
2026	140,000	540,281	0	0	30,000	6,325	19,598
2027	145,000	532,406	0	0	30,000	5,500	15,524
2028-2032	865,000	2,528,719	0	0	170,000	14,300	57,258
2033-2037	1,140,000	2,256,750	0	0	0	0	17,177
2038-2042	1,490,000	1,899,000	0	0	0	0	0
2043-2047	1,960,000	1,429,875	0	0	0	0	0
2048-2052	2,580,000	813,094	0	0	0	0	0
2053	1,285,000	72,281	0	0	0	0	0
Total	\$9,705,000	\$11,710,125	\$315,000	\$27,205	\$290,000	\$49,225	\$203,023

Note 18 – Short-Term Obligations

On June 23, 2022, the City issued bond anticipation notes in the amount of \$5,200,000, which was for the purpose of constructing sanitary sewer along a portion of Chippewa Road. \$1,600,000 of these notes was paid down and was reflected as a fund liability at December 31, 2022. The notes were issued at an interest rate of 2.322 percent and mature on June 22, 2023. At December 31, 2022, the City had unspent proceeds of \$59,881.

On September 21, 2022, the City issued bond anticipation notes in the amount of \$4,550,000, which was for the purpose of paying costs of expanding the interchange at Miller Road and Interstate 77. The notes were issued at an interest rate of 4.00 percent and mature on September 21, 2023. The notes were issued with a premium of \$44,454.

	Principal Outstanding 12/31/2021	Additions	Deletions	Principal Outstanding 12/31/2022
Governmental Activities				
2022 Bond Anticipation Notes	\$0	\$1,600,000	\$0	\$1,600,000
2022 Bond Anticipation Notes Premium on Notes	0	4,550,000	0	4,550,000
	0	44,454	0	44,454
Total Notes Payable	\$0	\$6,194,454	\$0	\$6,194,454

City of Brecksville, Ohio
Notes to the Basic Financial Statements
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Note 19 – Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented as follows:

Fund Balances	General	Fire Department	General Obligation Bond Retirement	General Municipal Improvement
<i>Nonspendable:</i>				
Materials and Supplies Inventory	\$256,963	\$51,250	\$0	\$0
Prepaid Items	287,015	317	0	0
Assets Held for Resale	137,100	0	0	0
Unclaimed Monies	4,350	0	0	0
Interfund Loans	39,000	0	0	0
<i>Total Nonspendable</i>	<u>724,428</u>	<u>51,567</u>	<u>0</u>	<u>0</u>
<i>Restricted for:</i>				
Capital Projects	0	0	0	0
Debt Service	0	0	645,306	0
Court Computerization	0	0	0	0
Fire Department	0	1,405,041	0	0
Police Department	0	0	0	0
Road Maintenance	0	0	0	0
Street Construction, Maintenance, and Repair	0	0	0	0
Other Purposes	0	0	0	0
<i>Total Restricted</i>	<u>0</u>	<u>1,405,041</u>	<u>645,306</u>	<u>0</u>
<i>Committed to:</i>				
Capital Projects	0	0	0	0
Police Department	0	0	0	0
Other Purposes	0	0	0	0
Purchases on Order:				
City Administration	619,971	0	0	0
Public Safety	26,067	0	0	0
Maintenance and Services	229,119	0	0	0
Other Purposes	7,085	0	0	0
<i>Total Committed</i>	<u>882,242</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Assigned to:</i>				
Capital Projects	0	0	0	0
Purchases on Order:				
City Administration	9,450	0	0	0
Public Safety	3,617	0	0	0
Maintenance and Services	3,435	0	0	0
Other Purposes	2,990	0	0	0
2023 Appropriations	365,335	0	0	0
<i>Total Assigned</i>	<u>384,827</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unassigned (Deficit)	<u>14,393,920</u>	<u>0</u>	<u>0</u>	<u>(87,848)</u>
Total Fund Balance (Deficit)	<u>\$16,385,417</u>	<u>\$1,456,608</u>	<u>\$645,306</u>	<u>(\$87,848)</u>

(continued)

City of Brecksville, Ohio
Notes to the Basic Financial Statements
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Fund Balances (continued)	Buildings and Improvements	Road Improvements	Capital Urban Redevelopment Tax Increment Equivalents	Other Governmental Funds	Total Governmental Funds
<i>Nonspendable:</i>					
Materials and Supplies Inventory	\$0	\$0	\$0	\$69,655	\$377,868
Prepaid Items	0	0	0	2,778	290,110
Assets Held for Resale	0	0	0	0	137,100
Unclaimed Monies	0	0	0	0	4,350
Interfund Loans	0	0	0	0	39,000
<i>Total Nonspendable</i>	0	0	0	72,433	848,428
<i>Restricted for:</i>					
Capital Projects	0	0	4,867	233,597	238,464
Debt Service	0	0	0	1,695,111	2,340,417
Court Computerization	0	0	0	146,860	146,860
Fire Department	0	0	0	0	1,405,041
Police Department	0	0	0	530,590	530,590
Road Maintenance	0	0	0	316,100	316,100
Street Construction, Maintenance, and Repair	0	0	0	1,000,203	1,000,203
Other Purposes	0	0	0	111,223	111,223
<i>Total Restricted</i>	0	0	4,867	4,033,684	6,088,898
<i>Committed to:</i>					
Capital Projects	1,944,286	1,930,378	0	1,479,426	5,354,090
Police Department	0	0	0	5,957	5,957
Other Purposes	0	0	0	735,465	735,465
Purchases on Order:					
City Administration	0	0	0	0	619,971
Public Safety	0	0	0	0	26,067
Maintenance and Services	0	0	0	0	229,119
Other Purposes	0	0	0	0	7,085
<i>Total Committed</i>	1,944,286	1,930,378	0	2,220,848	6,977,754
<i>Assigned to:</i>					
Capital Projects	0	0	0	1,244,030	1,244,030
Purchases on Order:					
City Administration	0	0	0	0	9,450
Public Safety	0	0	0	0	3,617
Maintenance and Services	0	0	0	0	3,435
Other Purposes	0	0	0	0	2,990
2023 Appropriations	0	0	0	0	365,335
<i>Total Assigned</i>	0	0	0	1,244,030	1,628,857
Unassigned (Deficit)	0	0	0	(26,021)	14,280,051
Total Fund Balance	\$1,944,286	\$1,930,378	\$4,867	\$7,544,974	\$29,823,988

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 20 – Significant Commitments

Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General	\$1,106,775
Fire Department	32,210
General Municipal Improvement	5,173,527
Buildings and Improvements	217,559
Other Governmental Funds	239,753
Total	<u>\$6,769,824</u>

Contractual Commitments

At December 31, 2022, the City’s significant contractual commitments consisted of the following:

Project	Contract Amount	Amount Paid	Remaining on Contract
Sanitary Sewer	\$6,077,529	\$1,115,594	\$4,961,935
Buildings and Improvements	1,108,871	958,141	150,730
Professional Services	516,904	471,987	44,917
ERP Implementation	510,369	23,472	486,897
Disposal Services	364,000	340,475	23,525
Roads	201,670	66,125	135,545
Stormwater	116,013	90,527	25,486
Jail Services	28,000	24,407	3,593
Sidewalks	24,650	12,325	12,325
Land Improvements	16,355	1,835	14,520
Traffic Signals	13,670	0	13,670
Totals	<u>\$8,978,031</u>	<u>\$3,104,888</u>	<u>\$5,873,143</u>

The amounts remaining on these contracts were encumbered at year end. The amounts of \$57,469, \$1,870,422, and \$304,710 in accounts, contracts, and retainage payable, respectively, for governmental activities have been capitalized.

Note 21 – Insurance Purchasing Pool

The Ohio Association of Public Treasurers has created a group insurance pool for purpose of creating a group rating plan for workers’ compensation. The governing body is comprised of the members who have been appointed by the respective governing body of each member.

The intent of the pool is to achieve a reduced rate for the City and the other group members. The injury claim history of all participating members is used to calculate a common rate for the group. An annual fee is paid to Sedgwick Claims Management Service, Incorporated to administer the group and to manage any injury claims. Premium savings created by the group are prorated to each member entity annually based on claims experience of each member as compared to the total claims experience of the group.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 22 – Jointly Governed Organizations

Southwest Council of Governments

The Southwest Council of Governments (the Council) helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions and regional development. The Board is comprised of one member from each of the twenty participating entities. The Board exercises total control over the operation of the Council including budgeting, appropriating, contracting and designating management. Budgets are adopted by the Board. Each City's degree of control is limited to its representation on the Board. In 2022, the City contributed \$22,500.

The Council has established two subsidiary organizations, the Southwest Emergency Response Team, which provides hazardous material and technical rescue protections and assistance, and the Southwest Enforcement Bureau, which provides extra assistance to cities in the form of a SWAT Team. The Council's financial statements may be obtained by contacting Eric Dean, City of Strongsville, Southwest Council of Governments, 16099 Foltz Parkway, Strongsville, Ohio 44149.

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 approximately 230 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 insuring 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. In 2022, the City made no contributions. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. Financial information can be obtained by contacting Ronald McVoy, the Board Chairman, at 31360 Solon Road, Suite 33, Solon, Ohio, 44139 or at the website www.nopec.org.

Cuyahoga Valley Council of Governments

The City participates in the Cuyahoga Valley Council of Governments (the Council). The Council was formed to share jail and community services, foster municipal service, and coordinate action among its members in matters relating to public safety dispatch operations. The Council may also, at its discretion, promote cooperative agreements and contracts among its members or other governmental agencies and private persons, corporations, or agencies. The Council is controlled by an executive Board which is composed of a President, Vice President, Secretary and Fiscal Officer, who serves as Treasurer. The elected officers shall serve for a period of two years. Each member's control over the operation of the Council is limited to its representation on the Board. In 2022, the City made no contributions. Complete financial statements can be obtained from the Cuyahoga Valley Council of Governments, Cuyahoga County, Ohio.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Chagrin Valley Dispatch Council

The City is a member of the Chagrin Valley Dispatch Council (CVDC). The CVDC was formed by the Council to foster cooperation through the sharing of operations of a central dispatch center for safety forces of the participating entities. The CVDC is comprised of 33 member agencies. The CVDC also provides information technology services to those who decide to participate, which consists of seven communities.

The CVDC is provided with legislative oversight from the Mayors and City Managers of the various communities. The Administrative Board consists of the chiefs of police and fire of each member municipality. The Administrative Board oversees and manages the operation of the program. The degree of control exercised by a participating government is limited to its representation on the Administrative Board. The City made contributions to the CVDC (excluding initial equipment purchases) in the amount of \$448,871 during 2022, and also contributed \$288,000 for information technology services during the year. Financial information can be obtained by contacting Vic Nogalo, Finance Director, 88 Center Road, Suite B100, Bedford, Ohio 44146.

Regional Income Tax Agency

The Regional Income Tax Agency (RITA) is a regional council of governments formed to establish a central collection facility for the purpose of administering the income tax laws of the members and for the purpose of collection income taxes on behalf of each member. RITA currently has approximately 374 members in the council of governments. Each member has one representative to the council of governments and is entitled to one vote on items under consideration. RITA is administered by a nine-member board of trustees elected by the members of the council of governments. The board exercises total control over RITA's operation including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the council. For 2022, these costs are not yet available; however, they are not expected to be significantly different from 2021. For 2021, the City paid RITA \$233,300 for income tax collection services.

Note 23 – Related Organization

The Brecksville Community Improvement Corporation (CIC) was formed to promote and assist in economic development within the City. City Council created the CIC during 2014 and appointed the initial CIC Board members. The CIC does not represent a potential financial benefit for or burden on the City. In 2018, the City and CIC entered into a development agreement with DiGeronimo Development LLC for the development of the former Veterans Administration (VA) property. The City also transferred said property to the CIC during the year. In 2019, the CIC approved and remitted a payment of \$750,000 to the City of Brecksville. The City recorded this receipt into the general fund.

During 2020, the CIC acquired adjacent properties, transferred them to the City, which then was transferred back to the CIC. A portion of the former VA property and adjacent properties was transferred from the CIC to final owners for economic development. Also, the CIC approved and remitted a payment of \$1,175,000 to the City. The City recorded this receipt into the general fund.

During 2021, the CIC transferred a portion of the former VA property and adjacent properties to the final owners for economic development.

During 2022, the CIC approved and remitted a payment of \$2,896,568 to the City. The City recorded this receipt into the general fund. As of December 31, 2022, the CIC only holds one parcel of the former VA property for resale.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 24 – Donor Restricted Endowments

The City’s private purpose trust fund includes donor restricted endowments. Endowments, in the amount of \$3,000, represent the principal portion. The amount of interest on donor restricted investments that is available for expenditures by the City is \$338 and is included as held in trust for cemetery. State law permits the City to appropriate, for purposes consistent with the endowment’s intent, net appreciation, realized and unrealized, unless the endowment terms specify otherwise. The endowments indicate that the interest should be used for the decoration of specifically named graves.

Note 25 – Accountability

The general municipal improvement capital projects fund had a deficit balance of \$87,848 as of December 31, 2022. This deficit resulted from the issuance of short-term general obligation notes, which are used to finance the projects until bonds are issued. Once the notes are retired or bonds are issued, the deficit will be eliminated. The special assessments bond retirement fund had a deficit balance of \$26,021 as of December 31, 2022. This deficit resulted from a short-term interfund loan from the general fund needed for debt service payments until the receipt of special assessments. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

Note 26 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio’s state of emergency ended in June of 2021 while the national state of emergency ended in April of 2023.

During 2022, the City received COVID-19 funding. The City will continue to spend available COVID-19 funding consistent with the applicable program guidelines. The City has applied for and been awarded \$1,430,723 of funding from the Coronavirus Local Fiscal Recovery Fund. The City received \$712,517 in 2021 and \$718,206 in 2022.

In January of 2022 the U.S. Department of the Treasury (Treasury) adopted the final rule implementing the Coronavirus Local Fiscal Recovery Fund established under the American Rescue Plan Act. The provisions in this final rule are effective as of April 1, 2022.

The funding can be used to replace lost public sector revenue, support the COVID-19 public health and economic response, provide premium pay for eligible workers performing essential work, and invest in water, sewer, and broadband infrastructure.

In April of 2022, City Council passed a Resolution number 5278 to utilize the funds for the replacement of lost revenue. Under this option, which is newly offered in the final rule, the Treasury presumes that up to \$10 million in revenue has been lost due to the public health emergency and recipients are permitted to use that amount (not to exceed the award amount) to fund “government services.” Government services generally include any service traditionally provided by a government, including construction of roads, provision of public safety, and general government administration. City Council further approved the expenditure of funds as government services to be applied towards salaries, wages, and related benefits of the City’s Police Department and all funding has been exhausted by December 31, 2022.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 27 – Subsequent Events

On January 3, 2023, the City passed Ordinance 5579 authorizing the Mayor to enter into a collective bargaining agreement with the Ohio Patrolmen’s Benevolent Association representing the Brecksville police department patrolmen for the period beginning January 1, 2023 and ending December 21, 2025.

On April 4, 2023, the City passed Ordinance number 5604 providing for the issuance and sale of not to exceed \$3,600,000 of notes, in anticipation of the issuance of bonds, for the purpose of paying, in anticipation of the levy and collection of special assessments, the property owners’ portion and the City portion of the costs of constructing an 8’ sanitary sewer and 6’ sanitary sewer laterals, together with all necessary appurtenances to extend sanitary sewer along Chippewa Road from Riverview Road to Wiese Road and along Calvin Drive and extending to the termini point of Glen Valley Drive allowing for the removal of the Glen Valley Pump Station. The City will close this note issue on June 21, 2023, with a maturity date of June 20, 2024 with an interest rate of 4.5 percent per annum.

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Required Supplementary Information

City of Brecksville, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System - Traditional Plan
*Last Nine Years (1) **

	2022	2021	2020
City's Proportion of the Net Pension Liability	0.04781200%	0.04596800%	0.04681500%
City's Proportionate Share of the Net Pension Liability	\$4,159,836	\$6,806,859	\$9,253,302
City's Covered Payroll	\$6,938,843	\$6,474,371	\$6,528,964
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	59.95%	105.14%	141.73%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.62%	86.88%	82.17%

(1) Although this schedule is intended to show information for ten years, information prior to 2014 is not available. An additional column will be added each year.

* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information.

2019	2018	2017	2016	2015	2014
0.04989200%	0.05081400%	0.05082200%	0.05089900%	0.05221000%	0.05221000%
\$13,664,410	\$7,971,731	\$11,540,812	\$8,816,348	\$6,297,110	\$6,154,879
\$6,738,857	\$6,715,146	\$6,569,792	\$6,334,843	\$6,400,950	\$6,342,796
202.77%	118.71%	175.66%	139.17%	98.38%	97.04%
74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

City of Brecksville, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Asset
Ohio Public Employees Retirement System - Combined Plan
*Last Five Years (1) **

	2022	2021	2020
City's Proportion of the Net Pension Asset	0.02516400%	0.02713500%	0.03244700%
City's Proportionate Share of the Net Pension Asset	\$99,147	\$78,330	\$67,660
City's Covered Payroll	\$114,721	\$119,586	\$141,943
City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	86.42%	65.50%	47.67%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	169.88%	157.67%	145.28%

(1) Although this schedule is intended to show information for ten years, information prior to 2018 is not available. An additional column will be added each year.

* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information.

2019	2018
0.03353000%	0.02909100%
\$37,494	\$39,602
\$143,407	\$119,146
26.15%	33.24%
126.64%	137.28%

City of Brecksville, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Asset/Liability
Ohio Public Employees Retirement System - Traditional Plan
*Last Six Years (1) **

	2022	2021	2020
City's Proportion of the Net OPEB Asset/Liability	0.04616100%	0.04450100%	0.04558800%
City's Proportionate Share of the Net OPEB Asset	\$1,445,833	\$792,820	\$0
City's Proportionate Share of the Net OPEB Liability	\$0	\$0	\$6,296,886
City's Covered Payroll	\$7,198,314	\$6,730,182	\$6,822,382
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	-20.09%	-11.78%	92.30%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	128.23%	115.57%	47.80%

(1) Although this schedule is intended to show information for ten years, information prior to 2017 is not available. An additional column will be added each year.

* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information.

2019	2018	2017
0.04856300%	0.04966000%	0.04896000%
\$0	\$0	\$0
\$6,331,468	\$5,392,710	\$4,945,126
\$7,043,939	\$7,034,267	\$6,765,817
89.89%	76.66%	73.09%
46.33%	54.14%	54.04%

City of Brecksville, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Police and Fire Pension Fund
*Last Nine Years (1) **

	2022	2021	2020
City's Proportion of the Net Pension Liability	0.15722790%	0.16189770%	0.16711770%
City's Proportionate Share of the Net Pension Liability	\$9,822,691	\$11,036,710	\$11,257,941
City's Covered Payroll	\$4,123,657	\$4,063,213	\$4,076,638
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	238.20%	271.63%	276.16%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.03%	70.65%	69.89%

(1) Although this schedule is intended to show information for ten years, information prior to 2014 is not available. An additional column will be added each year.

* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information.

2019	2018	2017	2016	2015	2014
0.17013500%	0.16985800%	0.16204100%	0.16208000%	0.16886840%	0.16886840%
\$13,887,511	\$10,424,952	\$10,263,514	\$10,426,720	\$8,748,087	\$8,224,421
\$3,955,281	\$3,815,346	\$3,583,217	\$3,494,644	\$3,429,025	\$3,374,994
351.11%	273.24%	286.43%	298.36%	255.12%	243.69%
63.07%	70.91%	68.36%	66.77%	71.71%	73.00%

City of Brecksville, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Liability
Ohio Police and Fire Pension Fund
*Last Six Years (1) **

	2022	2021	2020
City's Proportion of the Net OPEB Liability	0.15722790%	0.16189770%	0.16711770%
City's Proportionate Share of the Net OPEB Liability	\$1,723,354	\$1,715,333	\$1,650,743
City's Covered Payroll	\$4,123,657	\$4,063,213	\$4,076,638
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	41.79%	42.22%	40.49%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.90%	45.40%	47.08%

(1) Although this schedule is intended to show information for ten years, information prior to 2017 is not available. An additional column will be added each year.

* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information.

2019	2018	2017
0.17013500%	0.16985800%	0.16204100%
\$1,549,340	\$9,623,916	\$7,691,722
\$3,955,281	\$3,815,346	\$3,583,217
39.17%	252.24%	214.66%
46.57%	14.13%	15.96%

City of Brecksville, Ohio
Required Supplementary Information
Schedule of the City's Contributions
Ohio Public Employees Retirement System
Last Ten Years

	2022	2021	2020	2019
Net Pension Liability - Traditional Plan				
Contractually Required Contribution	\$1,026,064	\$971,438	\$906,412	\$914,055
Contributions in Relation to the Contractually Required Contribution	(1,026,064)	(971,438)	(906,412)	(914,055)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$7,329,029	\$6,938,843	\$6,474,371	\$6,528,964
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
Net Pension Liability - Combined Plan				
Contractually Required Contribution	\$16,777	\$16,061	\$16,742	\$19,872
Contributions in Relation to the Contractually Required Contribution	(16,777)	(16,061)	(16,742)	(19,872)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$119,836	\$114,721	\$119,586	\$141,943
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
Net OPEB Liability (Asset) - OPEB Plan (2)				
Contractually Required Contribution	\$5,812	\$5,790	\$5,449	\$6,059
Contributions in Relation to the Contractually Required Contribution	(5,812)	(5,790)	(5,449)	(6,059)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (1)	\$7,594,165	\$7,198,314	\$6,730,182	\$6,822,382
OPEB Contributions as a Percentage of Covered Payroll	<u>0.08%</u>	<u>0.08%</u>	<u>0.08%</u>	<u>0.09%</u>

(1) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan. The member directed pension plan is a defined contribution pension plan; therefore, the pension side is not included above.

(2) Information prior to 2016 is not available.

See accompanying notes to the required supplementary information.

2018	2017	2016	2015	2014	2013
\$943,440	\$872,969	\$788,375	\$760,181	\$768,114	\$824,563
(943,440)	(872,969)	(788,375)	(760,181)	(768,114)	(824,563)
\$0	\$0	\$0	\$0	\$0	\$0
\$6,738,857	\$6,715,146	\$6,569,792	\$6,334,843	\$6,400,950	\$6,342,796
14.00%	13.00%	12.00%	12.00%	12.00%	13.00%
\$20,077	\$15,489	\$10,815	\$10,591	\$10,154	\$10,492
(20,077)	(15,489)	(10,815)	(10,591)	(10,154)	(10,492)
\$0	\$0	\$0	\$0	\$0	\$0
\$143,407	\$119,146	\$90,125	\$88,258	\$84,617	\$80,708
14.00%	13.00%	12.00%	12.00%	12.00%	13.00%
\$6,467	\$7,999	\$4,236			
(6,467)	(7,999)	(4,236)			
\$0	\$0	\$0			
\$7,043,939	\$7,034,267	\$6,765,817			
0.09%	0.11%	0.06%			

City of Brecksville, Ohio
Required Supplementary Information
Schedule of the City's Contributions
Ohio Police and Fire Pension Fund
Last Ten Years

	2022	2021	2020	2019
Net Pension Liability				
Contractually Required Contribution	\$886,569	\$847,923	\$838,708	\$839,065
Contributions in Relation to the Contractually Required Contribution	(886,569)	(847,923)	(838,708)	(839,065)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (1)	\$4,295,031	\$4,123,657	\$4,063,213	\$4,076,638
Pension Contributions as a Percentage of Covered Payroll	<u>20.64%</u>	<u>20.56%</u>	<u>20.64%</u>	<u>20.58%</u>
Net OPEB Liability				
Contractually Required Contribution	\$21,475	\$20,619	\$20,316	\$20,383
Contributions in Relation to the Contractually Required Contribution	(21,475)	(20,619)	(20,316)	(20,383)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>
Total Contributions as a Percentage of Covered Payroll	<u>21.14%</u>	<u>21.06%</u>	<u>21.14%</u>	<u>21.08%</u>

(1) The City's covered payroll is the same for pension and OPEB.

See accompanying notes to the required supplementary information.

2018	2017	2016	2015	2014	2013
\$813,771	\$784,801	\$736,956	\$722,599	\$706,703	\$589,056
(813,771)	(784,801)	(736,956)	(722,599)	(706,703)	(589,056)
\$0	\$0	\$0	\$0	\$0	\$0
\$3,955,281	\$3,815,346	\$3,583,217	\$3,494,644	\$3,429,025	\$3,374,994
20.57%	20.57%	20.57%	20.68%	20.61%	17.45%
\$19,777	\$19,077	\$17,916	\$17,473	\$17,145	\$122,062
(19,777)	(19,077)	(17,916)	(17,473)	(17,145)	(122,062)
\$0	\$0	\$0	\$0	\$0	\$0
0.50%	0.50%	0.50%	0.50%	0.50%	3.62%
21.07%	21.07%	21.07%	21.18%	21.11%	21.07%

City of Brecksville, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2022

Changes in Assumptions – OPERS Pension – Traditional Plan

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

	2022	2019	2018 and 2017	2016 and prior
Wage Inflation	2.75 percent	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases	2.75 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:				
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below	see below
Investment Rate of Return	6.9 percent	7.2 percent	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age

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

COLA or Ad Hoc COLA, Post-January 7, 2013 Retirees:

2022	3.0 percent, simple through 2022 then 2.05 percent, simple
2021	0.5 percent, simple through 2021 then 2.15 percent, simple
2020	1.4 percent, simple through 2020 then 2.15 percent, simple
2017 through 2019	3.0 percent, simple through 2018 then 2.15 percent, simple
2016 and prior	3.0 percent, simple through 2018 then 2.80 percent, simple 5.50 to 5.00 percent

Amounts reported beginning in 2022 use pre-retirement mortality rates based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all these tables.

City of Brecksville, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2022

Amounts reported beginning in 2017 use pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

Changes in Assumptions – OPERS Pension – Combined Plan

	2022	2019	2018
Wage Inflation	2.75 percent	3.25 percent	3.25 percent
Future Salary Increases	2.75 to 8.25 percent including wage inflation	3.25 to 8.25 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below
Investment Rate of Return	6.9 percent	7.2 percent	7.5 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age

For 2022, 2021 and 2020, the Combined Plan had the same change in COLA or Ad Hoc COLA for Post-January 2, 2013, retirees as the Traditional Plan.

City of Brecksville, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2022

Changes in Assumptions – OP&F Pension

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

	Beginning in 2018	2017 and Prior
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.6 percent simple for increases based on the lesser of the increase in CPI and 3 percent

For 2022, the OP&F Board adopted a change in the investment rate of return, changing it from 8 percent for 2018 through 2021 to 7.5 percent for 2022.

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

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

Amounts reported beginning in 2018 use valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck/Conduent Modified 2016 Improvement Scale.

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

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

City of Brecksville, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2022

Changes in Assumptions – OPERS OPEB

Wage Inflation:	
2022	2.75 percent
2021 and prior	3.25 percent
Projected Salary Increases (including wage inflation):	
2022	2.75 to 10.75 percent
2021 and prior	3.25 to 10.75 percent
Investment Return Assumption:	
Beginning in 2019	6.00 percent
2018	6.50 percent
Municipal Bond Rate:	
2022	1.84 percent
2021	2.00 percent
2020	2.75 percent
2019	3.71 percent
2018	3.31 percent
Single Discount Rate:	
2022	6.00 percent
2021	6.00 percent
2020	3.16 percent
2019	3.96 percent
2018	3.85 percent
Health Care Cost Trend Rate:	
2022	5.5 percent, initial 3.5 percent, ultimate in 2034
2021	8.5 percent, initial 3.5 percent, ultimate in 2035
2020	10.5 percent, initial 3.5 percent, ultimate in 2030
2019	10.0 percent, initial 3.25 percent, ultimate in 2029
2018	7.5 percent, initial 3.25 percent, ultimate in 2028

Changes in Assumptions – OP&F OPEB

Blended Discount Rate:	
2022	2.84 percent
2021	2.96 percent
2020	3.56 percent
2019	4.66 percent
2018	3.24 percent

For 2022, the OP&F Board adopted a change in the investment rate of return, changing it from 8 percent for 2018 through 2021 to 7.5 percent for 2022.

City of Brecksville, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2022

Changes in Benefit Terms – OPERS OPEB

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in 2021.

Changes in Benefit Terms – OP&F OPEB

For 2019, OP&F recognized a change in benefit terms. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years.



Combining Statements - Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

To account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

Motor Vehicle License Tax Fund This fund accounts for and reports the City's share of additional motor vehicle registration fees. Expenditures are restricted by State law for the maintenance and repair of streets and bridges within the City.

Street Repair and Maintenance Fund This fund accounts for and reports 92.5 percent of the State gasoline tax and motor vehicle registration fees restricted for maintenance and repair of streets within the City.

State Highway Fund This fund accounts for and reports 7.5 percent of the State gasoline tax and motor vehicle registration fees restricted for maintenance and repair of State highways within the City.

Community Center Fund This fund accounts for and reports membership fees, program fees, and general fund subsidies committed to the operations of the Community Center.

Road Maintenance Fund This fund accounts for and reports revenues received from the 1 mill Charter Levy. These monies are restricted for the maintenance, repair, reconstruction and improvement of roads within the City.

Federal Equitable Sharing Fund This fund accounts and reports federal forfeiture monies returned to the City restricted for certain law enforcement purposes.

Enforcement and Education Fund This fund accounts for and reports fines and grants restricted to educating the public about the dangers of and enforcing the laws against operating a motor vehicle while under the influence of alcohol and to reinforce the "Say No to Drugs" message. This fund also accounts for and reports contributions and donations and a portion of law enforcement forfeitures committed for the DARE program.

Court Computerization Fund This fund accounts for and reports court fees and fines restricted for the purchase and maintenance of computers for the Mayor's court.

Natureworks Grants Fund This fund accounts for and reports grant monies and investment earnings and other interest restricted for the purpose of adding recreational facilities.

Recycling Demo Fund This fund accounts for and reports grant monies received from the Ohio Department of Natural Resources plus City matching funds. Expenditures are restricted by the rules set by the Ohio Department of Natural Resources Litter Prevention and Recycling Grant agreement.

Tree Planting Fund This fund accounts for and reports monies collected, which are restricted to the planting of trees within the City's right-of-way.

Law Enforcement Fund This fund accounts for and reports restricted monies received from the sale or disposition of seized contraband.

(continued)

Combining Statements - Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

Law Enforcement Mandatory Drug Fund This fund accounts for and reports monies received from drug fines and forfeited bonds restricted for drug investigations.

Police Pension Fund This fund accounts for and reports amounts paid for police department employees, which are restricted to the State administered disability and pension fund.

Peace Officer Training Fund This fund accounts for and reports the collection and disbursement of certain grant funds received from the State of Ohio restricted to certain law enforcement trainings.

Local Fiscal Recovery Fund This fund accounts for and reports the Local Fiscal Recovery funds received through the American Rescue Plan Act of 2021 and expenses restricted to respond to the impact of the COVID-19 disease in accordance with said act.

OneOhio Opioid Settlement Fund This fund accounts for and reports the Opioid settlement distributions received through the OneOhio funds of the National Opioid Settlement agreement and expenses restricted to assist with abating the opioid epidemic.

Nonmajor Debt Service Funds

Debt service funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

Special Assessment Bond Retirement Fund This fund is used to account for and report the collection of special assessments levied against benefited properties restricted for the payment of special assessment related costs.

Debt Urban Redevelopment Tax Increment Equivalents Fund This fund is used to account for and report the collection of payments in lieu of taxes levied against what is known as the Valor Acres development restricted for the payment of tax increment financing revenue bond related costs. The fund did not have any budgetary activity in 2022; therefore, budgetary information is not provided.

Nonmajor Capital Projects Funds

Capital projects funds are used to account and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds or for assets that will be held in trust.

Issue II Fund This fund accounts for and reports grant monies received from the Ohio Public Works Commission plus City matching funds. Expenditures are restricted to specific projects within the City.

Recreation Expansion Fund This fund accounts for and reports 25 percent of building permit revenues assigned for the purchase of equipment and for capital improvements for recreation.

(continued)

Combining Statements - Nonmajor Governmental Funds (continued)

Nonmajor Capital Projects Funds (continued)

Public Utility Improvement Fund This fund accounts for and reports sanitary sewer tap-in-fees and fees for converting from septic tank to sanitary sewer assigned to costs to repair, construct, and reline any public utility line within the City. This fund also accounts for and reports a portion of water connection fees committed to pay down long-term obligations.

Fire Ambulance Capital Fund This fund accounts for and reports portions of charges for services for ambulance operations provided by the fire department. Expenditures from this fund are committed to the acquisition of fire department equipment.

Police Station Building Fund This fund accounts for and reports monies assigned for the financing, construction, and related costs of improvements to the police station building.

Recreation Facilities Expansion Fund This fund accounts for and reports income tax and other monies determined as necessary assigned to purpose of acquiring, constructing, or improving recreation facilities and any other appurtenances thereto.

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2022

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$2,841,291	\$13,979	\$2,819,747	\$5,675,017
Cash and Cash Equivalents:				
In Segregated Accounts	2,000	0	0	2,000
With Escrow Agent	0	1,695,002	0	1,695,002
With Fiscal Agent	0	0	498,523	498,523
Accrued Interest Receivable	1,259	109	1,192	2,560
Materials and Supplies Inventory	69,655	0	0	69,655
Accounts Receivable	5	0	32,000	32,005
Intergovernmental Receivable	579,498	0	101,026	680,524
Property Taxes Receivable	916,886	0	0	916,886
Special Assessment Receivable	0	673,528	0	673,528
Prepaid Items	2,778	0	0	2,778
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	2,346	0	0	2,346
<i>Total Assets</i>	<u>\$4,415,718</u>	<u>\$2,382,618</u>	<u>\$3,452,488</u>	<u>\$10,250,824</u>
Liabilities				
Accounts Payable	\$35,774	\$0	\$11,017	\$46,791
Contracts Payable	53,796	0	80,751	134,547
Retainage Payable	0	0	304,710	304,710
Accrued Wages	49,731	0	0	49,731
Interfund Payable	0	40,000	0	40,000
Intergovernmental Payable	9,028	0	0	9,028
Deposits Held Payable from Restricted Assets	2,346	0	0	2,346
<i>Total Liabilities</i>	<u>150,675</u>	<u>40,000</u>	<u>396,478</u>	<u>587,153</u>
Deferred Inflows of Resources				
Property Taxes	885,719	0	0	885,719
Unavailable Revenue	460,493	673,528	98,957	1,232,978
<i>Total Deferred Inflows of Resources</i>	<u>1,346,212</u>	<u>673,528</u>	<u>98,957</u>	<u>2,118,697</u>
Fund Balances				
Nonspendable	72,433	0	0	72,433
Restricted	2,104,976	1,695,111	233,597	4,033,684
Committed	741,422	0	1,479,426	2,220,848
Assigned	0	0	1,244,030	1,244,030
Unassigned (Deficit)	0	(26,021)	0	(26,021)
<i>Total Fund Balances</i>	<u>2,918,831</u>	<u>1,669,090</u>	<u>2,957,053</u>	<u>7,544,974</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$4,415,718</u>	<u>\$2,382,618</u>	<u>\$3,452,488</u>	<u>\$10,250,824</u>

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2022

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property Taxes	\$895,691	\$0	\$0	\$895,691
Charges for Services	1,234,966	0	382,224	1,617,190
Licenses and Permits	41,936	0	132,390	174,326
Fines, Forfeitures, and Settlements	8,035	0	0	8,035
Intergovernmental	2,535,018	0	29,637	2,564,655
Special Assessments	0	231,251	0	231,251
Investment Earnings and Other Interest	(52,820)	15,368	(55,122)	(92,574)
Contributions and Donations	20,555	0	20,000	40,555
Rentals	59,181	0	0	59,181
Miscellaneous	9,122	0	0	9,122
<i>Total Revenues</i>	<u>4,751,684</u>	<u>246,619</u>	<u>509,129</u>	<u>5,507,432</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	0	9,951	0	9,951
Judicial System	5,133	0	0	5,133
Public Safety:				
Police	1,611,458	0	0	1,611,458
Street Construction, Maintenance, and Repair	1,856,361	0	0	1,856,361
Housing and Community Development	27,913	0	0	27,913
Basic Utility Services	5,766	0	0	5,766
Recreational Activities	2,476,026	0	0	2,476,026
Capital Outlay	0	0	2,020,437	2,020,437
Debt Service:				
Principal Retirement	0	260,000	31,155	291,155
Interest	0	312,747	0	312,747
<i>Total Expenditures</i>	<u>5,982,657</u>	<u>582,698</u>	<u>2,051,592</u>	<u>8,616,947</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,230,973)</u>	<u>(336,079)</u>	<u>(1,542,463)</u>	<u>(3,109,515)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	1,227	0	800	2,027
Tax Increment Financing Revenue Bonds Issued	0	1,970,811	0	1,970,811
Transfers In	1,170,000	0	331,157	1,501,157
Transfers Out	0	0	(713,797)	(713,797)
<i>Total Other Financing Sources (Uses)</i>	<u>1,171,227</u>	<u>1,970,811</u>	<u>(381,840)</u>	<u>2,760,198</u>
<i>Net Change in Fund Balances</i>	<u>(59,746)</u>	<u>1,634,732</u>	<u>(1,924,303)</u>	<u>(349,317)</u>
<i>Fund Balances Beginning of Year</i>	<u>2,978,577</u>	<u>34,358</u>	<u>4,881,356</u>	<u>7,894,291</u>
<i>Fund Balances End of Year</i>	<u>\$2,918,831</u>	<u>\$1,669,090</u>	<u>\$2,957,053</u>	<u>\$7,544,974</u>

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2022

	Motor Vehicle License Tax	Street Repair and Maintenance	State Highway	Community Center	Road Maintenance
Assets					
Equity in Pooled Cash and Cash Equivalents	\$98,178	\$552,344	\$248,312	\$832,072	\$315,927
Cash and Cash Equivalents:					
In Segregated Accounts	0	0	0	2,000	0
Accrued Interest Receivable	54	303	136	421	173
Materials and Supplies Inventory	0	69,655	0	0	0
Accounts Receivable	0	0	0	5	0
Intergovernmental Receivable	18,414	399,695	32,407	73,500	42,678
Property Taxes Receivable	0	0	0	0	705,303
Prepaid Items	0	0	0	2,778	0
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	0	0	0	2,346	0
<i>Total Assets</i>	<u>\$116,646</u>	<u>\$1,021,997</u>	<u>\$280,855</u>	<u>\$913,122</u>	<u>\$1,064,081</u>
Liabilities					
Accounts Payable	\$0	\$0	\$0	\$35,774	\$0
Contracts Payable	0	0	49,296	4,500	0
Accrued Wages	0	0	0	49,731	0
Intergovernmental Payable	0	0	0	9,028	0
Deposits Held Payable from Restricted Assets	0	0	0	2,346	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>49,296</u>	<u>101,379</u>	<u>0</u>
Deferred Inflows of Resources					
Property Taxes	0	0	0	0	681,322
Unavailable Revenue	12,276	266,463	21,605	73,500	66,659
<i>Total Deferred Inflows of Resources</i>	<u>12,276</u>	<u>266,463</u>	<u>21,605</u>	<u>73,500</u>	<u>747,981</u>
Fund Balances					
Nonspendable	0	69,655	0	2,778	0
Restricted	104,370	685,879	209,954	0	316,100
Committed	0	0	0	735,465	0
<i>Total Fund Balances</i>	<u>104,370</u>	<u>755,534</u>	<u>209,954</u>	<u>738,243</u>	<u>316,100</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$116,646</u>	<u>\$1,021,997</u>	<u>\$280,855</u>	<u>\$913,122</u>	<u>\$1,064,081</u>

(continued)

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2022

	Federal Equitable Sharing	Enforcement and Education	Court Computerization	Natureworks Grants	Recycling Demo
Assets					
Equity in Pooled Cash and Cash Equivalents	\$18,311	\$30,327	\$146,779	\$950	\$5,979
Cash and Cash Equivalents:					
In Segregated Accounts	0	0	0	0	0
Accrued Interest Receivable	10	16	81	0	3
Materials and Supplies Inventory	0	0	0	0	0
Accounts Receivable	0	0	0	0	0
Intergovernmental Receivable	0	0	0	0	0
Property Taxes Receivable	0	0	0	0	0
Prepaid Items	0	0	0	0	0
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	0	0	0	0	0
<i>Total Assets</i>	<u>\$18,321</u>	<u>\$30,343</u>	<u>\$146,860</u>	<u>\$950</u>	<u>\$5,982</u>
Liabilities					
Accounts Payable	\$0	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0	0
Accrued Wages	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0
Deposits Held Payable from Restricted Assets	0	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources					
Property Taxes	0	0	0	0	0
Unavailable Revenue	0	0	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances					
Nonspendable	0	0	0	0	0
Restricted	18,321	24,386	146,860	950	5,982
Committed	0	5,957	0	0	0
<i>Total Fund Balances</i>	<u>18,321</u>	<u>30,343</u>	<u>146,860</u>	<u>950</u>	<u>5,982</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$18,321</u>	<u>\$30,343</u>	<u>\$146,860</u>	<u>\$950</u>	<u>\$5,982</u>

Tree Planting	Law Enforcement	Law Enforcement Mandatory Drug	Police Pension	Peace Officer Training	OneOhio Opioid Settlement	Total Nonmajor Special Revenue Funds
\$104,291	\$71,725	\$41,898	\$364,792	\$7,323	\$2,083	\$2,841,291
0	0	0	0	0	0	2,000
0	39	23	0	0	0	1,259
0	0	0	0	0	0	69,655
0	0	0	0	0	0	5
0	0	0	12,804	0	0	579,498
0	0	0	211,583	0	0	916,886
0	0	0	0	0	0	2,778
0	0	0	0	0	0	2,346
<u>\$104,291</u>	<u>\$71,764</u>	<u>\$41,921</u>	<u>\$589,179</u>	<u>\$7,323</u>	<u>\$2,083</u>	<u>\$4,415,718</u>
\$0	\$0	\$0	\$0	\$0	\$0	\$35,774
0	0	0	0	0	0	53,796
0	0	0	0	0	0	49,731
0	0	0	0	0	0	9,028
0	0	0	0	0	0	2,346
0	0	0	0	0	0	150,675
0	0	0	204,397	0	0	885,719
0	0	0	19,990	0	0	460,493
0	0	0	224,387	0	0	1,346,212
0	0	0	0	0	0	72,433
104,291	71,764	41,921	364,792	7,323	2,083	2,104,976
0	0	0	0	0	0	741,422
104,291	71,764	41,921	364,792	7,323	2,083	2,918,831
<u>\$104,291</u>	<u>\$71,764</u>	<u>\$41,921</u>	<u>\$589,179</u>	<u>\$7,323</u>	<u>\$2,083</u>	<u>\$4,415,718</u>

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022

	Motor Vehicle License Tax	Street Repair and Maintenance	State Highway	Community Center	Road Maintenance	Federal Equitable Sharing
Revenues						
Property Taxes	\$0	\$0	\$0	\$0	\$688,992	\$0
Charges for Services	0	0	0	1,234,966	0	0
Licenses and Permits	0	0	0	12,236	0	0
Fines, Forfeitures, and Settlements	0	0	0	0	0	0
Intergovernmental	38,499	869,137	67,888	12,000	85,383	0
Investment Earnings and Other Interest	(2,396)	(12,758)	(6,112)	(17,396)	(6,727)	(429)
Contributions and Donations	0	0	0	20,555	0	0
Rentals	0	0	0	59,181	0	0
Miscellaneous	0	583	0	8,539	0	0
<i>Total Revenues</i>	<u>36,103</u>	<u>856,962</u>	<u>61,776</u>	<u>1,330,081</u>	<u>767,648</u>	<u>(429)</u>
Expenditures						
Current:						
General Government:						
Judicial System	0	0	0	0	0	0
Public Safety:						
Police	0	0	0	0	0	0
Street Construction, Maintenance, and Repair	11,450	1,029,680	49,296	0	765,935	0
Housing and Community Development	0	0	0	0	0	0
Basic Utility Services	0	0	0	0	0	0
Recreational Activities	0	0	0	2,476,026	0	0
<i>Total Expenditures</i>	<u>11,450</u>	<u>1,029,680</u>	<u>49,296</u>	<u>2,476,026</u>	<u>765,935</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>24,653</u>	<u>(172,718)</u>	<u>12,480</u>	<u>(1,145,945)</u>	<u>1,713</u>	<u>(429)</u>
Other Financing Sources						
Sale of Capital Assets	0	0	0	1,227	0	0
Transfers In	0	0	0	1,170,000	0	0
<i>Total Other Financing Sources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,171,227</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	24,653	(172,718)	12,480	25,282	1,713	(429)
<i>Fund Balances Beginning of Year</i>	<u>79,717</u>	<u>928,252</u>	<u>197,474</u>	<u>712,961</u>	<u>314,387</u>	<u>18,750</u>
<i>Fund Balances End of Year</i>	<u>\$104,370</u>	<u>\$755,534</u>	<u>\$209,954</u>	<u>\$738,243</u>	<u>\$316,100</u>	<u>\$18,321</u>

Enforcement and Education	Court Computerization	Natureworks Grants	Recycling Demo	Tree Planting	Law Enforcement	Law Enforcement Mandatory Drug	Police Pension
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$206,699
0	0	0	0	0	0	0	0
0	0	0	0	29,700	0	0	0
200	5,640	0	0	0	112	0	0
0	0	0	5,773	0	0	0	25,615
(711)	(3,463)	0	(175)	0	(1,671)	(982)	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
(511)	2,177	0	5,598	29,700	(1,559)	(982)	232,314
0	5,133	0	0	0	0	0	0
0	0	0	0	0	12,800	0	165,015
0	0	0	0	0	0	0	0
0	0	0	0	27,913	0	0	0
0	0	0	5,766	0	0	0	0
0	0	0	0	0	0	0	0
0	5,133	0	5,766	27,913	12,800	0	165,015
(511)	(2,956)	0	(168)	1,787	(14,359)	(982)	67,299
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
(511)	(2,956)	0	(168)	1,787	(14,359)	(982)	67,299
30,854	149,816	950	6,150	102,504	86,123	42,903	297,493
<u>\$30,343</u>	<u>\$146,860</u>	<u>\$950</u>	<u>\$5,982</u>	<u>\$104,291</u>	<u>\$71,764</u>	<u>\$41,921</u>	<u>\$364,792</u>

(continued)

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2022

	Peace Officer Training	Local Fiscal Recovery	OneOhio Opioid Settlement	Total Nonmajor Special Revenue Funds
Revenues				
Property Taxes	\$0	\$0	\$0	\$895,691
Charges for Services	0	0	0	1,234,966
Licenses and Permits	0	0	0	41,936
Fines, Forfeitures, and Settlements	0	0	2,083	8,035
Intergovernmental	0	1,430,723	0	2,535,018
Investment Earnings and Other Interest	0	0	0	(52,820)
Contributions and Donations	0	0	0	20,555
Rentals	0	0	0	59,181
Miscellaneous	0	0	0	9,122
<i>Total Revenues</i>	<u>0</u>	<u>1,430,723</u>	<u>2,083</u>	<u>4,751,684</u>
Expenditures				
Current:				
General Government:				
Judicial System	0	0	0	5,133
Public Safety:				
Police	2,920	1,430,723	0	1,611,458
Street Construction, Maintenance, and Repair	0	0	0	1,856,361
Housing and Community Development	0	0	0	27,913
Basic Utility Services	0	0	0	5,766
Recreational Activities	0	0	0	2,476,026
<i>Total Expenditures</i>	<u>2,920</u>	<u>1,430,723</u>	<u>0</u>	<u>5,982,657</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,920)</u>	<u>0</u>	<u>2,083</u>	<u>(1,230,973)</u>
Other Financing Sources				
Sale of Capital Assets	0	0	0	1,227
Transfers In	0	0	0	1,170,000
<i>Total Other Financing Sources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,171,227</u>
<i>Net Change in Fund Balances</i>	<u>(2,920)</u>	<u>0</u>	<u>2,083</u>	<u>(59,746)</u>
<i>Fund Balances Beginning of Year</i>	<u>10,243</u>	<u>0</u>	<u>0</u>	<u>2,978,577</u>
<i>Fund Balances End of Year</i>	<u><u>\$7,323</u></u>	<u><u>\$0</u></u>	<u><u>\$2,083</u></u>	<u><u>\$2,918,831</u></u>

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2022

	Special Assessment Bond Retirement	Debt Urban Redevelopment Tax Increment Equivalents	Total Nonmajor Debt Service Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$13,979	\$0	\$13,979
Cash and Cash Equivalents:			
With Escrow Agent	0	1,695,002	1,695,002
Accrued Interest Receivable	0	109	109
Special Assessments Receivable	673,528	0	673,528
<i>Total Assets</i>	<u>\$687,507</u>	<u>\$1,695,111</u>	<u>\$2,382,618</u>
Liabilities			
Interfund Payable	\$40,000	\$0	\$40,000
Deferred Inflows of Resources			
Unavailable Revenue	673,528	0	673,528
Fund Balances			
Restricted	0	1,695,111	1,695,111
Unassigned (Deficit)	(26,021)	0	(26,021)
<i>Total Fund Balances (Deficit)</i>	<u>(26,021)</u>	<u>1,695,111</u>	<u>1,669,090</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$687,507</u>	<u>\$1,695,111</u>	<u>\$2,382,618</u>

City of Brecksville, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Debt Service Funds

For the Year Ended December 31, 2022

	Special Assessment Bond Retirement	Debt Urban Redevelopment Tax Increment Equivalents	Total Nonmajor Debt Service Funds
Revenues			
Special Assessments	\$231,251	\$0	\$231,251
Investment Earnings and Other Interest	0	15,368	15,368
<i>Total Revenues</i>	<u>231,251</u>	<u>15,368</u>	<u>246,619</u>
Expenditures			
General Government:			
Legislative and Executive	2,451	7,500	9,951
Debt Service:			
Principal Retirement	260,000	0	260,000
Interest	29,179	283,568	312,747
<i>Total Expenditures</i>	<u>291,630</u>	<u>291,068</u>	<u>582,698</u>
<i>Excess of Revenues Under Expenditures</i>	(60,379)	(275,700)	(336,079)
Other Financing Sources			
Tax Increment Financing Revenue Bonds Issued	0	1,970,811	1,970,811
<i>Net Change in Fund Balances</i>	(60,379)	1,695,111	1,634,732
<i>Fund Balances Beginning of Year</i>	<u>34,358</u>	<u>0</u>	<u>34,358</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>(\$26,021)</u></u>	<u><u>\$1,695,111</u></u>	<u><u>\$1,669,090</u></u>

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2022

	Issue II	Recreation Expansion	Public Utility Improvement	Fire Ambulance Capital
Assets				
Equity in Pooled Cash and Cash Equivalents	\$233,469	\$105,302	\$940,032	\$1,252,198
Cash and Cash Equivalents:				
With Fiscal Agents	0	0	0	0
Accrued Interest Receivable	128	58	160	688
Accounts Receivable	0	0	0	32,000
Intergovernmental Receivable	0	0	0	101,026
<i>Total Assets</i>	<u>\$233,597</u>	<u>\$105,360</u>	<u>\$940,192</u>	<u>\$1,385,912</u>
Liabilities				
Accounts Payable	\$0	\$7,500	\$0	\$0
Contracts Payable	0	0	0	2,844
Retainage Payable	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>7,500</u>	<u>0</u>	<u>2,844</u>
Deferred Inflows of Resources				
Unavailable Revenue	0	0	0	98,957
Fund Balances				
Restricted	233,597	0	0	0
Committed	0	0	195,315	1,284,111
Assigned	0	97,860	744,877	0
<i>Total Fund Balances</i>	<u>233,597</u>	<u>97,860</u>	<u>940,192</u>	<u>1,284,111</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$233,597</u>	<u>\$105,360</u>	<u>\$940,192</u>	<u>\$1,385,912</u>

<u>Police Station Building</u>	<u>Recreation Facilities Expansion</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$194	\$288,552	\$2,819,747
0	498,523	498,523
0	158	1,192
0	0	32,000
0	0	101,026
<u>\$194</u>	<u>\$787,233</u>	<u>\$3,452,488</u>
\$0	\$3,517	\$11,017
0	77,907	80,751
0	304,710	304,710
<u>0</u>	<u>386,134</u>	<u>396,478</u>
<u>0</u>	<u>0</u>	<u>98,957</u>
0	0	233,597
0	0	1,479,426
194	401,099	1,244,030
<u>194</u>	<u>401,099</u>	<u>2,957,053</u>
<u>\$194</u>	<u>\$787,233</u>	<u>\$3,452,488</u>

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2022

	Issue II	Recreation Expansion	Public Utility Improvement	Fire Ambulance Capital
Revenues				
Charges for Services	\$0	\$0	\$0	\$382,224
Licenses and Permits	0	70,174	62,216	0
Intergovernmental	0	0	0	0
Investment Earnings and Other Interest	(5,350)	(2,563)	(7,020)	(30,885)
Contributions and Donations	0	0	0	0
<i>Total Revenues</i>	<u>(5,350)</u>	<u>67,611</u>	<u>55,196</u>	<u>351,339</u>
Expenditures				
Capital Outlay	0	80,363	7,275	38,255
Debt Service:				
Principal Retirement	31,155	0	0	0
<i>Total Expenditures</i>	<u>31,155</u>	<u>80,363</u>	<u>7,275</u>	<u>38,255</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(36,505)</u>	<u>(12,752)</u>	<u>47,921</u>	<u>313,084</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	0	0	0
Transfers In	31,157	0	0	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>31,157</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(5,348)	(12,752)	47,921	313,084
<i>Fund Balances Beginning of Year</i>	<u>238,945</u>	<u>110,612</u>	<u>892,271</u>	<u>971,027</u>
<i>Fund Balances End of Year</i>	<u><u>\$233,597</u></u>	<u><u>\$97,860</u></u>	<u><u>\$940,192</u></u>	<u><u>\$1,284,111</u></u>

(continued)

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds (continued)
For the Year Ended December 31, 2022

	Police Station Building	Recreation Facilities Expansion	Total Nonmajor Capital Projects Funds
Revenues			
Charges for Services	\$0	\$0	\$382,224
Licenses and Permits	0	0	132,390
Intergovernmental	0	29,637	29,637
Investment Earnings and Other Interest	114	(9,418)	(55,122)
Contributions and Donations	0	20,000	20,000
<i>Total Revenues</i>	<u>114</u>	<u>40,219</u>	<u>509,129</u>
Expenditures			
Capital Outlay	0	1,894,544	2,020,437
Debt Service:			
Principal Retirement	0	0	31,155
<i>Total Expenditures</i>	<u>0</u>	<u>1,894,544</u>	<u>2,051,592</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>114</u>	<u>(1,854,325)</u>	<u>(1,542,463)</u>
Other Financing Sources (Uses)			
Sale of Capital Assets	0	800	800
Transfers In	0	300,000	331,157
Transfers Out	(36,108)	(677,689)	(713,797)
<i>Total Other Financing Sources (Uses)</i>	<u>(36,108)</u>	<u>(376,889)</u>	<u>(381,840)</u>
<i>Net Change in Fund Balances</i>	(35,994)	(2,231,214)	(1,924,303)
<i>Fund Balances Beginning of Year</i>	<u>36,188</u>	<u>2,632,313</u>	<u>4,881,356</u>
<i>Fund Balances End of Year</i>	<u>\$194</u>	<u>\$401,099</u>	<u>\$2,957,053</u>

**Individual Fund Schedules of Revenues, Expenditures/Expenses
and Changes in Fund Balance/Fund Equity - Budget (Non-GAAP Basis) and Actual**

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Property Taxes	\$2,387,046	\$2,387,046	\$2,418,360	\$31,314
Municipal Income Taxes	15,964,996	15,964,996	17,858,464	1,893,468
Charges for Services	104,100	104,100	143,386	39,286
Licenses and Permits	1,147,500	1,150,768	1,032,765	(118,003)
Fines, Forfeitures, and Settlements	141,050	141,050	173,247	32,197
Intergovernmental	554,847	682,199	678,868	(3,331)
Investment Earnings and Other Interest	150,000	150,000	144,580	(5,420)
Contributions and Donations	28,100	2,924,668	2,936,612	11,944
Rentals	163,855	163,855	177,690	13,835
Miscellaneous	274,397	1,309,588	630,888	(678,700)
<i>Total Revenues</i>	<u>20,915,891</u>	<u>24,978,270</u>	<u>26,194,860</u>	<u>1,216,590</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Mayor:				
Salaries and Wages	166,825	198,626	198,626	0
Fringe Benefits	68,573	75,435	70,189	5,246
Materials and Supplies	1,600	1,600	300	1,300
Purchased Services	1,300	1,300	724	576
Total Mayor	<u>238,298</u>	<u>276,961</u>	<u>269,839</u>	<u>7,122</u>
Finance Director:				
Salaries and Wages	351,426	351,426	347,068	4,358
Fringe Benefits	143,273	143,273	132,252	11,021
Materials and Supplies	3,339	3,339	2,152	1,187
Purchased Services	5,100	5,100	3,436	1,664
Total Finance Director	<u>503,138</u>	<u>503,138</u>	<u>484,908</u>	<u>18,230</u>
Purchasing Department:				
Salaries and Wages	171,136	171,136	156,163	14,973
Fringe Benefits	46,988	46,988	41,783	5,205
Materials and Supplies	3,649	3,649	1,880	1,769
Purchased Services	1,724	1,724	785	939
Total Purchasing Department	<u>223,497</u>	<u>223,497</u>	<u>200,611</u>	<u>22,886</u>
Legal Department:				
Salaries and Wages	53,054	53,054	50,390	2,664
Fringe Benefits	22,371	8,351	7,785	566
Contractual Services	220,000	220,000	197,642	22,358
Total Legal Department	<u>\$295,425</u>	<u>\$281,405</u>	<u>\$255,817</u>	<u>\$25,588</u>

(continued)

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Legislative:				
Salaries and Wages	\$195,312	\$195,312	\$189,140	\$6,172
Fringe Benefits	70,582	70,582	65,717	4,865
Contractual Services	8,400	10,400	7,915	2,485
Materials and Supplies	5,000	7,898	7,816	82
Purchased Services	2,000	2,000	265	1,735
Capital Outlay	11,000	8,102	0	8,102
Total Legislative	292,294	294,294	270,853	23,441
Civil Service:				
Salaries and Wages	3,000	3,000	0	3,000
Fringe Benefits	464	464	0	464
Contractual Services	5,000	5,000	900	4,100
Materials and Supplies	500	500	0	500
Total Civil Service	8,964	8,964	900	8,064
Information Technology:				
Salaries and Wages	150,479	151,729	151,454	275
Fringe Benefits	43,933	44,703	41,441	3,262
Contractual Services	313,558	317,045	317,045	0
Materials and Supplies	83,727	80,240	74,514	5,726
Purchased Services	34,754	34,754	34,247	507
Capital Outlay	146,584	146,584	84,917	61,667
Total Information Technology	773,035	775,055	703,618	71,437
County Fiscal Officer and Treasurer:				
Contractual Services	100,000	116,527	114,382	2,145
Income Tax Administration:				
Contractual Services	24,000	24,000	24,000	0
Materials and Supplies	1,000	1,000	0	1,000
Purchased Services	1,000	1,000	0	1,000
Other	690,618	818,618	744,996	73,622
Total Income Tax Administration	716,618	844,618	768,996	75,622
Administrative Support:				
Salaries and Wages	50,000	50,000	40,669	9,331
Fringe Benefits	389,545	389,545	346,355	43,190
Contractual Services	858,002	1,038,002	887,191	150,811
Materials and Supplies	624,502	624,502	521,680	102,822
Purchased Services	11,500	11,500	7,909	3,591
Capital Outlay	229,985	917,426	917,425	1
Other	439,798	467,990	402,589	65,401
Total Administrative Support	\$2,603,332	\$3,498,965	\$3,123,818	\$375,147

(continued)

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Land and Building:				
Salaries and Wages	\$1,291,048	\$1,285,168	\$1,215,555	\$69,613
Fringe Benefits	546,145	548,009	476,788	71,221
Contractual Services	104,100	104,100	53,744	50,356
Materials and Supplies	161,645	193,727	142,353	51,374
Purchased Services	841,299	864,244	686,985	177,259
Capital Outlay	3,970	10,376	7,265	3,111
Other	2,000	2,000	0	2,000
Total Land and Building	<u>2,950,207</u>	<u>3,007,624</u>	<u>2,582,690</u>	<u>424,934</u>
Engineer:				
Salaries and Wages	17,000	17,000	10,030	6,970
Fringe Benefits	2,627	2,627	1,548	1,079
Contractual Services	510,940	327,640	255,691	71,949
Other	510,000	4,110,000	3,146,167	963,833
Total Engineer	<u>1,040,567</u>	<u>4,457,267</u>	<u>3,413,436</u>	<u>1,043,831</u>
Total Legislative and Executive	<u>9,745,375</u>	<u>14,288,315</u>	<u>12,189,868</u>	<u>2,098,447</u>
Judicial System:				
Mayor's Court:				
Salaries and Wages	133,121	113,121	98,212	14,909
Fringe Benefits	35,480	35,480	30,320	5,160
Contractual Services	1,000	1,000	0	1,000
Materials and Supplies	8,388	8,388	5,670	2,718
Purchased Services	1,500	1,500	900	600
Total Judicial System	<u>179,489</u>	<u>159,489</u>	<u>135,102</u>	<u>24,387</u>
Total General Government	<u>9,924,864</u>	<u>14,447,804</u>	<u>12,324,970</u>	<u>2,122,834</u>
Public Safety:				
Police:				
Law Enforcement:				
Salaries and Wages	3,086,878	1,903,378	1,703,966	199,412
Fringe Benefits	1,110,115	865,738	719,918	145,820
Contractual Services	609,677	609,677	581,784	27,893
Materials and Supplies	132,296	132,295	117,659	14,636
Purchased Services	155,644	161,224	137,991	23,233
Capital Outlay	167,500	166,389	147,770	18,619
Total Law Enforcement	<u>5,262,110</u>	<u>3,838,701</u>	<u>3,409,088</u>	<u>429,613</u>
Prisoner Support:				
Contractual Services	40,000	40,000	35,199	4,801
Materials and Supplies	1,500	1,500	280	1,220
Purchased Services	500	500	35	465
Total Prisoner Support	<u>\$42,000</u>	<u>\$42,000</u>	<u>\$35,514</u>	<u>\$6,486</u>

(continued)

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Traffic Control:				
Materials and Supplies	\$20,617	\$20,617	\$9,714	\$10,903
Purchased Services	56,350	56,350	23,678	32,672
Total Traffic Control	76,967	76,967	33,392	43,575
Street Lighting:				
Purchased Services	110,000	110,000	100,388	9,612
Animal Control:				
Salaries and Wages	60,031	60,031	60,030	1
Fringe Benefits	31,070	31,220	28,082	3,138
Contractual Services	4,500	4,500	1,835	2,665
Materials and Supplies	1,800	1,800	345	1,455
Purchased Services	6,250	6,250	87	6,163
Total Animal Control	103,651	103,801	90,379	13,422
Total Police	5,594,728	4,171,469	3,668,761	502,708
Fire:				
Hydrants:				
Salaries and Wages	16,000	41,568	26,709	14,859
Fringe Benefits	2,472	6,423	4,124	2,299
Contractual Services	1,000	1,000	199	801
Materials and Supplies	3,500	3,500	2,696	804
Purchased Services	500	500	0	500
Total Fire	23,472	52,991	33,728	19,263
Total Public Safety	5,618,200	4,224,460	3,702,489	521,971
Public Health and Social Services:				
Board of Health:				
Contractual Services	81,810	81,810	81,810	0
Cemetery:				
Salaries and Wages	116,018	118,218	108,497	9,721
Fringe Benefits	27,680	29,780	26,501	3,279
Contractual Services	2,500	2,500	0	2,500
Materials and Supplies	10,218	10,218	6,459	3,759
Other	2,000	2,000	0	2,000
Total Cemetery	\$158,416	\$162,716	\$141,457	\$21,259

(continued)

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Human Services Department:				
Salaries and Wages	\$404,360	\$404,360	\$379,074	\$25,286
Fringe Benefits	165,650	165,650	145,559	20,091
Contractual Services	28,246	28,246	19,228	9,018
Materials and Supplies	97,572	97,572	78,307	19,265
Purchased Services	253,229	261,629	231,638	29,991
Other	17,858	17,858	17,358	500
Total Human Services Department	966,915	975,315	871,164	104,151
Total Public Health and Social Services	1,207,141	1,219,841	1,094,431	125,410
Street Construction, Maintenance, and Repair:				
Street Repairs and Maintenance:				
Salaries and Wages	947,558	947,558	936,424	11,134
Fringe Benefits	519,992	519,992	477,588	42,404
Contractual Services	500	500	0	500
Materials and Supplies	30,000	30,000	23,697	6,303
Total Street Repairs and Maintenance	1,498,050	1,498,050	1,437,709	60,341
Vehicle Maintenance:				
Salaries and Wages	444,504	444,504	421,058	23,446
Fringe Benefits	186,229	186,229	167,493	18,736
Materials and Supplies	48,000	42,495	41,525	970
Purchased Services	171,542	187,047	187,047	0
Capital Outlay	25,000	20,261	20,261	0
Total Vehicle Maintenance	875,275	880,536	837,384	43,152
Snow and Ice Removal:				
Salaries and Wages	147,500	147,500	127,158	20,342
Fringe Benefits	22,789	22,789	19,606	3,183
Contractual Services	60,000	60,000	30,000	30,000
Materials and Supplies	46,758	46,758	42,110	4,648
Capital Outlay	0	10,000	9,979	21
Total Snow and Ice and Removal	277,047	287,047	228,853	58,194
Total Street Construction, Maintenance, and Repair	2,650,372	2,665,633	2,503,946	161,687
Housing and Community Development:				
Housing and Building Inspection:				
Salaries and Wages	444,725	465,158	432,358	32,800
Fringe Benefits	199,021	209,251	177,508	31,743
Contractual Services	17,500	47,300	27,580	19,720
Materials and Supplies	15,000	15,000	3,068	11,932
Purchased Services	11,776	11,776	3,008	8,768
Other	5,000	177,967	82,266	95,701
Total Housing and Building Inspection	\$693,022	\$926,452	\$725,788	\$200,664

(continued)

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Board of Zoning Appeals:				
Contractual Services	\$5,000	\$5,000	\$2,537	\$2,463
Planning Commission:				
Salaries and Wages	2,500	2,500	2,332	168
Fringe Benefits	386	386	361	25
Contractual Services	7,038	7,038	502	6,536
Total Planning Commission	9,924	9,924	3,195	6,729
Urban Forestry:				
Salaries and Wages	293,728	296,728	286,708	10,020
Fringe Benefits	135,338	136,538	118,874	17,664
Contractual Services	31,500	31,500	9,482	22,018
Materials and Supplies	21,500	21,500	12,662	8,838
Purchased Services	13,500	13,500	9,421	4,079
Total Urban Forestry	495,566	499,766	437,147	62,619
Total Housing and Community Development	1,203,512	1,441,142	1,168,667	272,475
Basic Utility Services:				
Service Department:				
Salaries and Wages	333,767	333,767	324,988	8,779
Fringe Benefits	149,337	149,337	134,532	14,805
Contractual Services	6,160	6,160	1,933	4,227
Materials and Supplies	26,079	26,079	18,492	7,587
Purchased Services	12,000	12,000	11,466	534
Capital Outlay	216,273	215,716	215,716	0
Total Service Department	743,616	743,059	707,127	35,932
Solid Waste and Recycling:				
Salaries and Wages	492,219	492,219	487,689	4,530
Fringe Benefits	183,811	183,811	144,718	39,093
Contractual Services	398,329	398,329	373,265	25,064
Materials and Supplies	5,896	5,831	5,220	611
Purchased Services	47,500	47,565	47,565	0
Capital Outlay	0	77,772	77,772	0
Total Solid Waste and Recycling	1,127,755	1,205,527	1,136,229	69,298
Storm Sewers and Drains:				
Salaries and Wages	91,000	86,768	40,644	46,124
Fringe Benefits	14,060	13,424	6,271	7,153
Materials and Supplies	10,000	10,000	1,778	8,222
Purchased Services	25,000	25,000	16,330	8,670
Total Storm Sewers and Drains	\$140,060	\$135,192	\$65,023	\$70,169

(continued)

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Leaf Program:				
Salaries and Wages	\$60,914	\$65,146	\$65,146	\$0
Fringe Benefits	9,411	10,047	10,047	0
Contractual Services	65,375	65,375	49,220	16,155
Purchased Services	18,000	18,000	10,110	7,890
Total Leaf Program	153,700	158,568	134,523	24,045
Total Basic Utility Services	2,165,131	2,242,346	2,042,902	199,444
Debt Service:				
Principal Retirement	4,412	4,412	4,412	0
Interest	1,281	1,281	1,281	0
Total Debt Service	5,693	5,693	5,693	0
<i>Total Expenditures</i>	<i>22,774,913</i>	<i>26,246,919</i>	<i>22,843,098</i>	<i>3,403,821</i>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>(1,859,022)</i>	<i>(1,268,649)</i>	<i>3,351,762</i>	<i>4,620,411</i>
Other Financing Sources (Uses)				
Sale of Capital Assets	5,000	5,000	3,311	(1,689)
Advances In	300,000	300,000	300,000	0
Advances Out	(340,000)	(2,579,898)	(2,579,898)	0
Transfers Out	(1,891,000)	(7,468,291)	(7,468,291)	0
<i>Total Other Financing Sources (Uses)</i>	<i>(1,926,000)</i>	<i>(9,743,189)</i>	<i>(9,744,878)</i>	<i>(1,689)</i>
<i>Net Change in Fund Balance</i>	<i>(3,785,022)</i>	<i>(11,011,838)</i>	<i>(6,393,116)</i>	<i>4,618,722</i>
<i>Fund Balance Beginning of Year</i>	<i>17,866,076</i>	<i>17,866,076</i>	<i>17,866,076</i>	<i>0</i>
Prior Year Encumbrances Appropriated	476,733	476,733	476,733	0
Fund Balance End of Year	\$14,557,787	\$7,330,971	\$11,949,693	\$4,618,722

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Department Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Property Taxes	\$2,312,238	\$2,312,238	\$2,342,570	\$30,332
Intergovernmental	277,469	277,469	291,502	14,033
Investment Earnings and Other Interest	15,000	15,000	22,864	7,864
Miscellaneous	1,302	1,302	1,845	543
<i>Total Revenues</i>	<u>2,606,009</u>	<u>2,606,009</u>	<u>2,658,781</u>	<u>52,772</u>
Expenditures				
Current:				
Public Safety:				
Fire:				
Salaries and Wages	1,952,660	1,952,660	1,896,587	56,073
Fringe Benefits	860,430	860,430	803,996	56,434
Contractual Services	20,540	20,540	18,593	1,947
Materials and Supplies	54,673	54,673	46,558	8,115
Purchased Services	112,863	112,863	84,726	28,137
<i>Total Expenditures</i>	<u>3,001,166</u>	<u>3,001,166</u>	<u>2,850,460</u>	<u>150,706</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(395,157)</u>	<u>(395,157)</u>	<u>(191,679)</u>	<u>203,478</u>
Other Financing Sources				
Sale of Capital Assets	500	500	481	(19)
Transfers In	421,000	421,000	421,000	0
<i>Total Other Financing Sources</i>	<u>421,500</u>	<u>421,500</u>	<u>421,481</u>	<u>(19)</u>
<i>Net Change in Fund Balance</i>	26,343	26,343	229,802	203,459
<i>Fund Balance Beginning of Year</i>	1,320,993	1,320,993	1,320,993	0
Prior Year Encumbrances Appropriated	26,474	26,474	26,474	0
<i>Fund Balance End of Year</i>	<u>\$1,373,810</u>	<u>\$1,373,810</u>	<u>\$1,577,269</u>	<u>\$203,459</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Obligation Bond Retirement Fund
For the Year Ended December 31, 2022*

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Debt Service:				
Principal Retirement	1,688,056	14,130,000	14,130,000	0
Interest	784,105	1,032,627	1,032,625	2
Issuance Costs	260,000	475,453	263,778	211,675
<i>Total Expenditures</i>	<u>2,732,161</u>	<u>15,638,080</u>	<u>15,426,403</u>	<u>211,677</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(2,732,161)</u>	<u>(15,638,080)</u>	<u>(15,426,403)</u>	<u>211,677</u>
Other Financing Sources				
Premium on Bond Anticipation Notes Issued	0	44,454	44,454	0
General Obligation Bonds Issued	0	11,855,000	11,855,000	0
Premium on General Obligation Bonds Issued	260,000	1,299,553	1,084,006	(215,547)
Transfers In	2,472,160	2,327,466	2,327,466	0
<i>Total Other Financing Sources</i>	<u>2,732,160</u>	<u>15,526,473</u>	<u>15,310,926</u>	<u>(215,547)</u>
<i>Net Change in Fund Balance</i>	(1)	(111,607)	(115,477)	(3,870)
<i>Fund Balance Beginning of Year</i>	<u>803,861</u>	<u>803,861</u>	<u>803,861</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$803,860</u></u>	<u><u>\$692,254</u></u>	<u><u>\$688,384</u></u>	<u><u>(\$3,870)</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Municipal Improvement Fund
For the Year Ended December 31, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Municipal Income Taxes	\$960,000	\$960,000	\$960,000	\$0
Intergovernmental	15,271,096	6,494,764	662,242	(5,832,522)
Special Assessments	6,631	6,631	7,260	629
Investment Earnings and Other Interest	18,000	18,000	112,121	94,121
Contributions and Donations	0	0	10,943	10,943
Miscellaneous	1,000	1,000	487,389	486,389
<i>Total Revenues</i>	<u>16,256,727</u>	<u>7,480,395</u>	<u>2,239,955</u>	<u>(5,240,440)</u>
Expenditures				
Capital Outlay:				
Purchased Services	400	400	72	328
Capital Outlay	23,428,512	19,423,543	14,811,856	4,611,687
<i>Total Capital Outlay</i>	<u>23,428,912</u>	<u>19,423,943</u>	<u>14,811,928</u>	<u>4,612,015</u>
Debt Service:				
Principal Retirement	4,110,000	0	0	0
Interest	39,160	0	0	0
<i>Total Debt Service</i>	<u>4,149,160</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Expenditures</i>	<u>27,578,072</u>	<u>19,423,943</u>	<u>14,811,928</u>	<u>4,612,015</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(11,321,345)</u>	<u>(11,943,548)</u>	<u>(12,571,973)</u>	<u>(628,425)</u>
Other Financing Sources (Uses)				
Bonds Issued	4,110,000	0	0	0
Loans Issued	750,000	0	0	0
Bond Anticipation Notes Issued	10,800,000	10,500,000	9,750,000	(750,000)
Advances In	300,000	2,539,898	2,539,898	0
Advances Out	(300,000)	(300,000)	(300,000)	0
Transfers In	0	4,146,568	4,146,568	0
Transfers Out	(764,878)	(700,989)	(700,989)	0
<i>Total Other Financing Sources (Uses)</i>	<u>14,895,122</u>	<u>16,185,477</u>	<u>15,435,477</u>	<u>(750,000)</u>
<i>Net Change in Fund Balance</i>	3,573,777	4,241,929	2,863,504	(1,378,425)
<i>Fund Balance Beginning of Year</i>	443,051	443,051	443,051	0
<i>Prior Year Encumbrances Appropriated</i>	<u>720,065</u>	<u>720,065</u>	<u>720,065</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$4,736,893</u>	<u>\$5,405,045</u>	<u>\$4,026,620</u>	<u>(\$1,378,425)</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Buildings and Improvements Fund
For the Year Ended December 31, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Municipal Income Taxes	\$1,700,004	\$1,700,004	\$1,700,004	\$0
Intergovernmental	0	0	43,885	43,885
Investment Earnings and Other Interest	10,000	10,000	22,276	12,276
Miscellaneous	0	0	7,400	7,400
<i>Total Revenues</i>	1,710,004	1,710,004	1,773,565	63,561
Expenditures				
Capital Outlay:				
Capital Outlay	1,207,249	1,207,249	621,823	585,426
<i>Excess of Revenues Over Expenditures</i>	502,755	502,755	1,151,742	648,987
Other Financing Uses				
Transfers Out	(943,837)	(943,837)	(943,837)	0
<i>Net Change in Fund Balance</i>	(441,082)	(441,082)	207,905	648,987
<i>Fund Balance Beginning of Year</i>	1,221,649	1,221,649	1,221,649	0
Prior Year Encumbrances Appropriated	275,049	275,049	275,049	0
<i>Fund Balance End of Year</i>	\$1,055,616	\$1,055,616	\$1,704,603	\$648,987

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Road Improvements Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Municipal Income Taxes	\$360,000	\$360,000	\$360,000	\$0
Intergovernmental	18,279	18,279	16,785	(1,494)
Investment Earnings and Other Interest	4,000	4,000	15,499	11,499
<i>Total Revenues</i>	382,279	382,279	392,284	10,005
Expenditures				
Capital Outlay:				
Purchased Services	382,000	468,000	217,877	250,123
<i>Excess of Revenues Over (Under) Expenditures</i>	279	(85,721)	174,407	260,128
Other Financing Sources				
Transfers In	0	1,427,878	1,430,722	2,844
<i>Net Change in Fund Balance</i>	279	1,342,157	1,605,129	262,972
<i>Fund Balance Beginning of Year</i>	352,050	352,050	352,050	0
<i>Fund Balance End of Year</i>	\$352,329	\$1,694,207	\$1,957,179	\$262,972

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Motor Vehicle License Tax Fund
For the Year Ended December 31, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Intergovernmental	\$37,281	\$37,281	\$38,289	\$1,008
Investment Earnings and Other Interest	500	500	1,217	717
<i>Total Revenues</i>	37,781	37,781	39,506	1,725
Expenditures				
Current:				
Street Construction, Maintenance, and Repair:				
Street Repair and Maintenance:				
Capital Outlay	42,350	67,350	11,800	55,550
<i>Net Change in Fund Balance</i>	(4,569)	(29,569)	27,706	57,275
<i>Fund Balance Beginning of Year</i>	73,789	73,789	73,789	0
Prior Year Encumbrances Appropriated	350	350	350	0
<i>Fund Balance End of Year</i>	\$69,570	\$44,570	\$101,845	\$57,275

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Repair and Maintenance Fund
For the Year Ended December 31, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Intergovernmental	\$849,113	\$849,113	\$871,241	\$22,128
Investment Earnings and Other Interest	5,000	5,000	7,568	2,568
Miscellaneous	0	0	583	583
<i>Total Revenues</i>	<u>854,113</u>	<u>854,113</u>	<u>879,392</u>	<u>25,279</u>
Expenditures				
Current:				
Street Construction, Maintenance, and Repair:				
Snow and Ice Removal:				
Purchased Services	894,865	1,115,865	1,048,972	66,893
Capital Outlay	65,621	65,621	65,621	0
<i>Total Expenditures</i>	<u>960,486</u>	<u>1,181,486</u>	<u>1,114,593</u>	<u>66,893</u>
<i>Net Change in Fund Balance</i>	(106,373)	(327,373)	(235,201)	92,172
<i>Fund Balance Beginning of Year</i>	701,688	701,688	701,688	0
Prior Year Encumbrances Appropriated	106,486	106,486	106,486	0
<i>Fund Balance End of Year</i>	<u><u>\$701,801</u></u>	<u><u>\$480,801</u></u>	<u><u>\$572,973</u></u>	<u><u>\$92,172</u></u>

City of Brecksville, 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, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Intergovernmental	\$62,000	\$62,000	\$68,059	\$6,059
Investment Earnings and Other Interest	2,000	2,000	3,026	1,026
<i>Total Revenues</i>	64,000	64,000	71,085	7,085
Expenditures				
Current:				
Street Construction, Maintenance, and Repair:				
Route 21 Center Strip:				
Purchased Services	75,000	157,000	70,000	87,000
<i>Net Change in Fund Balance</i>	(11,000)	(93,000)	1,085	94,085
<i>Fund Balance Beginning of Year</i>	186,501	186,501	186,501	0
<i>Fund Balance End of Year</i>	\$175,501	\$93,501	\$187,586	\$94,085

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Center Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Charges for Services	\$1,084,600	\$1,086,600	\$1,234,966	\$148,366
Licenses and Permits	15,000	15,000	12,236	(2,764)
Intergovernmental	0	75,000	12,000	(63,000)
Investment Earnings and Other Interest	9,000	9,000	10,814	1,814
Contributions and Donations	14,600	14,600	20,555	5,955
Rentals	59,500	59,500	59,181	(319)
Miscellaneous	9,876	9,876	8,716	(1,160)
<i>Total Revenues</i>	<u>1,192,576</u>	<u>1,269,576</u>	<u>1,358,468</u>	<u>88,892</u>
Expenditures				
Current:				
Recreational Activities:				
Community Center:				
Salaries and Wages	1,387,288	1,386,288	1,212,890	173,398
Fringe Benefits	462,095	462,095	383,305	78,790
Contractual Services	192,930	195,215	153,200	42,015
Materials and Supplies	214,934	216,749	206,014	10,735
Purchased Services	383,253	405,398	380,892	24,506
Capital Outlay	75,982	180,982	172,307	8,675
Other	44,800	49,267	49,267	0
<i>Total Expenditures</i>	<u>2,761,282</u>	<u>2,895,994</u>	<u>2,557,875</u>	<u>338,119</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,568,706)</u>	<u>(1,626,418)</u>	<u>(1,199,407)</u>	<u>427,011</u>
Other Financing Sources				
Sale of Capital Assets	0	0	1,227	1,227
Transfers In	1,170,000	1,170,000	1,170,000	0
<i>Total Other Financing Sources</i>	<u>1,170,000</u>	<u>1,170,000</u>	<u>1,171,227</u>	<u>1,227</u>
<i>Net Change in Fund Balance</i>	(398,706)	(456,418)	(28,180)	428,238
<i>Fund Balance Beginning of Year</i>	784,565	784,565	784,565	0
Prior Year Encumbrances Appropriated	35,386	35,386	35,386	0
<i>Fund Balance End of Year</i>	<u>\$421,245</u>	<u>\$363,533</u>	<u>\$791,771</u>	<u>\$428,238</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Road Maintenance Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Property Taxes	\$680,070	\$680,070	\$688,992	\$8,922
Intergovernmental	81,609	81,609	85,383	3,774
Investment Earnings and Other Interest	5,000	5,000	4,900	(100)
<i>Total Revenues</i>	<u>766,679</u>	<u>766,679</u>	<u>779,275</u>	<u>12,596</u>
Expenditures				
Current:				
Street Construction, Maintenance, and Repair:				
Street Repair and Maintenance:				
Contractual Services	0	49	49	0
Capital Outlay	672,000	802,741	765,886	36,855
<i>Total Expenditures</i>	<u>672,000</u>	<u>802,790</u>	<u>765,935</u>	<u>36,855</u>
<i>Net Change in Fund Balance</i>	94,679	(36,111)	13,340	49,451
<i>Fund Balance Beginning of Year</i>	<u>314,387</u>	<u>314,387</u>	<u>314,387</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$409,066</u></u>	<u><u>\$278,276</u></u>	<u><u>\$327,727</u></u>	<u><u>\$49,451</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Federal Equitable Sharing Fund
For the Year Ended December 31, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Investment Earnings and Other Interest	\$300	\$300	\$245	(\$55)
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Materials and Supplies	7,000	7,000	0	7,000
<i>Net Change in Fund Balance</i>	(6,700)	(6,700)	245	6,945
<i>Fund Balance Beginning of Year</i>	18,750	18,750	18,750	0
<i>Fund Balance End of Year</i>	\$12,050	\$12,050	\$18,995	\$6,945

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Enforcement and Education Fund
For the Year Ended December 31, 2022*

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Fines, Forfeitures, and Settlements	\$1,000	\$1,000	\$200	(\$800)
Intergovernmental	2,400	2,400	0	(2,400)
Investment Earnings and Other Interest	440	440	405	(35)
<i>Total Revenues</i>	<u>3,840</u>	<u>3,840</u>	<u>605</u>	<u>(3,235)</u>
Expenditures				
Current:				
Public Safety:				
Police:				
Salaries and Wages	1,600	1,600	0	1,600
Fringe Benefits	335	335	0	335
Materials and Supplies	5,600	5,600	0	5,600
Purchased Services	1,500	1,500	0	1,500
<i>Total Expenditures</i>	<u>9,035</u>	<u>9,035</u>	<u>0</u>	<u>9,035</u>
<i>Net Change in Fund Balance</i>	(5,195)	(5,195)	605	5,800
<i>Fund Balance Beginning of Year</i>	<u>30,854</u>	<u>30,854</u>	<u>30,854</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$25,659</u></u>	<u><u>\$25,659</u></u>	<u><u>\$31,459</u></u>	<u><u>\$5,800</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Computerization Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Fines, Forfeitures, and Settlements	\$6,000	\$6,000	\$5,640	(\$360)
Investment Earnings and Other Interest	1,700	1,700	1,938	238
<i>Total Revenues</i>	<u>7,700</u>	<u>7,700</u>	<u>7,578</u>	<u>(122)</u>
Expenditures				
Current:				
General Government:				
Judicial System:				
Materials and Supplies	5,349	6,194	4,797	1,397
Purchased Services	2,700	2,700	336	2,364
<i>Total Expenditures</i>	<u>8,049</u>	<u>8,894</u>	<u>5,133</u>	<u>3,761</u>
<i>Net Change in Fund Balance</i>	(349)	(1,194)	2,445	3,639
<i>Fund Balance Beginning of Year</i>	149,467	149,467	149,467	0
Prior Year Encumbrances Appropriated	349	349	349	0
<i>Fund Balance End of Year</i>	<u><u>\$149,467</u></u>	<u><u>\$148,622</u></u>	<u><u>\$152,261</u></u>	<u><u>\$3,639</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Natureworks Grants Fund
For the Year Ended December 31, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues	\$0	\$0	\$0	\$0
Expenditures	0	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	950	950	950	0
<i>Fund Balance End of Year</i>	<u>\$950</u>	<u>\$950</u>	<u>\$950</u>	<u>\$0</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recycling Demo Fund
For the Year Ended December 31, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Intergovernmental	\$6,000	\$6,000	\$5,773	(\$227)
Investment Earnings and Other Interest	50	50	45	(5)
<i>Total Revenues</i>	6,050	6,050	5,818	(232)
Expenditures				
Current:				
Basic Utility Services:				
Rubbish Recycling:				
Materials and Supplies	6,000	6,000	5,766	234
<i>Net Change in Fund Balance</i>	50	50	52	2
<i>Fund Balance Beginning of Year</i>	6,150	6,150	6,150	0
<i>Fund Balance End of Year</i>	\$6,200	\$6,200	\$6,202	\$2

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Tree Planting Fund
For the Year Ended December 31, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Licenses and Permits	\$15,000	\$15,000	\$29,700	\$14,700
Intergovernmental	0	27,608	0	(27,608)
<i>Total Revenues</i>	15,000	42,608	29,700	(12,908)
Expenditures				
Current:				
Housing and Community Development:				
Tree Planning:				
Materials and Supplies	35,000	71,300	27,913	43,387
<i>Net Change in Fund Balance</i>	(20,000)	(28,692)	1,787	(30,479)
<i>Fund Balance Beginning of Year</i>	102,504	102,504	102,504	0
<i>Fund Balance End of Year</i>	\$82,504	\$73,812	\$104,291	(\$30,479)

City of Brecksville, 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, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Fines, Forfeitures, and Settlements	\$5,000	\$5,000	\$329	(\$4,671)
Investment Earnings and Other Interest	1,500	1,500	968	(532)
<i>Total Revenues</i>	6,500	6,500	1,297	(5,203)
Expenditures				
Current:				
Public Safety:				
Police:				
Materials and Supplies	22,000	22,000	12,800	9,200
<i>Net Change in Fund Balance</i>	(15,500)	(15,500)	(11,503)	3,997
<i>Fund Balance Beginning of Year</i>	85,906	85,906	85,906	0
<i>Fund Balance End of Year</i>	\$70,406	\$70,406	\$74,403	\$3,997

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Mandatory Drug Fund
For the Year Ended December 31, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Investment Earnings and Other Interest	\$500	\$500	\$559	\$59
Expenditures	0	0	0	0
<i>Net Change in Fund Balance</i>	500	500	559	59
<i>Fund Balance Beginning of Year</i>	42,903	42,903	42,903	0
<i>Fund Balance End of Year</i>	<u>\$43,403</u>	<u>\$43,403</u>	<u>\$43,462</u>	<u>\$59</u>

City of Brecksville, 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, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Property Taxes	\$204,021	\$204,021	\$206,699	\$2,678
Intergovernmental	24,483	24,483	25,615	1,132
<i>Total Revenues</i>	<u>228,504</u>	<u>228,504</u>	<u>232,314</u>	<u>3,810</u>
Expenditures				
Current:				
Public Safety:				
Police:				
Fringe Benefits	165,000	165,000	165,000	0
Contractual Services	0	15	15	0
<i>Total Expenditures</i>	<u>165,000</u>	<u>165,015</u>	<u>165,015</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	63,504	63,489	67,299	3,810
<i>Fund Balance Beginning of Year</i>	<u>297,493</u>	<u>297,493</u>	<u>297,493</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$360,997</u></u>	<u><u>\$360,982</u></u>	<u><u>\$364,792</u></u>	<u><u>\$3,810</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Peace Officer Training Fund
For the Year Ended December 31, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Public Safety:				
Police:				
Purchased Services	5,000	10,243	2,920	7,323
<i>Net Change in Fund Balance</i>	(5,000)	(10,243)	(2,920)	7,323
<i>Fund Balance Beginning of Year</i>	10,243	10,243	10,243	0
<i>Fund Balance End of Year</i>	<u>\$5,243</u>	<u>\$0</u>	<u>\$7,323</u>	<u>\$7,323</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Local Fiscal Recovery Fund
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Intergovernmental	\$715,361	\$718,206	\$718,206	\$0
Expenditures				
Current:				
Public Safety:				
Police:				
Salaries and Wages	1,183,499	1,187,771	1,187,771	0
Fringe Benefits	244,379	242,952	242,952	0
<i>Net Change in Fund Balance</i>	(712,517)	(712,517)	(712,517)	0
<i>Fund Balance Beginning of Year</i>	712,517	712,517	712,517	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
OneOhio Opioid Settlement Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Fines, Forfeitures, and Settlements	\$0	\$0	\$2,083	\$2,083
Expenditures	0	0	0	0
<i>Net Change in Fund Balance</i>	0	0	2,083	2,083
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$2,083	\$2,083

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Assessment Bond Retirement Fund
For the Year Ended December 31, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Special Assessments	\$251,328	\$251,328	\$251,988	\$660
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Purchased Services	7,000	7,000	2,451	4,549
Debt Service:				
Principal Retirement	277,000	277,000	277,000	0
Interest	32,916	32,916	32,916	0
Total Debt Service	309,916	309,916	309,916	0
<i>Total Expenditures</i>	316,916	316,916	312,367	4,549
<i>Excess of Revenues Under Expenditures</i>	(65,588)	(65,588)	(60,379)	5,209
Other Financing Sources				
Advances In	40,000	40,000	40,000	0
<i>Net Change in Fund Balance</i>	(25,588)	(25,588)	(20,379)	5,209
<i>Fund Balance Beginning of Year</i>	34,358	34,358	34,358	0
<i>Fund Balance End of Year</i>	\$8,770	\$8,770	\$13,979	\$5,209

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Issue II Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Investment Earnings and Other Interest	\$3,000	\$3,000	\$3,241	\$241
Expenditures				
Capital Outlay:				
Contractual Services	3,000	3,000	0	3,000
Debt Service:				
Principal Retirement	31,157	31,157	31,155	2
<i>Total Expenditures</i>	<u>34,157</u>	<u>34,157</u>	<u>31,155</u>	<u>3,002</u>
<i>Excess of Revenues Under Expenditures</i>	(31,157)	(31,157)	(27,914)	3,243
Other Financing Sources				
Transfers In	31,157	31,157	31,157	0
<i>Net Change in Fund Balance</i>	0	0	3,243	3,243
<i>Fund Balance Beginning of Year</i>	<u>238,945</u>	<u>238,945</u>	<u>238,945</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$238,945</u></u>	<u><u>\$238,945</u></u>	<u><u>\$242,188</u></u>	<u><u>\$3,243</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Expansion Fund
For the Year Ended December 31, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Licenses and Permits	\$44,000	\$44,000	\$70,174	\$26,174
Investment Earnings and Other Interest	900	900	1,312	412
<i>Total Revenues</i>	<u>44,900</u>	<u>44,900</u>	<u>71,486</u>	<u>26,586</u>
Expenditures				
Capital Outlay:				
Materials and Supplies	10,980	10,980	10,870	110
Capital Outlay	93,755	93,755	90,208	3,547
Other	800	800	72	728
<i>Total Expenditures</i>	<u>105,535</u>	<u>105,535</u>	<u>101,150</u>	<u>4,385</u>
<i>Net Change in Fund Balance</i>	(60,635)	(60,635)	(29,664)	30,971
<i>Fund Balance Beginning of Year</i>	52,227	52,227	52,227	0
Prior Year Encumbrances Appropriated	<u>58,385</u>	<u>58,385</u>	<u>58,385</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$49,977</u></u>	<u><u>\$49,977</u></u>	<u><u>\$80,948</u></u>	<u><u>\$30,971</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Public Utility Improvement Fund
For the Year Ended December 31, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Licenses and Permits	\$97,500	\$97,500	\$62,216	(\$35,284)
Intergovernmental	6,000	6,000	6,000	0
Investment Earnings and Other Interest	2,000	2,000	3,668	1,668
<i>Total Revenues</i>	<u>105,500</u>	<u>105,500</u>	<u>71,884</u>	<u>(33,616)</u>
Expenditures				
Capital Outlay:				
Contractual Services	50,000	50,000	7,275	42,725
Other	2,000	2,000	0	2,000
<i>Total Expenditures</i>	<u>52,000</u>	<u>52,000</u>	<u>7,275</u>	<u>44,725</u>
<i>Net Change in Fund Balance</i>	53,500	53,500	64,609	11,109
<i>Fund Balance Beginning of Year</i>	880,271	880,271	880,271	0
Prior Year Encumbrances Appropriated	6,000	6,000	6,000	0
<i>Fund Balance End of Year</i>	<u><u>\$939,771</u></u>	<u><u>\$939,771</u></u>	<u><u>\$950,880</u></u>	<u><u>\$11,109</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Ambulance Capital Fund
For the Year Ended December 31, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Charges for Services	\$330,000	\$330,000	\$388,530	\$58,530
Investment Earnings and Other Interest	10,000	10,000	15,193	5,193
<i>Total Revenues</i>	<u>340,000</u>	<u>340,000</u>	<u>403,723</u>	<u>63,723</u>
Expenditures				
Capital Outlay:				
Contractual Services	30,000	30,000	29,163	837
Capital Outlay	23,119	23,119	23,119	0
<i>Total Expenditures</i>	<u>53,119</u>	<u>53,119</u>	<u>52,282</u>	<u>837</u>
<i>Net Change in Fund Balance</i>	286,881	286,881	351,441	64,560
<i>Fund Balance Beginning of Year</i>	924,404	924,404	924,404	0
Prior Year Encumbrances Appropriated	<u>23,119</u>	<u>23,119</u>	<u>23,119</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,234,404</u></u>	<u><u>\$1,234,404</u></u>	<u><u>\$1,298,964</u></u>	<u><u>\$64,560</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Station Building Fund
For the Year Ended December 31, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Investment Earnings and Other Interest	\$0	\$0	\$114	\$114
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	0	0	114	114
Other Financing Uses				
Transfers Out	<u>(36,108)</u>	<u>(36,108)</u>	<u>(36,108)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(36,108)	(36,108)	(35,994)	114
<i>Fund Balance Beginning of Year</i>	<u>36,188</u>	<u>36,188</u>	<u>36,188</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$80</u></u>	<u><u>\$80</u></u>	<u><u>\$194</u></u>	<u><u>\$114</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Facilities Expansion Fund
For the Year Ended December 31, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Intergovernmental	\$0	\$25,000	\$33,546	\$8,546
Investment Earnings and Other Interest	1,000	1,000	6,052	5,052
Contributions and Donations	0	20,000	20,000	0
<i>Total Revenues</i>	<u>1,000</u>	<u>46,000</u>	<u>59,598</u>	<u>13,598</u>
Expenditures				
Capital Outlay:				
Capital Outlay	122,734	347,304	343,902	3,402
Debt Service:				
Principal Retirement	8,600,000	0	0	0
Interest	86,000	0	0	0
<i>Total Debt Service</i>	<u>8,686,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Expenditures</i>	<u>8,808,734</u>	<u>347,304</u>	<u>343,902</u>	<u>3,402</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(8,807,734)</u>	<u>(301,304)</u>	<u>(284,304)</u>	<u>10,196</u>
Other Financing Sources (Uses)				
Bond Anticipation Notes Issued	8,600,000	0	0	0
Sale of Capital Assets	0	0	800	800
Transfers In	300,000	300,000	300,000	0
Transfers Out	(758,494)	(677,689)	(677,689)	0
<i>Total Other Financing Sources (Uses)</i>	<u>8,141,506</u>	<u>(377,689)</u>	<u>(376,889)</u>	<u>800</u>
<i>Net Change in Fund Balance</i>	<u>(666,228)</u>	<u>(678,993)</u>	<u>(661,193)</u>	<u>17,800</u>
<i>Fund Balance Beginning of Year</i>	767,600	767,600	767,600	0
Prior Year Encumbrances Appropriated	122,734	122,734	122,734	0
<i>Fund Balance End of Year</i>	<u>\$224,106</u>	<u>\$211,341</u>	<u>\$229,141</u>	<u>\$17,800</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Self Insurance Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Investment Earnings	\$20,000	\$20,000	\$26,969	\$6,969
Miscellaneous	123,496	123,496	220,165	96,669
<i>Total Revenues</i>	143,496	143,496	247,134	103,638
Expenses				
Purchased Services	7,000	7,000	4,149	2,851
Claims	307,000	307,000	8,675	298,325
<i>Total Expenses</i>	314,000	314,000	12,824	301,176
<i>Net Change in Fund Equity</i>	(170,504)	(170,504)	234,310	404,814
<i>Fund Equity Beginning of Year</i>	1,930,212	1,930,212	1,930,212	0
<i>Fund Equity End of Year</i>	\$1,759,708	\$1,759,708	\$2,164,522	\$404,814

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Cemetery Endowment Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Investment Earnings	\$50	\$50	\$44	(\$6)
Expenses				
Materials and Supplies	100	100	0	100
<i>Net Change in Fund Equity</i>	(50)	(50)	44	94
<i>Fund Equity Beginning of Year</i>	3,416	3,416	3,416	0
<i>Fund Equity End of Year</i>	\$3,366	\$3,366	\$3,460	\$94

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Statistical Section

This part of the City of Brecksville, Ohio's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the City's overall financial health.

Contents	Pages(s)
<i>Financial Trends</i>	<i>S2 – S11</i>
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	<i>S12 – S20</i>
These schedules contain information to help the reader assess the City's most significant local revenue, the property tax and the municipal income tax.	
<i>Debt Capacity</i>	<i>S21 – S25</i>
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.	
<i>Demographic and Economic Information</i>	<i>S26 – S31</i>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	
<i>Operating Information</i>	<i>S32 – S35</i>
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

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

	2022	2021 (3)	2020	2019
Governmental Activities				
Net Investment in Capital Assets	\$88,292,505	\$85,063,992	\$83,200,864	\$79,168,430
Restricted:				
Capital Projects	0	0	129,740	231,764
Debt Service	1,042,613	967,569	1,175,556	2,023,439
Community Center	N/A	N/A	N/A	N/A
Court Computerization	146,860	149,816	146,591	143,943
Fire Department	1,435,356	1,205,570	1,052,048	466,590
Police Department	550,580	497,562	618,936	579,771
Road Maintenance	382,759	371,325	441,926	393,517
Street Construction, Maintenance, and Repair	1,370,202	1,575,888	1,035,380	1,147,848
Pension Plans	96,243	76,631	0	0
Other Purposes	115,573	112,073	127,615	120,909
Unrestricted (Deficit)	18,947,361	9,334,019	2,933,760	(3,311,888)
<i>Total Governmental Activities Net Position</i>	<u>\$112,380,052</u>	<u>\$99,354,445</u>	<u>\$90,862,416</u>	<u>\$80,964,323</u>

- (1) The City reported the impact of GASB Statement No. 68 beginning in 2014
(2) The City reported the impact of GASB Statement No. 75 beginning in 2017
(3) The City reported the impact of GASB Statement No. 87 beginning in 2021

2018	2017 (2)	2016	2015	2014 (1)	2013
\$78,737,049	\$65,981,738	\$73,353,987	\$69,946,323	\$74,133,853	\$72,417,114
1,110,602	7,843,753	590,944	900,027	1,420,845	329,701
2,479,039	2,771,399	3,474,178	3,973,179	4,415,231	4,805,954
N/A	N/A	N/A	N/A	N/A	146,894
137,454	174,606	163,287	150,372	242,043	235,719
209,281	254,211	226,751	148,663	177,816	238,486
521,130	509,726	549,496	524,703	480,237	410,660
220,836	174,144	234,283	218,201	245,463	215,326
806,269	700,642	639,465	731,322	872,497	1,015,590
0	0	0	0	0	0
124,487	122,269	172,873	176,243	159,198	37,646
(13,354,556)	(7,158,140)	3,808,154	2,295,237	654,223	16,694,528
<u>\$70,991,591</u>	<u>\$71,374,348</u>	<u>\$83,213,418</u>	<u>\$79,064,270</u>	<u>\$82,801,406</u>	<u>\$96,547,618</u>

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

	2022	2021	2020	2019
Program Revenues				
Governmental Activities:				
Charges for Services and Operating Assessments:				
General Government:				
Legislative and Executive	\$806,413	\$4,059,446	\$319,617	\$551,325
Judicial System	176,350	146,018	131,371	240,670
Public Safety:				
Police	4,462	5,389	3,837	7,885
Fire	481,181	358,836	251,482	310,041
Public Health and Social Services	88,779	85,220	65,481	80,350
Street Construction, Maintenance, and Repair	6,293	6,235	6,162	6,391
Housing and Community Development	287,492	214,773	208,004	202,895
Basic Utility Services	83,920	79,923	201,093	136,565
Recreational Activities	1,376,557	981,306	655,860	1,079,178
Subtotal - Charges for Services and Operating Assessments	<u>3,311,447</u>	<u>5,937,146</u>	<u>1,842,907</u>	<u>2,615,300</u>
Operating Grants and Contributions:				
General Government:				
Legislative and Executive	35,883	15,713	220,492	650
Judicial System	0	0	2,090	0
Public Safety:				
Police	1,591,356	88,002	71,942	38,606
Fire	309,099	254,824	516,173	276,465
Public Health and Social Services	37,651	28,754	98,643	18,694
Street Construction, Maintenance, and Repair	1,062,102	1,245,588	911,220	985,832
Housing and Community Development	25,000	0	14,431	0
Basic Utility Services	23,717	6,000	32,882	2,667
Recreational Activities	106,055	8,713	39,483	12,323
Subtotal - Operating Grants and Contributions	<u>3,190,863</u>	<u>1,647,594</u>	<u>1,907,356</u>	<u>1,335,237</u>
Capital Grants and Contributions:				
General Government				
Legislative and Executive	2,951,396	43,688	5,472,832	0
Public Safety:				
Fire	0	0	0	0
Public Health and Social Services	0	0	0	0
Street Construction, Maintenance, and Repair	16,785	0	930,000	0
Housing and Community Development	335,609	0	0	0
Basic Utility Services	4,382,224	3,693,560	9,467	1,287,054
Recreational Activities	49,637	0	0	0
Subtotal - Capital Grants and Contributions	<u>7,735,651</u>	<u>3,737,248</u>	<u>6,412,299</u>	<u>1,287,054</u>
<i>Total Governmental Program Revenues</i>	<u>\$14,237,961</u>	<u>\$11,321,988</u>	<u>\$10,162,562</u>	<u>\$5,237,591</u>

2018	2017	2016	2015	2014	2013
\$354,788	\$276,352	\$344,701	\$359,173	\$354,858	\$840,125
19,135	16,699	19,564	17,080	18,808	20,172
266,786	227,076	227,804	206,834	333,532	211,069
285,673	291,958	291,535	284,088	234,018	250,218
52,722	46,885	49,812	46,217	44,774	39,658
106,521	91,515	100,066	93,240	95,899	94,951
71,849	52,589	63,540	55,154	43,901	37,370
255,642	174,702	171,080	130,548	117,458	106,846
1,064,322	1,079,413	1,150,592	995,080	994,881	945,844
<u>2,477,438</u>	<u>2,257,189</u>	<u>2,418,694</u>	<u>2,187,414</u>	<u>2,238,129</u>	<u>2,546,253</u>
4,171	5,030	3,834	5,988	200,435	10,319
94	105	81	115	1,737	1,327
26,125	44,717	27,355	32,454	29,374	32,227
228,981	228,960	230,305	228,841	244,241	231,789
726	826	606	941	727	1,604
726,372	745,911	749,205	763,645	805,157	1,067,022
641	25,643	525	791	25,154	8,917
6,158	4,737	30,886	5,771	6,571	8,198
9,474	10,402	10,844	4,940	14,615	6,557
<u>1,002,742</u>	<u>1,066,331</u>	<u>1,053,641</u>	<u>1,043,486</u>	<u>1,328,011</u>	<u>1,367,960</u>
4,450,772	0	0	0	4,740	0
114,636	224,133	0	0	0	0
1,079	0	0	0	0	0
229,787	1,259,818	0	0	0	0
0	0	0	0	0	0
96,438	110,805	1,271,409	2,194,237	1,682,114	735,758
0	0	0	13,500	0	0
<u>4,892,712</u>	<u>1,594,756</u>	<u>1,271,409</u>	<u>2,207,737</u>	<u>1,686,854</u>	<u>735,758</u>
<u>\$8,372,892</u>	<u>\$4,918,276</u>	<u>\$4,743,744</u>	<u>\$5,438,637</u>	<u>\$5,252,994</u>	<u>\$4,649,971</u>

(continued)

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

	2022	2021	2020	2019
Expenses				
Governmental Activities:				
General Government:				
Legislative and Executive	\$8,212,504	\$8,941,766	\$8,989,300	\$8,736,365
Judicial System	89,182	62,931	168,915	206,352
Public Safety:				
Police	5,317,879	5,196,435	5,232,665	1,543,413
Fire	3,115,344	3,065,057	3,296,619	376,008
Public Health and Social Services	1,085,248	839,300	1,192,513	1,435,281
Street Construction, Maintenance, and Repair	4,087,210	3,603,878	4,421,862	4,871,513
Housing and Community Development	901,426	496,099	938,557	1,334,087
Basic Utility Services	2,229,433	1,443,134	2,826,513	2,669,147
Recreational Activities	2,047,004	5,984,955	1,600,150	2,485,063
Interest	1,253,730	686,090	917,419	629,735
<i>Total Governmental Activities Expenses</i>	<u>28,338,960</u>	<u>30,319,645</u>	<u>29,584,513</u>	<u>24,286,964</u>
Net (Expense)/Revenue				
Governmental Activities	<u>(14,100,999)</u>	<u>(18,997,657)</u>	<u>(19,421,951)</u>	<u>(19,049,373)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	2,433,794	2,133,425	2,096,864	2,123,999
Fire Department	2,357,515	2,066,553	2,031,160	2,034,107
Road Maintenance	693,388	607,795	597,386	598,266
Police Department	208,016	182,355	179,226	179,466
Municipal Income Taxes levied for:				
General Purposes	17,764,785	18,423,832	17,220,272	18,419,954
Capital Outlay	2,836,670	3,020,004	3,020,004	2,220,004
Grants and Entitlements not Restricted to				
Specific Programs	539,245	558,923	1,615,802	1,224,575
Unrestricted Contributions and Donations	250,000	0	0	0
Investment Earnings and Other Interest	(561,260)	(90,398)	607,016	684,761
Gain on Sale of Capital Assets	0	0	0	0
Miscellaneous	604,453	587,197	1,952,314	1,412,508
<i>Total Governmental Activities General Revenues</i>	<u>27,126,606</u>	<u>27,489,686</u>	<u>29,320,044</u>	<u>28,897,640</u>
Special Item	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Change in Net Position				
Governmental Activities	<u>\$13,025,607</u>	<u>\$8,492,029</u>	<u>\$9,898,093</u>	<u>\$9,848,267</u>

2018	2017	2016	2015	2014	2013
\$11,336,784	\$6,962,354	\$6,569,538	\$6,025,851	\$5,586,065	\$5,483,124
212,850	160,528	139,516	222,456	129,098	97,176
6,725,624	5,487,502	5,028,825	4,511,969	4,372,780	4,630,560
3,400,741	2,842,061	2,761,668	2,646,098	2,557,376	2,305,771
1,350,715	1,345,241	1,206,467	1,608,683	992,430	1,088,378
4,615,122	4,212,835	3,860,763	3,642,128	4,323,479	4,652,589
1,121,780	1,139,785	852,380	796,624	848,261	795,200
2,620,164	2,799,212	2,260,630	2,242,264	2,402,003	2,044,860
2,521,106	2,362,129	2,173,693	2,430,087	2,137,156	2,129,059
535,387	388,089	297,563	297,843	419,654	400,314
34,440,273	27,699,736	25,151,043	24,424,003	23,768,302	23,627,031
(26,067,381)	(22,781,460)	(20,407,299)	(18,985,366)	(18,515,308)	(18,977,060)
1,853,125	1,880,670	1,791,350	1,687,653	1,811,854	1,806,589
1,795,019	1,821,727	1,735,188	1,634,162	1,755,072	1,749,910
527,936	535,794	510,360	480,721	516,198	514,678
158,398	160,760	153,115	144,202	154,859	154,253
15,447,729	15,017,616	16,717,227	13,887,608	12,129,661	13,729,250
2,860,004	2,603,334	2,540,000	2,400,000	2,600,000	2,400,000
411,203	519,469	434,179	592,098	462,912	1,364,858
0	0	0	0	0	0
430,972	286,340	159,788	144,903	74,550	81,848
0	4,383	65,078	0	0	58,756
2,171,702	653,726	450,162	476,450	418,473	1,060,936
25,656,088	23,483,819	24,556,447	21,447,797	19,923,579	22,921,078
0	0	0	(6,199,567)	(2,250,000)	0
(\$411,293)	\$702,359	\$4,149,148	(\$3,737,136)	(\$841,729)	\$3,944,018

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

	2022	2021	2020	2019
General Fund				
Nonspendable	\$724,428	\$509,335	\$573,045	\$608,036
Committed	882,242	201,421	600,337	368,230
Assigned	384,827	4,519,566	2,549,000	6,253
Unassigned	14,393,920	11,894,309	11,929,523	11,493,016
Total General Fund	16,385,417	17,124,631	15,651,905	12,475,535
All Other Governmental Funds				
Nonspendable	124,000	119,334	129,237	110,953
Restricted	6,088,898	4,482,190	3,985,952	3,519,624
Committed	6,095,512	5,165,955	3,466,912	2,484,101
Assigned	1,244,030	3,484,269	5,928,252	5,273,600
Unassigned (Deficit)	(113,869)	0	(1,344,793)	(263,256)
Total All Other Governmental Funds	13,438,571	13,251,748	12,165,560	11,125,022
Total Governmental Funds	<u>\$29,823,988</u>	<u>\$30,376,379</u>	<u>\$27,817,465</u>	<u>\$23,600,557</u>

2018	2017	2016	2015	2014	2013
\$684,633	\$653,650	\$683,505	\$589,306	\$308,324	\$258,918
1,610,988	190,043	169,400	142,318	793,372	145,272
13,472	3,406,744	2,460,460	2,704,811	2,067,087	559,154
7,516,683	5,563,611	6,516,688	5,069,907	5,491,224	8,722,841
9,825,776	9,814,048	9,830,053	8,506,342	8,660,007	9,686,185
146,737	134,448	105,103	107,137	133,664	129,133
2,217,153	8,594,221	2,193,631	2,147,017	2,201,974	2,618,061
2,119,784	3,517,135	3,636,653	3,573,849	2,561,420	2,877,955
2,014,987	1,546,073	713,255	713,353	556,085	729,938
(1,277,509)	0	(1,087,163)	(1,455,542)	0	0
5,221,152	13,791,877	5,561,479	5,085,814	5,453,143	6,355,087
\$15,046,928	\$23,605,925	\$15,391,532	\$13,592,156	\$14,113,150	\$16,041,272

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

	2022	2021	2020	2019
Revenues				
Taxes (1)	\$26,157,566	\$26,692,443	\$25,248,802	\$25,037,902
Charges for Services	1,760,456	1,351,006	877,611	1,367,465
Licenses and Permits	1,174,465	4,228,469	819,752	768,888
Fines, Forfeitures, and Settlements	125,291	149,118	130,210	246,540
Intergovernmental	4,432,904	2,673,669	3,699,199	2,569,884
Special Assessments	259,248	421,098	423,583	433,965
Investment Earnings and Other Interest	(511,446)	(110,286)	578,979	647,535
Contributions and Donations	3,573,719	43,568	5,416,587	54,825
Leases	66,844	0	0	0
Rentals	117,473	191,477	187,333	192,506
Miscellaneous	393,434	1,106,036	1,484,915	1,285,355
<i>Total Revenues</i>	<u>37,549,954</u>	<u>36,746,598</u>	<u>38,866,971</u>	<u>32,604,865</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	8,611,259	10,757,310	7,050,415	7,295,921
Judicial System	135,173	155,994	152,815	158,801
Public Safety:				
Police	5,293,965	4,968,967	5,020,631	5,245,953
Fire	2,862,763	2,733,414	2,658,453	2,666,529
Public Health and Social Services	1,076,468	1,016,856	935,186	1,063,834
Street Construction, Maintenance, and Repair	4,359,975	3,691,565	3,878,055	3,410,558
Housing and Community Development	1,196,471	1,011,654	839,243	1,054,064
Basic Utility Services	1,716,030	2,309,513	1,987,223	1,564,067
Recreational Activities	2,476,026	2,003,323	1,612,350	1,934,197
Capital Outlay	19,824,701	6,307,376	17,849,317	6,740,199
Debt Service:				
Principal Retirement	14,425,567	11,111,155	1,505,578	1,251,767
Interest	1,417,161	870,615	778,235	621,519
Issuance Costs	575,123	73,546	56,977	169,490
<i>Total Expenditures</i>	<u>63,970,682</u>	<u>47,011,288</u>	<u>44,324,478</u>	<u>33,176,899</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(26,420,728)</u>	<u>(10,264,690)</u>	<u>(5,457,507)</u>	<u>(572,034)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	5,689	11,812	4,593	10,027
Gain on Sale of Capital Assets	0	0	0	0
Refunding Bonds Issued	0	0	0	0
General Obligation Bonds Issued	11,855,000	0	0	8,500,000
Tax Increment Financing Revenue Bonds	9,705,000	0	0	0
Bond Anticipation Notes Issued	3,600,000	12,710,000	9,560,000	0
Premium on Issuance of Debt	1,084,006	99,918	109,822	615,636
Discount on Issuance of Debt	(388,200)	0	0	0
Inception of Lease	6,842	0	0	0
Transfers In	9,826,914	4,268,397	4,218,716	3,854,418
Transfers Out	(9,826,914)	(4,268,397)	(4,218,716)	(3,854,418)
<i>Total Other Financing Sources (Uses)</i>	<u>25,868,337</u>	<u>12,821,730</u>	<u>9,674,415</u>	<u>9,125,663</u>
Special Item	0	0	0	0
<i>Net Change in Fund Balances</i>	<u><u>(\$552,391)</u></u>	<u><u>\$2,557,040</u></u>	<u><u>\$4,216,908</u></u>	<u><u>\$8,553,629</u></u>
Debt Service as a Percentage of Noncapital Expenditures	37.2%	27.1%	11.7%	7.2%

(1) Includes All Taxes

2018	2017	2016	2015	2014	2013
\$22,713,757	\$22,875,042	\$22,820,621	\$19,698,588	\$20,648,817	\$19,389,630
1,335,769	1,316,865	1,439,170	1,279,220	1,272,274	1,278,936
574,510	497,995	479,977	441,223	342,268	309,326
285,373	227,119	261,776	253,729	368,109	299,141
1,831,409	2,763,597	2,737,344	4,106,032	3,138,374	4,035,155
440,629	477,980	499,052	459,522	510,313	949,306
394,589	264,667	141,358	130,922	64,798	75,100
21,287	23,989	21,036	20,482	208,943	6,759
0	0	0	0	0	0
195,911	164,758	172,849	137,112	190,031	67,596
2,065,459	524,561	332,601	357,138	321,424	958,110
29,858,693	29,136,573	28,905,784	26,883,968	27,065,351	27,369,059
6,187,449	5,909,340	6,253,951	5,941,020	5,658,375	5,704,562
194,178	139,126	131,893	220,781	123,991	93,327
5,438,717	5,045,643	4,544,489	4,210,229	4,285,136	4,638,749
2,594,276	2,531,150	2,405,316	2,375,886	2,379,842	2,195,067
1,071,758	1,076,825	987,931	949,909	857,569	886,624
3,334,437	3,218,196	3,192,590	3,214,009	3,225,278	3,670,149
968,608	963,735	894,594	812,040	808,555	795,612
1,692,068	1,906,348	2,048,023	1,911,114	1,809,942	1,759,741
1,926,370	1,892,774	1,786,943	1,756,475	1,869,032	1,848,435
13,331,304	6,503,427	3,588,452	4,634,472	4,297,901	3,124,437
1,228,603	1,368,604	1,069,465	1,035,335	1,005,335	963,884
528,801	359,136	282,739	286,576	422,517	394,976
0	186,766	0	35,000	0	0
38,496,569	31,101,070	27,186,386	27,382,846	26,743,473	26,075,563
(8,637,876)	(1,964,497)	1,719,398	(498,878)	321,878	1,293,496
50,343	18,113	14,900	0	0	18,236
0	0	65,078	0	0	0
0	0	0	2,640,000	0	0
0	9,980,000	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	180,777	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
3,499,115	4,153,161	2,468,989	2,272,467	2,232,116	3,189,271
(3,499,115)	(4,153,161)	(2,468,989)	(2,272,467)	(2,232,116)	(3,189,271)
50,343	10,178,890	79,978	(22,116)	0	244,957
0	0	0	0	(2,250,000)	0
(\$8,587,533)	\$8,214,393	\$1,799,376	(\$520,994)	(\$1,928,122)	\$1,538,453
6.9%	7.2%	6.1%	6.2%	6.7%	6.4%

City of Brecksville, Ohio
Assessed Valuation and Estimated Actual Values of Taxable Property
Last Ten Years

Tax Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2022	\$646,828,480	\$118,553,130	\$2,186,804,600	\$23,603,030	\$26,821,625
2021	639,519,870	121,639,410	2,174,740,800	22,541,280	25,615,091
2020	550,691,840	109,682,240	1,886,783,086	21,683,560	24,640,409
2019	545,915,280	108,489,980	1,869,729,314	21,159,680	24,045,091
2018	540,608,750	110,240,490	1,859,569,257	20,388,440	23,168,682
2017	482,603,830	100,874,550	1,667,081,086	20,721,470	23,547,125
2016	476,728,340	100,946,970	1,650,500,886	20,463,690	23,254,193
2015	472,551,960	100,539,620	1,637,404,514	19,790,100	22,488,750
2014	453,626,110	124,402,550	1,651,510,457	19,695,230	22,380,943
2013	453,604,210	123,043,670	1,647,565,371	18,850,720	21,421,273

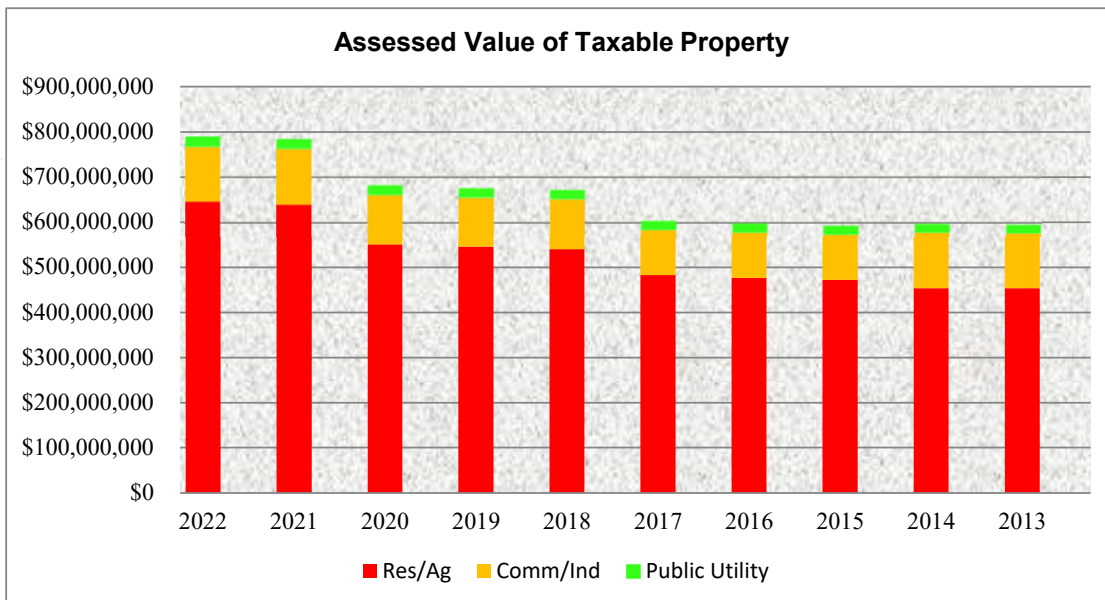
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property.

The tangible personal property values associated with each year were 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 a 10 percent and a 2 1/2 percent rollback, and homestead exemptions before being billed.

Source: Cuyahoga County, Ohio; County Fiscal Officer

Assessed Value	Total		Tax Rate
	Estimated Actual Value	Ratio	
\$788,984,640	\$2,213,626,225	35.64%	\$8.21
783,700,560	2,200,355,891	35.62	8.21
682,057,640	1,911,423,495	35.68	8.21
675,564,940	1,893,774,405	35.67	8.21
671,237,680	1,882,737,939	35.65	8.21
604,199,850	1,690,628,211	35.74	8.21
598,139,000	1,673,755,079	35.74	8.21
592,881,680	1,659,893,264	35.72	8.21
597,723,890	1,673,891,400	35.71	8.21
595,498,600	1,668,986,644	35.68	8.21



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

	2022	2021	2020	2019
Unvoted Millage				
Operating	\$3.5100	\$3.5100	\$3.5100	\$3.5100
Police Pension	0.3000	0.3000	0.3000	0.3000
<i>Total Unvoted Millage</i>	<u>3.8100</u>	<u>3.8100</u>	<u>3.8100</u>	<u>3.8100</u>
Charter Millage				
1982 Charter/Fire	3.4000	3.4000	3.4000	3.4000
1987 Charter/Road Improvement	1.0000	1.0000	1.0000	1.0000
<i>Total Charter Millage</i>	<u>4.4000</u>	<u>4.4000</u>	<u>4.4000</u>	<u>4.4000</u>
Total Millage	<u><u>\$8.2100</u></u>	<u><u>\$8.2100</u></u>	<u><u>\$8.2100</u></u>	<u><u>\$8.2100</u></u>
Overlapping Rates by Taxing District				
Brecksville-Broadview Heights City School District				
Residential/Agricultural Real	\$36.9986	\$37.1606	\$41.4252	\$41.2320
Commercial/Industrial and Public Utility Real	46.4978	46.6584	48.9522	49.4221
General Business and Public Utility Personal	82.6300	82.7900	82.7900	82.6300
Cuyahoga Valley Career Center				
Residential/Agricultural Real	2.0000	2.0000	2.0000	2.0000
Commercial/Industrial and Public Utility Real	2.0000	2.0000	2.0000	2.0000
General Business and Public Utility Personal	2.0000	2.0000	2.0000	2.0000
Cuyahoga County				
Residential/Agricultural Real	12.2519	12.2552	14.0063	12.8012
Commercial/Industrial and Public Utility Real	13.6331	13.6706	14.3037	13.2303
General Business and Public Utility Personal	14.8500	14.8500	14.8500	14.0500
Special Taxing Districts (1)				
Residential/Agricultural Real	9.6118	9.0236	10.3637	9.3456
Commercial/Industrial and Public Utility Real	10.5106	10.2402	10.7300	9.7042
General Business and Public Utility Personal	11.2800	11.2800	11.2800	10.2800

Source: Cuyahoga County Fiscal Officer

Note: 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 to 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 as opposed to the voted levies of the overlapping taxing districts.

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

(1) Metro Parks, Port Authority, County Library, Community College

2018	2017	2016	2015	2014	2013
\$3.5100	\$3.5100	\$3.5100	\$3.5100	\$3.5100	\$3.5100
0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
3.8100	3.8100	3.8100	3.8100	3.8100	3.8100
3.4000	3.4000	3.4000	3.4000	3.4000	3.4000
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
4.4000	4.4000	4.4000	4.4000	4.4000	4.4000
\$8.2100	\$8.2100	\$8.2100	\$8.2100	\$8.2100	\$8.2100

\$41.4324	\$44.8382	\$38.9210	\$38.9563	\$39.9725	\$40.1206
49.3920	52.2282	46.2177	46.9105	43.8622	43.2930
82.7900	82.8900	77.0000	77.0000	77.0000	77.2000
2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
12.7973	13.9141	13.8802	13.8698	14.0500	14.0500
13.0770	14.0060	14.0124	14.0500	14.0195	13.9495
14.0500	14.0500	14.0500	14.0500	14.0500	14.0500
8.9475	9.7637	9.2408	9.2368	9.3643	8.4639
9.2104	9.8422	9.3438	9.3676	9.3401	8.3843
9.8800	9.8800	9.3800	9.3800	9.3800	8.4800

5.

City of Brecksville, Ohio
Property Tax Levies And Collections
Last Ten Years

Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections (1)
2022	\$6,426,220	\$6,236,995	97.06%	\$119,993	\$6,356,988
2021	5,755,678	5,474,566	95.12	92,467	5,567,033
2020	5,661,628	5,421,509	95.76	100,759	5,522,268
2019	5,635,299	5,412,932	96.05	102,676	5,515,608
2018	5,224,588	4,877,119	93.35	128,424	5,005,543
2017	5,161,803	4,774,261	92.49	114,971	4,889,232
2016	4,990,947	4,756,871	95.31	82,375	4,839,246
2015	5,165,687	4,523,952	87.58	87,656	4,611,608
2014	5,219,426	4,532,551	86.84	91,162	4,623,713
2013	5,110,700	4,547,214	88.97	119,432	4,666,646

Source: Cuyahoga County, Ohio; County Fiscal Officer

(1) State reimbursement of rollback and homestead exemptions are included.

Note: The City is aware of the requirement to report delinquent tax collections by levy year rather than by collection year; however, the County is unable to provide delinquent collections by levy year. We are looking at options to improve this presentation.

<u>Percent of Total Tax Collections To Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes</u>	<u>Percentage of Delinquent Taxes to Total Tax Levy</u>
98.92%	\$196,886	3.06%
96.72	160,794	2.79
97.54	124,912	2.21
97.88	134,611	2.39
95.81	131,149	2.51
94.72	251,692	4.88
96.96	194,442	3.90
89.27	298,803	5.78
88.59	433,570	8.31
91.31	299,280	5.86

City of Brecksville, Ohio
Principal Real Property Taxpayers
 2022 and 2013

Taxpayer	2022	
	Real Property Assessed Valuation	Percentage of Real Property Assessed Valuation
Cleveland Electric Illuminating Company	\$16,471,160	2.15 %
Grand Bay of Brecksville	7,107,380	0.93
Holar Properties, LLC	6,817,310	0.89
Ohio Bell Telephone Company	5,502,290	0.72
PDM Group, Incorporated	5,283,040	0.69
Gateway Association	5,210,040	0.68
Creekview Commons Delaware, LLC	4,427,500	0.58
The Sherwin-Williams Company	4,408,080	0.58
Diamond Properties	4,147,680	0.54
Brecksville Shopping Center	3,630,580	0.47
Total	\$63,005,060	8.23 %

Total Real Property Assessed Valuation \$765,381,610

Taxpayer	2013	
	Real Property Assessed Valuation	Percentage of Real Property Assessed Valuation
Cleveland Electric Illuminating Company	\$17,012,630	2.95 %
The Cleveland Clinic Foundation	13,223,500	2.29
Ohio Bell Telephone Company	8,118,260	1.41
PDM Group, Incorporated	7,249,480	1.26
Grand Bay of Brecksville	6,476,750	1.12
Cleveland Cuyahoga Port Authority	6,336,470	1.10
Gateway Association	4,659,100	0.81
Creekview Commons Delaware, LLC	3,513,200	0.61
Treeline, Incorporated	3,416,520	0.59
MS Brecksville LP	2,712,430	0.47
Total	\$72,718,340	12.61 %

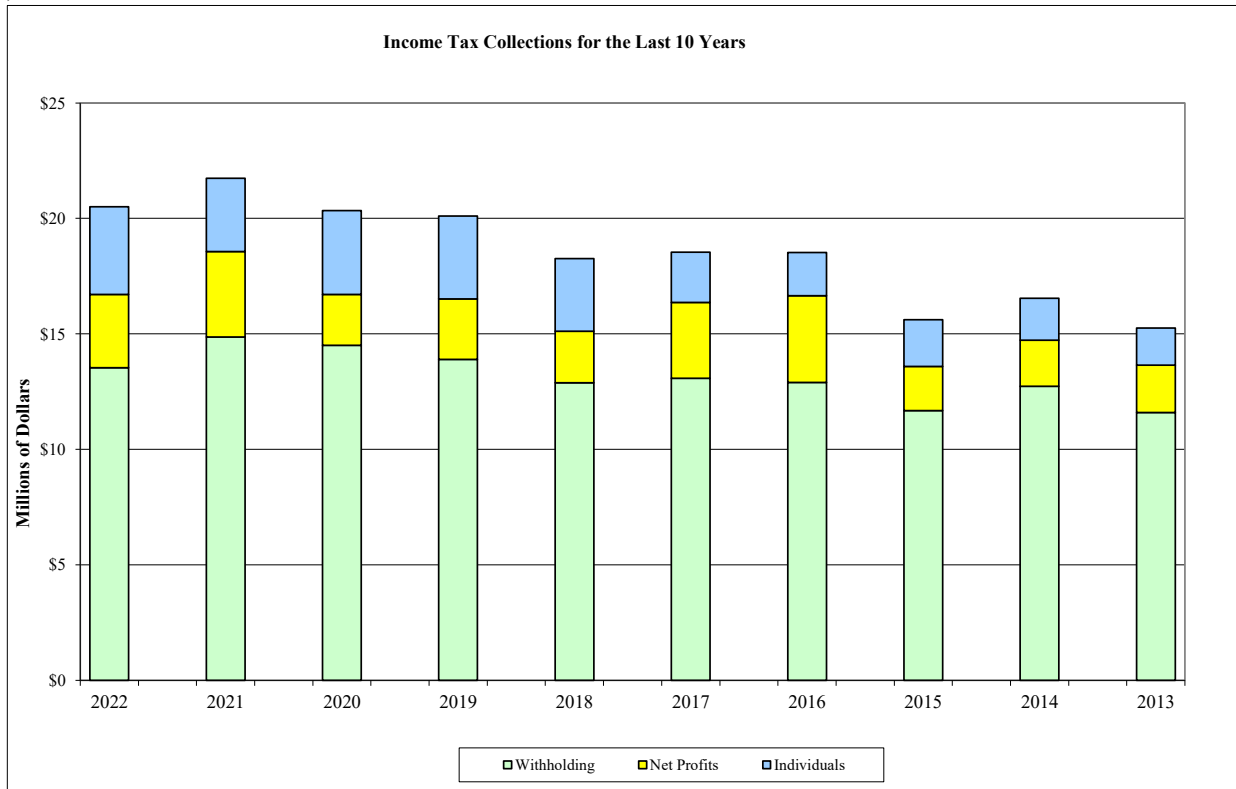
Total Real Property Assessed Valuation \$576,647,880

Source: Cuyahoga County Fiscal Officer

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

Tax Year	Tax Rate	Total Tax Collected (1)	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individuals	Percentage of Taxes from Individuals
2022	2.00%	\$20,500,945	\$13,530,624	66.00%	\$3,177,646	15.50%	\$3,792,675	18.50%
2021	2.00	21,738,198	14,868,927	68.40	3,695,494	17.00	3,173,777	14.60
2020	2.00	20,334,466	14,500,508	71.31	2,208,323	10.86	3,625,635	17.83
2019	2.00	20,105,526	13,898,950	69.13	2,609,697	12.98	3,596,879	17.89
2018	2.00	18,258,736	12,881,538	70.55	2,227,566	12.20	3,149,632	17.25
2017	2.00	18,533,341	13,071,566	70.53	3,291,521	17.76	2,170,254	11.71
2016	2.00	18,526,247	12,901,679	69.64	3,755,270	20.27	1,869,298	10.09
2015	2.00	15,617,083	11,683,140	74.81	1,909,969	12.23	2,023,974	12.96
2014	2.00	16,542,412	12,737,658	77.00	1,985,089	12.00	1,819,665	11.00
2013	2.00	15,253,849	11,591,399	75.99	2,059,270	13.50	1,603,180	10.51

(1) Modified Accrual Basis



City of Brecksville, Ohio
Income Tax Filers by Income Level
Tax Years 2021 and 2013

Tax Year 2021 (1)(2)				
Income Range	Number of Filers	Percent of Filers	Taxable Income (2)	Percent of Taxable Income
Over \$100,000	2,070	41.18 %	\$601,719,612	84.16 %
75,001-100,000	470	9.35	41,172,200	5.76
50,001-75,000	573	11.40	36,013,620	5.04
25,001-50,000	636	12.65	23,905,718	3.34
Under 25,000	1,278	25.42	12,172,582	1.70
Total	<u>5,027</u>	<u>100.00 %</u>	<u>\$714,983,732</u>	<u>100.00 %</u>

Tax Year 2013 (2)				
Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
Over \$100,000	1,898	34.96 %	\$434,424,923	77.52 %
75,001-100,000	533	9.82	46,357,210	8.27
50,001-75,000	611	11.25	37,929,729	6.77
25,001-50,000	729	13.43	26,936,616	4.81
Under 25,000	1,658	30.54	14,729,642	2.63
Total	<u>5,429</u>	<u>100.00 %</u>	<u>\$560,378,120</u>	<u>100.00 %</u>

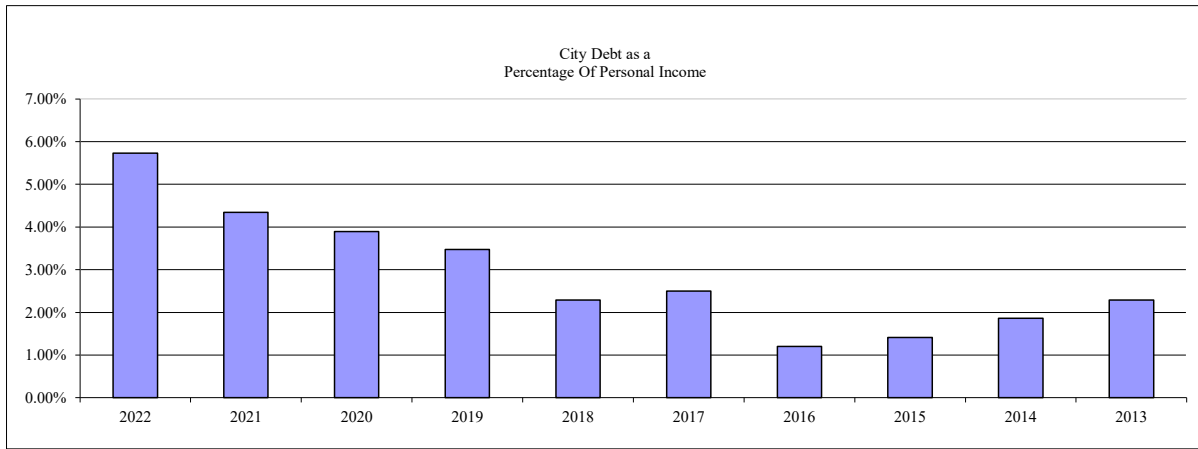
Source: Regional Income Tax Agency Data

(1) Information for 2022 was not available.

(2) Taxable income of residents of the City.

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

Year	General Obligation Bonds	Tax Increment			OPWC Loans	Leases	Total	Total Personal Income (1)	Percentage of Personal Income	Population (1)	Total Debt Per Capita
		Financing Revenue Bonds	Special Assessment Bonds	Bond Anticipation Notes							
2022	\$30,902,768	\$9,316,800	\$605,000	\$3,600,000	\$203,023	\$5,366	\$44,632,957	\$778,465,422	5.73 %	13,539	\$3,297
2021	19,488,835	0	868,806	12,809,918	234,178	2,936	33,404,673	769,327,605	4.34	13,635	2,450
2020	20,645,740	0	1,277,612	9,669,822	265,333	0	31,858,507	819,149,114	3.89	13,537	2,353
2019	21,772,644	0	1,686,418	0	280,911	0	23,739,973	684,102,216	3.47	13,538	1,754
2018	13,528,900	0	2,075,224	0	317,678	0	15,921,802	695,057,844	2.29	13,522	1,177
2017	14,346,178	0	2,454,031	0	371,281	0	17,171,490	686,808,360	2.50	13,470	1,275
2016	5,067,679	0	2,907,837	0	424,885	0	8,400,401	702,293,760	1.20	13,440	625
2015	5,660,919	0	3,336,643	0	484,350	0	9,481,912	670,513,930	1.41	13,543	700
2014	6,235,960	0	3,751,884	0	549,685	0	10,537,529	566,818,000	1.86	13,568	777
2013	6,788,673	0	4,160,821	0	615,020	0	11,564,514	504,512,000	2.29	13,554	853



(1) U.S. Census Bureau

City of Brecksville, Ohio
*Ratio of General Obligation Bonded Debt to Estimated True
Value of Taxable Property and Bonded Debt Per Capita
Last Ten Years*

Year	General Obligation Bonds (1)	Estimated True Value of Taxable Property (2)	Ratio of Bonded Debt to Estimated True Value of Taxable Property	Bonded Debt per Capita (3)
2022	\$30,902,768	\$2,213,626,225	1.40%	\$2,283
2021	19,488,835	2,200,355,891	0.89	1,429
2020	20,645,740	1,911,423,495	1.08	1,525
2019	21,772,644	1,893,774,405	1.15	1,608
2018	13,528,900	1,882,737,939	0.72	1,001
2017	14,346,178	1,690,628,211	0.85	1,065
2016	5,067,679	1,673,755,079	0.30	377
2015	5,660,919	1,659,893,264	0.34	418
2014	6,235,960	1,673,891,400	0.37	460
2013	6,788,673	1,668,986,644	0.41	501

(1) Although the general obligation bond retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal; therefore, these resources are not shown as a deduction from general obligation bonded debt.

(2) See S12-S13 for taxable property value data.

(3) See S26 for population data.

City of Brecksville, Ohio
*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2022*

	Debt Attributable to Governmental Activities	Percentage Applicable to City (1)	Amount of Direct and Overlapping Debt
Direct Debt:			
City of Brecksville			
General Obligation Bonds	\$30,902,768	100.00%	\$30,902,768
Tax Increment Financing Revenue Bonds	9,316,800	100.00	9,316,800
Special Assessment Bonds	605,000	100.00	605,000
Bond Anticipation Notes	3,600,000	100.00	3,600,000
OPWC Loans	203,023	100.00	203,023
Leases	5,366	100.00	5,366
Total Direct Debt	44,632,957		44,632,957
Overlapping Debt:			
Payable from Property Taxes:			
Cuyahoga County Bonds	251,010,600	2.15	5,396,728
Regional Transit Authority Bonds	45,455,990	2.15	977,304
Brecksville-Broadview Heights City			
School District Bonds	49,874,810	59.18	29,515,913
Payable from Other Sources:			
Cuyahoga County Revenue Bonds	645,165,802	2.15	13,871,065
Cuyahoga County Loans	185,130,479	2.15	3,980,305
Cuyahoga County Financed Purchases	231,083,108	2.15	4,968,287
Cuyahoga County Leases Payable	12,809,798	2.15	275,411
Brecksville-Broadview Heights City			
School District Leases Payable	629,761	59.18	372,693
Total Overlapping Debt	1,421,160,348		59,357,704
Total Direct and Overlapping Debt	\$1,465,793,305		\$103,990,661

Source: Office of the Fiscal Officer, Cuyahoga County, Ohio

(1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations used were for the 2022 collection year.

City of Brecksville, Ohio
Legal Debt Margin Information
Last Ten Years

	2022	2021	2020	2019
Overall Debt Limitation (10.5% of Assessed Valuation)	\$82,288	\$82,288	\$71,616	\$70,934
Net Debt Within 10.5% Limitations	<u>32,184</u>	<u>30,701</u>	<u>31,342</u>	<u>22,983</u>
Overall Legal Debt Margin Within 10.5% Limitations	<u>\$50,104</u>	<u>\$51,587</u>	<u>\$40,274</u>	<u>\$47,951</u>
Total net debt applicable to the limit as a percentage of debt limit	39.11%	37.31%	43.76%	32.40%
Unvoted Debt Limitation (5.5% of Assessed Valuation)	\$43,103	\$43,103	\$37,513	\$37,156
Net Debt Within 5.5% Limitations	<u>32,184</u>	<u>30,701</u>	<u>31,342</u>	<u>22,983</u>
Unvoted Legal Debt Margin Within 5.5% Limitations	<u>\$10,919</u>	<u>\$12,402</u>	<u>\$6,171</u>	<u>\$14,173</u>
Total net debt applicable to the limit as a percentage of debt limit	74.67%	71.23%	83.55%	61.86%

Amounts are expressed in thousands.

Legal Debt Margin Calculation for 2022

	Overall Margin Within 10.5%	Unvoted Margin Within 5.5%
Assessed property value	<u>\$783,700,560</u>	<u>\$783,700,560</u>
Overall Debt Limitation (percentage of assessed valuation)	\$82,288,559	\$43,103,531
Gross Indebtedness	43,348,389	43,348,389
Less: Tax Increment Financing Revenue Bonds	(9,705,000)	(9,705,000)
Special Assessment Bonds	(605,000)	(605,000)
OPWC Loans	(203,023)	(203,023)
Leases	(5,366)	(5,366)
General Obligation Bond Retirement Fund Balance	<u>(645,306)</u>	<u>(645,306)</u>
Net Debt Within Limitations	<u>\$32,184,694</u>	<u>\$32,184,694</u>
Legal Debt Margin Within Limitations	<u>\$50,103,865</u>	<u>\$10,918,837</u>

Note: Under State of Ohio finance law, the City of Brecksville's outstanding general obligation debt should not exceed 10.5 percent of total assessed property value. In addition, the outstanding general obligation debt net of voted debt should not exceed 5.5 percent of total assessed property value. By law, the general obligation debt subject to the limitation is offset by amounts set aside for repaying general obligation bonds.

2018	2017	2016	2015	2014	2013
\$70,480	\$63,441	\$62,805	\$62,253	\$62,761	\$62,527
16,040	18,421	7,185	7,433	7,977	6,537
<u>\$54,440</u>	<u>\$45,020</u>	<u>\$55,620</u>	<u>\$54,820</u>	<u>\$54,784</u>	<u>\$55,990</u>
22.76%	29.04%	11.44%	11.94%	12.71%	10.45%
\$36,918	\$33,231	\$32,898	\$32,609	\$32,875	\$32,752
16,040	18,421	7,185	7,433	7,977	6,537
<u>\$20,878</u>	<u>\$14,810</u>	<u>\$25,713</u>	<u>\$25,176</u>	<u>\$24,898</u>	<u>\$26,215</u>
43.45%	55.43%	21.84%	22.79%	24.26%	19.96%

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

Year	Population (1)	Total Personal Income (1)	Median Family Income (1)	Per Capita Income (1)	Unemployment Rate (2)		City Square Miles (3)
					Cuyahoga County	State of Ohio	
2022	13,539	\$778,465,422	\$115,370	\$57,498	3.5%	4.1%	19.58
2021	13,635	769,327,605	108,606	56,423	4.1	4.5	19.58
2020	13,537	819,149,114	108,606	56,423	6.8	5.5	19.57
2019	13,538	684,102,216	105,566	50,532	3.6	4.1	19.57
2018	13,522	695,057,844	101,060	51,402	5.0	4.6	19.57
2017	13,470	686,808,360	98,345	50,988	4.8	4.7	19.57
2016	13,440	702,293,760	100,589	52,254	5.3	4.9	19.57
2015	13,543	670,513,930	93,409	49,510	4.0	4.8	19.57
2014	13,568	566,818,000	95,470	41,776	5.3	4.7	19.57
2013	13,554	504,512,000	111,667	37,222	7.5	7.4	19.57

(1) U.S. Census Bureau

(2) Ohio Bureau of Employment Services; U.S. Department of Labor, Bureau of Labor Statistics; Unemployment rate for the City is unavailable.

(3) City Records

City of Brecksville, Ohio
Principal Employers
Current Year and Nine Years Ago

2022		
Employer	Nature of Activity	Percentage of Total City Withholdings
CrossCountry Mortgage, LLC	Financial Services	8.89 %
Lubrizol Corporation	Chemical Technology	7.56
PNC Bank, National Association	Banking Services	4.71
Applied Medical Technology, Incorporated	Medical Equipment	3.24
Brecksville-Broadview Heights City School District	Public Education	2.79
House of LaRose	Beverage Distribution	2.65
NVR/ Ryan Homes, Incorporated	Construction	2.44
Curtiss-Wright Corporation	Manufacturing	2.32
AT&T, Incorporated/Ohio Bell Telephone Company	Communication Services	2.14
City of Brecksville	Municipal Government	1.78
Total		<u>38.52 %</u>

2013		
Employer	Nature of Activity	Percentage of Total City Withholdings
PNC Bank, National Association	Banking Services	10.44 %
Lubrizol Corporation	Chemical Technology	7.78
Ohio Bell Telephone Company	Communication Services	4.31
AT&T, Incorporated	Communication Services	2.75
Curtiss-Wright Corporation	Manufacturing	2.75
NVR/ Ryan Homes, Incorporated	Construction	2.49
Clinical Specialties	Healthcare	2.27
Brecksville-Broadview Heights City School District	Public Education	2.26
CrossCountry Mortgage, LLC	Financial Services	2.16
House of LaRose	Beverage Distribution	2.06
Total		<u>39.27 %</u>

Source: Regional Income Tax Agency.

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

Function/Program	2022	2021	2020	2019
General Government				
Council	4.5	4.5	4.5	4.5
Mayor	2.0	1.5	2.0	2.0
Finance	4.0	4.0	4.0	4.0
Income Tax	N/A	N/A	N/A	N/A
Purchasing	2.0	2.0	3.0	2.0
Legal	1.5	1.5	1.0	1.0
Mayor's Court	1.0	1.5	1.5	1.5
Technology	2.0	2.0	4.0	3.5
Engineering	N/A	N/A	N/A	0.5
Administrative Support	1.0	1.0	1.0	1.0
Public Safety				
Police	33.0	31.0	34.5	34.0
Fire	24.0	24.0	20.0	24.5
Recreational Activities				
Community Center	56.0	51.0	24.0	49.5
Senior/Community Services	4.5	4.5	4.0	4.5
Street Construction, Maintenance and Repair Service				
	46.0	46.5	49.5	54.5
Housing and Community Development				
Building Inspection	8.0	6.5	6.0	7.0
Basic Utility Services				
Housekeeping	12.0	11.5	11.0	11.5
Totals:	<u>201.5</u>	<u>193.0</u>	<u>170.0</u>	<u>205.5</u>

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee as of December 31.

Source: Finance Department

2018	2017	2016	2015	2014	2013
4.5	4.5	4.5	4.5	4.5	4.5
2.0	2.0	2.0	2.0	2.0	2.0
4.0	4.0	4.0	4.0	4.0	3.5
N/A	N/A	N/A	N/A	0.5	0.5
2.0	2.0	2.0	2.0	2.0	2.0
1.0	1.0	1.5	1.5	1.5	1.5
1.5	1.5	1.5	1.5	1.5	1.5
3.5	3.0	3.0	3.0	3.0	3.0
0.5	0.0	1.0	1.0	1.0	1.0
1.0	3.0	2.0	2.0	1.5	1.5
40.0	41.0	41.5	41.5	42.5	41.5
23.0	26.0	26.0	28.5	27.0	28.0
40.0	31.0	49.0	34.5	36.5	37.5
4.5	5.0	4.5	5.0	5.5	5.0
52.0	42.5	43.0	46.0	44.0	46.0
6.5	6.5	6.5	7.0	6.5	6.0
9.5	10.5	10.5	11.0	11.5	11.5
195.5	183.5	202.5	195.0	195.0	196.5

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

Function/Program	2022	2021	2020	2019
General Government				
Building Department Vehicles	5	3	3	4
Other Department Vehicles	4	4	4	4
Police				
Stations	1	1	1	1
Square Footage of Building	28,817	28,817	6,577	6,577
Vehicles	23	23	23	23
Fire				
Stations	1	1	1	1
Square Footage of Building	17,674	17,674	17,674	17,674
Vehicles	11	11	11	11
Street Construction, Maintenance and Repair				
Streets (lane miles)	191	191	191	191
Urban Forestry Vehicles	4	4	4	4
Other Public Services Vehicles	70	71	67	63
Recreational Activities				
Recreation Center	1	1	1	1
Recreation Center Square Footage	75,044	65,000	65,000	65,000
Number of Parks	4	4	4	3
Number of Baseball Diamonds	7	7	7	7
Number of Playgrounds	4	4	4	4
Number of Tennis Courts	3	3	3	3
Number of Soccer Fields	5	5	5	5
Vehicles	2	2	2	4
Housing and Community Development				
Human Services Center Square Footage	29,000	29,000	29,000	29,000
Vehicles	3	3	4	4

Source: Finance Department

2018	2017	2016	2015	2014	2013
4	4	4	5	5	4
4	4	4	4	4	5
1	1	1	1	1	1
6,577	6,577	6,577	6,577	6,577	6,577
23	23	22	22	22	22
1	1	1	1	1	1
17,674	17,674	17,674	17,674	17,674	17,674
14	14	13	15	14	14
191	191	191	189	189	189
3	3	3	3	3	3
64	65	64	62	58	59
1	1	1	1	1	1
65,000	65,000	65,000	65,000	65,000	65,000
3	3	3	3	3	3
7	7	7	7	7	6
4	5	5	5	5	5
3	3	3	3	3	3
5	5	5	5	5	5
4	4	4	4	4	4
29,000	29,000	29,000	29,000	29,000	29,000
4	5	5	5	5	5

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

Function/Program	2022	2021	2020	2019
Police:				
Police Expenditures (in thousands)	\$5,042	\$4,946	\$4,862	\$5,264
Total Arrests	1,374	1,259	991	2,185
Part One Offenses	46	22	60	60
OVI Arrests	40	22	32	22
Prisoners	47	76	68	182
Motor Vehicle Accidents	206	184	147	211
Calls for Service	12,523	12,180	10,710	15,861
Incidents per Citizen	1.0515	1.0079	0.8871	1.3693
Cost per Citizen	\$372.41	\$362.74	\$359.16	\$388.83
Fire:				
Fire Expenditures (in thousands)	\$2,829	\$2,742	\$2,409	\$2,637
Emergency Responses	1,729	1,729	1,484	1,605
Fire Safety Inspections	172	164	110	263
Fire Protection Systems Inspected	88	92	55	31
Building Fire Protection Plans Reviewed	9	8	4	11
Percentage of Business Inspected	30%	28%	21%	40%
Number of Community Programs	85	83	79	187
Emergency Responses per Citizen	0.1277	0.1462	0.1221	0.1411
Cost per Citizen	\$208.95	\$201.10	\$177.96	\$194.79
Street Lights Expenditures (in thousands)	\$100	\$103	\$101	\$102
Cost per Acre of Streetlights	\$8.00	\$8.24	\$8.08	\$8.16
Public Health Services:				
Health Department (in thousands)	\$82	\$74	\$74	\$65
Health Cost per Citizen	\$6.06	\$5.43	\$5.47	\$4.80
Recreational Activities:				
Blossom Hill (in thousands)	\$289	\$277	\$263	\$300
Community Center (in thousands)	2,332	1,987	1,554	1,884
Total Leisure Service Cost (in thousands)	\$2,621	\$2,264	\$1,817	\$2,184
Cost per Citizen	\$193.59	\$166.04	\$134.22	\$161.32
Community Center Square Feet	75,044	65,000	65,000	65,000
Square Feet per Citizen	5.54	4.77	4.80	4.80
Total Recreational Revenue (in thousands)	\$1,346	\$956	\$671	\$1,041
Community Center Members	4,337	3,708	2,410	5,087
Total Participations	144,645	143,986	91,750	155,954
Fitness Class Participations	6,798	6,813	4,274	15,312
Participations per Citizen	10.68	10.56	6.78	11.52
Cost per Participation	\$18.12	\$15.72	\$19.80	\$14.00
Revenue per Participation	\$9.31	\$6.64	\$7.31	\$6.68
Housing and Community Development:				
Human Services (in thousands)	\$841	\$799	\$749	\$828
Cost per Citizen	\$62.12	\$58.60	\$55.33	\$61.16
Human Services Square Feet	29,000	29,000	29,000	29,000
Square Feet per Member	16.96	18.13	17.58	16.83
Total Human Services Revenue (in thousands)	\$103	\$90	\$104	\$78
Human Services Members	1,710	1,600	1,650	1,723
Total Participations	25,550	6,525	6,727	32,300
Participations per Citizen	1.89	0.48	0.50	2.39
Cost per Member	\$491.81	\$499.38	\$453.94	\$480.56

2018	2017	2016	2015	2014	2013
\$5,242	\$4,747	\$4,218	\$4,030	\$4,065	\$3,916
2,761	2,300	2,716	2,382	2,534	3,308
54	68	79	72	78	74
39	35	45	36	36	50
272	399	555	541	593	857
211	231	243	191	188	152
15,004	15,198	13,515	12,643	12,646	14,349
1.1096	1.3535	1.0056	0.9260	0.9260	1.0510
\$387.66	\$352.41	\$313.84	\$295.11	\$297.67	\$286.76
\$2,600	\$2,532	\$2,432	\$2,453	\$2,385	\$2,355
1,537	1,601	1,623	1,471	1,398	1,246
331	322	132	484	381	337
46	49	47	44	46	78
10	14	16	9	6	3
33%	32%	25%	44%	37%	33%
201	197	190	184	188	172
0.1137	0.1189	0.1208	0.1077	0.1024	0.0912
\$192.28	\$187.97	\$180.95	\$179.63	\$174.65	\$172.42
\$103	\$104	\$106	\$109	\$108	\$129
\$8.24	\$8.30	\$8.48	\$8.72	\$8.64	\$10.28
\$59	\$54	\$54	\$54	\$54	\$52
\$4.36	\$4.01	\$4.02	\$3.95	\$3.95	\$3.84
\$284	\$281	\$264	\$285	\$261	\$279
1,931	1,907	1,845	1,811	1,931	2,054
\$2,215	\$2,188	\$2,109	\$2,096	\$2,192	\$2,333
\$163.81	\$162.44	\$156.92	\$153.49	\$160.52	\$170.89
65,000	65,000	65,000	65,000	65,000	65,000
4.81	4.83	4.84	4.76	4.76	4.76
\$1,036	\$1,035	\$1,110	\$933	\$1,032	\$977
5,689	5,721	5,669	5,814	5,979	6,200
171,844	175,130	172,277	171,917	173,042	173,308
16,817	17,067	18,833	18,602	16,534	22,603
12.71	13.00	12.82	12.59	12.67	12.69
\$12.89	\$10.89	\$10.71	\$10.53	\$11.16	\$11.85
\$6.03	\$5.91	\$6.44	\$5.43	\$5.96	\$5.64
\$876	\$905	\$844	\$805	\$863	\$838
\$64.78	\$67.19	\$63.00	\$59.00	\$63.00	\$61.00
29,000	29,000	29,000	29,000	29,000	29,000
17.30	21.53	21.48	27.08	19.89	23.37
\$104	\$97	\$116	\$87	\$93	\$88
1,676	1,230	1,350	1,071	1,458	1,241
30,349	32,130	31,719	42,202	51,168	50,961
2.24	2.39	2.36	3.09	3.75	3.73
\$522.67	\$735.77	\$625.19	\$751.63	\$591.91	\$675.33

(continued)

City of Brecksville, Ohio
Operating Indicators by Function/Program (continued)
Last Ten Years

Function/Program	2022	2021	2020	2019
Housing and Community Development:				
Planning and Zoning (in thousands)	\$6	\$6	\$6	\$3
Housing and Building Inspection (in thousands)	\$632	\$545	\$504	\$582
Cost per Citizen	\$47.12	\$40.41	\$37.67	\$43.21
Building Permits - Residential	939	980	984	891
Dollar Value of Permits (in thousands)	\$35,974	\$28,462	\$32,179	\$23,405
Building Permits - Commercial	141	101	98	134
Dollar Value of Permits (in thousands)	\$128,241	\$8,695	\$56,306	\$16,702
Engineering (in thousands)	\$126	\$122	\$156	\$106
Engineering Reviews				
New Topo Reviews	26	31	35	26
Revised Topo Reviews	17	29	28	16
Retaining Wall Reviews	6	3	6	5
Plat Reviews	10	7	7	5
Other Reviews	88	100	87	90
Builder Grades	32	49	39	48
Landscaping Grades	9	6	12	13
Total All Reviews	188	225	214	203
Number of Trees Planted	381	245	115	177
Number of Trees Removed	211	96	114	104
Cemetery Internments	61	59	51	52
Grave Purchases/Interment Payments (in thousands)	\$21	\$24	\$23	\$13
Street Construction, Maintenance and Repair:				
Street Maintenance (in thousands)	\$1,435	\$1,382	\$1,149	\$1,294
Snow and Ice Removal (in thousands)	\$207	\$145	\$156	\$178
Streets (lane miles)	191	191	191	191
Cost per mile of street	\$8.60	\$7.99	\$6.83	\$7.71
Feet of street per capita	74.49	73.96	69.46	74.49
Asphalt Usage (in tons)	6,550	7,284	5,418	4,892
Asphalt Cost per ton	\$78.00	\$65.00	\$63.50	\$63.50
Salt Usage (in tons)	8,750	6,800	6,100	8,265
Concrete Used (in cubic yards)	4,474	4,145	7,495	4,355
Brush/Grass/Yard Waste Collected (in cubic yard)	1,240	1,745	1,319	1,580
Leaves Collected (in cubic yards)	10,492	10,045	10,190	9,521
General Government:				
Law (in thousands)	\$256	\$259	\$338	\$248
Cost per budget dollar	\$0.0028	\$0.0042	\$0.0049	\$0.0044
Finance (in thousands)	\$484	\$473	\$446	\$443
Cost per budget dollar	\$0.0052	\$0.0077	\$0.0064	\$0.0079
Purchasing (in thousands)	\$199	\$266	\$233	\$212
Cost per employee	\$987.59	\$1,378.24	\$1,370.59	\$1,031.63
Lands and Buildings (in thousands)	\$1,462	\$1,398	\$1,274	\$1,166
Cost per citizen	\$107.98	\$102.53	\$94.11	\$86.13
Mayor's Office (in thousands)	\$270	\$261	\$227	\$196
Council (in thousands)	\$271	\$260	\$258	\$251

Source: Finance Department

2018	2017	2016	2015	2014	2013
\$4	\$5	\$7	\$4	\$7	\$6
\$560	\$554	\$528	\$518	\$471	\$462
\$41.71	\$41.50	\$40.00	\$38.00	\$35.00	\$34.00
966	952	859	761	742	826
\$27,773	\$22,705	\$22,412	\$17,387	\$12,356	\$4,307
150	205	202	183	167	213
\$8,794	\$18,220	\$8,932	\$7,826	\$12,140	\$12,250
\$102	\$122	\$104	\$135	\$138	\$187
37	26	28	31	8	6
38	23	30	36	14	13
6	9	8	3	2	12
6	8	8	3	2	6
93	110	90	73	56	43
57	50	31	25	12	9
9	5	9	8	6	5
246	231	204	179	100	94
126	267	323	211	134	163
70	203	240	124	757	98
47	41	61	31	45	64
\$21	\$14	\$24	\$16	\$19	\$38
\$1,207	\$1,143	\$1,074	\$1,048	\$923	\$1,182
\$130	\$142	\$149	\$191	\$240	\$169
191	191	191	189	189	189
\$6.32	\$6.73	\$6.40	\$6.56	\$6.15	\$7.15
74.58	74.87	75.04	73.08	73.08	73.08
8,407	6,090	6,755	8,062	12,481	9,926
\$60.00	\$57.75	\$54.75	\$55.00	\$55.00	\$60.75
8,323	6,501	8,553	10,950	11,745	10,270
1,652	1,141	5,140	6,888	10,934	6,151
2,162	1,450	1,375	1,403	2,657	1,478
8,990	7,705	9,050	8,221	8,440	7,222
\$292	\$262	\$256	\$252	\$251	\$231
\$0.0051	\$0.0048	\$0.0061	\$0.0079	\$0.0083	\$0.0072
\$424	\$430	\$411	\$393	\$352	\$339
\$0.0074	\$0.0079	\$0.0097	\$0.0123	\$0.0112	\$0.0105
\$212	\$202	\$196	\$195	\$177	\$175
\$1,084.40	\$1,100.82	\$967.90	\$835.12	\$758.03	\$747.46
\$1,045	\$1,054	\$1,187	\$1,090	\$818	\$742
\$77.28	\$78.25	\$88.32	\$79.82	\$59.90	\$54.35
\$227	\$266	\$257	\$249	\$237	\$235
\$254	\$257	\$260	\$258	\$249	\$249

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OHIO AUDITOR OF STATE KEITH FABER



CITY OF BRECKSVILLE

CUYAHOGA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 7/20/2023

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

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