



City of Warrensville Heights Ohio

2023 ANNUAL COMPREHENSIVE FINANCIAL REPORT



FISCAL YEAR ENDED
DECEMBER 31, 2023

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

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

Prepared by:

Karen Howse, Director of Finance

and Department of Finance

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INTRODUCTORY SECTION

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Bradley D. Sellers
Mayor

May 21, 2024

Honorable Members of City Council
and Citizens of Warrensville Heights
Warrensville Heights, Ohio 44128

We are pleased to submit the *Annual Comprehensive Financial Report of the City of Warrensville Heights* for the year end of December 31, 2023. This report enables the City to comply with the Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a Generally Accepted Accounting Principles (GAAP) basis. It is also in compliance with the Ohio Revised Code Section 117.38, which requires the cities that are reporting on a GAAP basis to file unaudited basic financial statements with the Auditor of State. This report is submitted to satisfy that requirement.

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

Zupka & Associates., a CPA firm, has issued an unmodified (“clean”) opinion on the City of Warrensville Heights’ financial statements for the year end of December 31, 2023. The *Independent Auditor’s Report* is located at the front of the financial section of this report.

Management’s Discussion and Analysis (MD&A) immediately follows the *Independent Auditor’s Report* and provides a narrative introduction, overview, and analysis of the basic financial statements. The *MD&A* complements this letter of transmittal, and should be read in conjunction with it as a document of reference.

The City and Form of Government

The City of Warrensville Heights, Ohio is located in the southeast portion of Cuyahoga County, eight miles from downtown Cleveland. The City was incorporated as a village in 1927, and became a city in 1960. The City has 13,542 residents (10.4% less than 2000 data) according to the 2010 data from the United States Census Bureau.

The City is in the Cleveland Primary Metropolitan Statistical Area, which is comprised of the six counties of Ashtabula, Cuyahoga, Geauga, Lake, Lorain, and Medina. The City is also in the Cleveland-Akron-Lorain Consolidated Metropolitan Statistical Area, which is the 11th most populous in the country.

The City operates under, and is governed by, its Charter which was adopted in 1958 by its voters, and was last amended in 2010. The City is also subject to certain general laws applicable to all Ohio cities. Under the Ohio Constitution, the City may exercise all local self-government and police powers to the extent that none are in conflict with applicable general laws. The Charter provides for a mayor-council form of government.

Legislative authority is vested in a seven-member Council. Formerly, the seven Council members were elected-at-large every two years, and served staggered terms so that no more than four members of Council would be elected at any biennial election. At the municipal election in November 2002, the electors of the City voted to amend the City Charter to require the election of members of Council by specified wards for terms of four years. Thus, at the municipal election in November 2003, the voters of the City elected seven members of Council by wards---each to serve for a term of four years.

The Council fixes compensation of City officials and employees and enacts ordinances and resolutions relating to the City's services: including tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes. The Council President is elected by a majority of the Council for a one-year term. The Charter establishes certain administrative departments. The Council may establish divisions of those departments and additional departments.

The City's chief executive and administrative officer is the Mayor who is elected by the voters for a four-year term and serves in a part-time capacity. The Mayor also serves as the City's Safety Director. The Mayor presides over all Council meetings, and may veto any legislation passed by Council. A two-third vote of all members of Council is required to override a veto.

The Mayor appoints, subject to the approval of Council, the directors of the City's departments, the Chiefs of Police and Fire, as well as police and fire personnel after competitive civil service examinations. Additionally, the Mayor appoints members to a number of boards and commissions and, in accordance with civil service requirements, may remove all appointed officials and employees - except Council officers and employees.

The City provides basic services to its residents, including police and fire protection, planning, zoning, street maintenance and repair, rubbish collection, and general administrative services. The City's residents receive water services from the City of Cleveland and sewer services from the Northeast Ohio Regional Sewer District and the City of Bedford Heights. The City is a member of the Northeast Ohio Public Energy Council (NOPEC) and participates in a program for natural gas and electricity for further benefits to the residents.

In addition to the basic services, the City makes available to its resident recreational activities through the YMCA of Greater Cleveland. The City constructed the 40,000 square foot facility in 2012 and engaged the services of the YMCA to manage and operate the facility as a branch for a period of twenty years. The annual membership fees are discounted for the residential and business communities.

The Bedford Municipal Court provides judicial services for the City of Warrensville Heights. The jurisdiction of the court, as established by the Ohio Revised Code, handles cases from fourteen different municipalities.

The annual operating budgets serve as the basis for the City's financial planning and control. The City's Charter requires the Mayor, with the assistance of the Finance Director, to submit a draft of the following year's proposed budget not less than forty-five days (November 16) prior to the end of each fiscal year. The Finance Director is responsible for preparing the budget based upon information submitted by each Department director. Council is required to adopt either an annual budget for the ensuing year or a temporary budget covering the first ninety days of the ensuing year by no later than December 31 of the current year. If a temporary budget is adopted, a permanent budget must be adopted by no later than the ninetieth (90) day of the budget year, normally March 31. In recent years, Council has adopted an annual budget prior to December 31 of the preceding year.

The appropriated budget is prepared by fund, department, and category (personal services and all other expenditures). Council must authorize transfers between departments and between categories within departments and transfers or advances of moneys between funds.

Operating budgets expire on December 31. Budget-to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented as part of the basic financial statements for the governmental funds. For governmental funds, other than the General Fund, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report.

Economic Condition and Outlook

The City is an inner-ring suburb of the City of Cleveland and is primarily a residential community of beautifully maintained neighborhoods, as well as a thriving and robust business community. The City is home to one of the most technologically advanced hospitals in Northeast Ohio, South Pointe Hospital, and an affiliate of Cleveland Clinic that provides quality health care to the City's residents as well as the neighboring communities. The City is diverse and has a growing local economy that maintains a solid tax base through a thriving commercial sector.

The following industries continues to be vital to the City's financial condition and contribute to the stable economic condition of the City: Sherwin-Williams Automotive Finishes Corporation's Research and Development facility and training center; Heinens, Incorporated, a retail food chain, headquarters and warehouse facility; Henkel Corporation manufactures and markets a broad range of high-performance adhesives, sealants and coatings; and Marcus Thomas, a leading advertising firm. All of these have their corporate headquarters in our friendly City. In addition, Harvard Park features Cleveland Marriott East and numerous retail businesses and high-end restaurants. The top ten employers have over 4,200 employees working in the City. (A list of the ten largest employers is featured in the Statistical section.)

Sherwin-Williams Automotive Finishes Corporation's Research and Development facility and training center is a dynamic business to the City. However, in 2020 the City learned that Sherwin will be relocating to another community in Cuyahoga County in within in year 2025. The loss will have a financial impact to the City and the City School District. Sherwin-Williams is a vital business base to the City of Warrensville Heights community so, they will be sorely missed.

The City has consistently enjoyed the benefits of a strong commercial employment base that has provided a consistent level of withholding tax collection. Although, pandemic is still a challenge to the economy, year 2023 ended strong. The administration continues to strive to make significant progress in its efforts to strengthen its economic base and community development.

Each day, approximately 13,500 people come to work in the City and are responsible for approximately 72% of the City's revenue through income tax withholding in 2023. Property tax revenues for 2023 represented 5 % and 23 % of the revenue balance makes up fines, permits, services and other miscellaneous revenue sources. The City's gross income tax revenues collected in 2023 was \$20.8 million. In comparison to year 2022, the collections was \$20.3 million reflecting a minimum increase over the previous year.

Economic Highlights

The City Administration continues to work on the following community and economic opportunities:

Hub District (adjacent parcels to the Library and YMCA) that would have the following features:

- Intergenerational living, socialization, dining and entertainment
- Neighborhood concept unique to the city offering apartments, townhomes, senior living, retail and park

Sherwin Williams

- Discussion continue about potential opportunities

Silverpoint

- Former Little Sisters of the Poor site
Continue to work on agreement that would serve as outline for future development

New Business Development

In 2023, the City of Warrensville Heights welcomed the following businesses:

1. Ulta Beauty
2. Chandler Unlimited LLC, 23713 Emery Road;
3. Horizons Inc., 18531 South Miles Road;
4. T/R Luxury Haircare (The Tress Room), 4640 Richmond Road, Unit #130;
5. Kapruka Ohio, LLC, 4364 Cranwood Parkway;
6. AO Care, LLP, 4630 Richmond Road, Unit #270

While design, planning and approvals all took place in 2023, the residents of Warrensville Heights will also benefit with these new retailers locating to our city in the Spring and Summer of 2024:

1. Aldi's, Harvard Park;
2. Golf Galaxy Performance Center, Harvard Park;
3. Phantom Fireworks; Miles Road

Housing

The city successfully acquired vacant lots through Sheriff Sale process in 2023 and has been collaborating with numerous private landowners interested in donating well over 30 vacant sites to the City of Warrensville Heights aligning with our vision for future development opportunities. We anticipate all land conveyance and donations to be finalized in 2024.

Green Road Park Expansion

Throughout the entire year of 2023, the City of Warrensville Heights extended intensive effort and commitment to a Green Road Park Expansion Plan, conducted in partnership with the Cuyahoga County Planning Commission, significant progress has been made. This community-led endeavor aimed at guiding the development of an innovative intergenerational park and green space, with a particular emphasis on the former John Dewey Elementary School site. Throughout this period, data from community engagement meetings, surveys, stakeholder interviews, internal discussions, and direct community feedback has been meticulously gathered, organized, and analyzed.

Other Challenges

In year 2023, the city experienced a repeat of 2022 applicable to retaining healthy staffing levels in the areas of Public Safety and Public Works. Several retirements and resignations occurred causing staff shortages, increased overtime and workload. To combat said challenges, the City Administration implemented hiring and retention bonuses in an effort to bring staffing up to full staffing level and to be competitive with other surrounding communities.

2023 Highlights

American Rescue Plan Act of 2022

In 2021 the City of Warrensville Heights was awarded \$1.3 million federal grant dollars called American Rescue Plan Act of 2021 (ARPA). The City benefited greatly from the funding by offsetting revenue loss due to the Coronavirus Pandemic. The administration applied the ARPA dollars for the following purposes: installed FLOCK Security Cameras throughout the community that reads license plates for investigative purposes only, SHOTSPOTTER alerts the Police Department when gun shots are fired, new security cameras were installed in the Green Road Community Park, Police Department up fitted three new police SUVs which includes sirens, remote radio, and utility interceptor. The total ARPA expensed in 2022 was \$244,508. The remaining balance was reserve for additional capital improvement in year 2023.

In 2023, the City continued to utilize the balance of the ARPA funding for additional Capital projects. Projects such as much needed interior improvement to Fire Station I and II, purchase two new Ford Explorer SUVs for the Fire Chief and Captain, purchase of 2 more snow plow trucks and crew cabs for Public Works Department, police vehicles and more. The City has a carryover balance for 2024. Hence, the City will exhaust the balance as required on more capital improvement projects, employee health and wellness initiatives and other improvements that have been deferred in previous years.

2023 First Responders Retention Grant

The City applied for a federal grant titled First Responders Retention Grant in 2023. After applying, the City was fortunate to be awarded the retention grant. The purpose of the grant was to help address first responders understaffing and burnout due to overtime challenges. Each first responder that met the grant requirement was issued \$4,000 retention incentive. The total amount received for Police was \$104,000 and Fire \$104,000 for grant total of \$208,000.

Police Department Activities and Highlights

The Warrensville Heights Police Department continues striving to give the residents and business community the best police services possible. To ensure proper staffing, the department has hired five police officers, and three dispatchers. One of the goals of this agency is to continue its pursuit to hire qualified individuals in 2024. The Warrensville Heights Police Department is giving incentives to qualified individuals to serve this community by issuing a five thousand dollar signing bonus, after successfully completing a four month Field Training Program and individuals with five years' experience will be paid a First Class Patrol Officer's salary.

In 2023, the Police Department received 18,595 total calls with 5,798 of them being 911 calls. The amount of citations issued for moving violations was 1,009 and the number of parking citations issued was 1152. The agency responded to 1,378 residential/commercial alarms and maintained a response time of 3-5 minutes.

Building Department Activities and Highlights

Our Building Department is a State Certified Department recognized by the Board of Building Standards. One of our main purposes is to ensure that residential and commercial structures are constructed to safeguard the health, safety, property, and public welfare of the community. We manage all construction activities within the City through review and approval of all residential and commercial plans for new construction, additions/alterations to existing structures. Inspections will be conducted through permit approval for Building, Electrical Plumbing, and HVAC work by State Certificated Inspectors

This year as in previous years we focused on amending provisions in our Building, Housing, and Zoning Codes to keep our department current with today's practices and to address code enforcement issues that have arisen to protect the public, health, safety, and welfare of the community.

Our Building Department went fully live with all portions of our new code enforcement software system Citizenserve which includes Code Enforcement, Building Permits and Inspections, Contractor Registrations, Rental Registrations, Planning and Zoning, and the Customer Portal. Residents and Contractors can now create an account through the Citizenserve Customer Portal and submit all permits, applications, and payments without having to leave their home or office.

Our 2023 Community Impact for the Building Department:

- 538 Permits Issued
- \$7,314,931.60 in permit applications valuations
- 44 Projects came through Plan Review for new construction, additions/alterations
- 181 Point of Sale Inspections performed
- 664 Rental Occupancy Inspections performed

The Civic & Senior Center Activities and Highlights

The Civic & Senior Center is a municipal facility whose primary mission is to provide services and activities for the senior and adult community of Warrensville Heights. The Center currently offers a variety of craft and educational classes such as Ceramics, Jewelry Making, Knitting & Crocheting and more. The Center offers Health & Wellness activities such as Aerobics, Corn Hole, Line Dancing and more. We also offer opportunities for seniors to go on group outings to the Cleveland Playhouse, Karamu Theater, and other locations, depending on interest.

The Center also serves as an Emergency Crisis Center. The Crisis Center serves as a confidential support, referral and crisis evaluation with the support of Red Cross and other local agencies during a time of crisis within the City of Warrensville Heights.

The Center offers a variety of room rental needs not only at the Center, but at the Chateaux of Emery Woods Clubhouse as well. The rooms can be rented by the residents of the City of Warrensville Heights for adult events.

Highlights

Building Improvements

- Cuyahoga County provided the City of Warrensville Heights with \$600,000.00 in grants funds to allow for a necessary roof and HVAC replacement for the Civic & Senior Center.

Senior Luncheon

- The 1st Monday in May of every year the City offers a Senior Luncheon to senior residents over the age of 60 who registers to attend. It is on a first come, first serve basis and we are limited to 500 participants per year.

AARP offers tax preparation program

- AARP Foundation Tax-Aide offers free tax preparation assistance Feb. 1 through April 15. Tax preparation is provided free of charge to anyone who makes an appointment.

Mind Challenge

- The Northeast Ohio (NEO) Mind Challenge for the New Majority is a senior friendly trivia competition between approximately 36 local municipalities and Senior Centers in NEO. Cash prizes (and bragging rights) will be awarded to the winning municipality and team members.

The event has been so successful, we have started a Mind Challenge Club.

Department of Senior & Adult Services (DSAS)

- This is a collaboration that empowers seniors and adults with disabilities to age successfully, by providing resources and support that preserve their independence.

Western Reserve Area Agency on Aging

- This is a collaboration offers advocacy, assistance and answers on aging and disabilities. Serving older adults and individuals with disabilities in the City of Warrensville Heights.

Transportation

- Transportation services are provided for medical appointments on Mondays, Tuesdays and Thursdays and grocery shopping on Wednesdays. This service is provided for City of Warrensville Heights seniors 60+ years of age who are without transportation.

Mayor's Initiatives

The Mayor's major initiative and focus continues to be "Growth through Development and Innovation". Through several strategic programs, partnerships and initiatives, the goal is to move the City toward an ultimate objective of continued economic growth through sustainable development and innovation. The Mayor and the Administration have been working on this mission through a three-pronged approach for several years now. They are as follows:

1. Implementation and Retention of Vital City Programs
2. Continued Technological Advances
3. Housing Initiatives.

The City's vision continues to be the redevelopment of areas that have been demolished for mix-use commercial, residential development and park setting. As you drive around the City it will notice the vision is moving towards reality. It is exciting times for the City of Warrensville Heights and more is sure to come.

Long-Term Financial Planning

The Northfield Road Corridor is an area most in need of enhancements according to the City's Master Plan. The Plan recommends improvements between Clarkwood Parkway and Emery Road. In an effort to follow the Master Plan, the City proved its commitment by purchasing two buildings on the corridor that remained vacant for many years. The buildings purchased were once the home of a new and used auto dealership that sat on approximately 5.7 acres.

To strengthen the City's reserve balance for years to come, the City plans to adopt a formal minimum fund balance policy for the General Fund in 2023. It has always been the City's goal to maintain fund balances that would finance at least a minimum of three months (25 percent) of operations. The Finance Department reviews all transactions on an on-going basis, balances bank accounts daily, and works diligently to manage and monitor revenues and expenditures to ensure that adequate fund balances are maintained.

Awards and Acknowledgements

The City takes great pride in committing itself to financial excellence. This is evident in the City receiving once again a Certificate of Achievement for Excellence in Financial Report consecutively since 2003 from the Government Finance Officers Association (GFOA). City of Warrensville Heights will continue to make strong financial strides for many years to come.

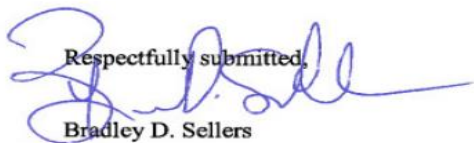
Award---The Government Finance Officers Association of the United States and Canada (GFOA) awarded a '**Certificate of Achievement for Excellence in Financial Reporting**' to the City of Warrensville Heights for its Annual Comprehensive Financial Report for the year end December 31, 2022.


The criteria established to be awarded a ‘**Certificate of Achievement for Excellence in Financial Reporting**’, a government unit must publish a reader friendly and efficiently organized Annual Comprehensive Financial Report which satisfies all program standards. Such a report must also conform to generally accepted accounting principles and must satisfy all applicable legal requirements respective to the reporting entity.

We believe that our financial report for year-end of December 31, 2023 will continue to meet the standards of the yearly Award. Therefore, we are submitting it to GFOA at this time.

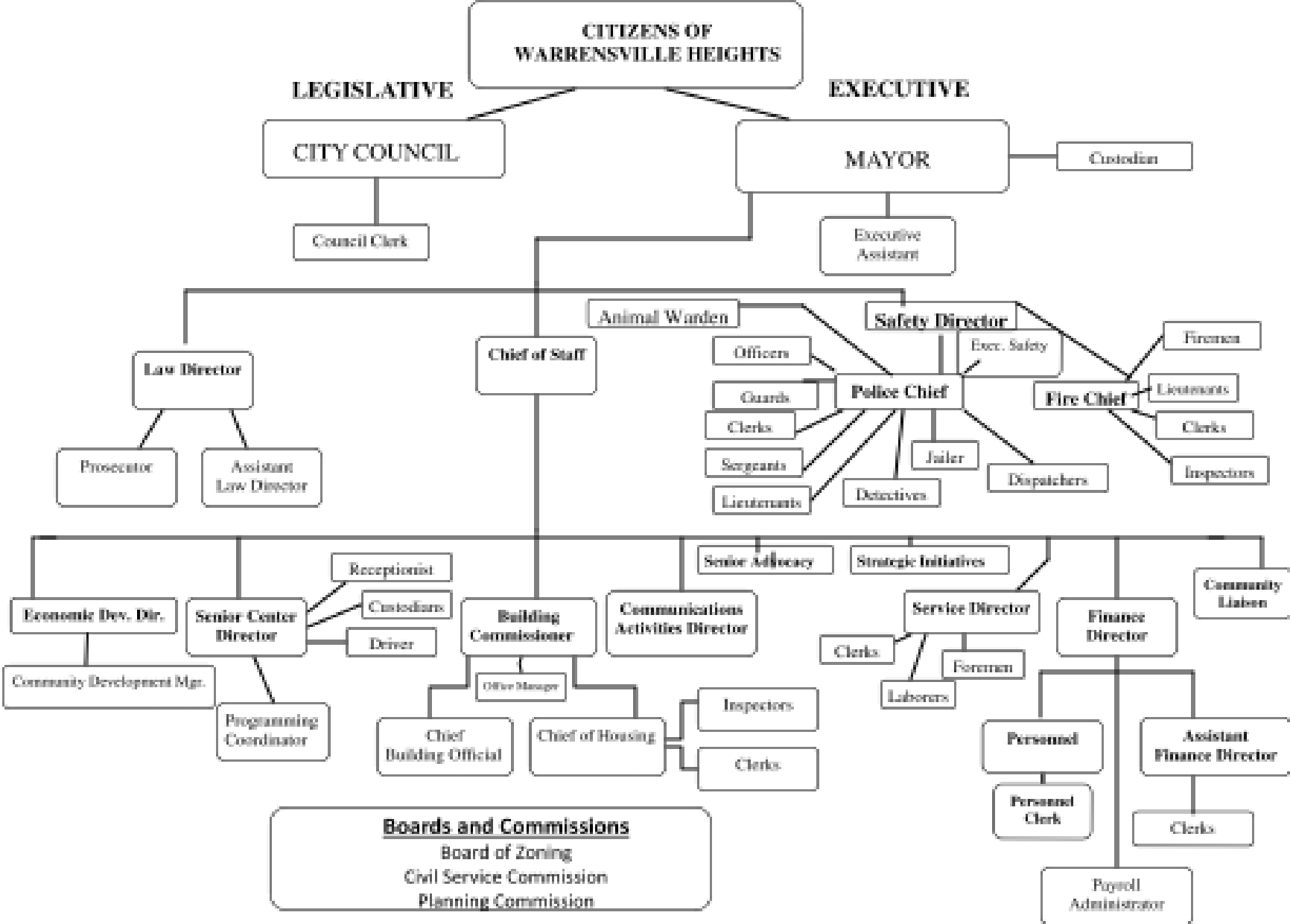
Acknowledgments

This Annual Comprehensive Financial Report (ACFR) was prepared by the Finance Department with the efficient and dedicated services of its entire staff. Sincere gratitude goes to City Council for its enthusiastic support and its granting of funds for this project. Appreciation is also expressed to all City Hall Department Heads for their cooperation and assistance.

Respectfully submitted,

Bradley D. Sellers
Mayor


Karen A. Howse
Director of Finance

CITY OF WARRENSVILLE HEIGHTS ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Warrensville Heights
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morill

Executive Director/CEO

CITY OF WARRENSVILLE HEIGHTS
ELECTED AND APPOINTED CITY OFFICIALS

HONORABLE MAYOR BRADLEY D. SELLERS

CITY COUNCIL

Dorise Hagwood, Ward 1

Andrea Mitchell, Ward 2

Elona C. White, Ward 3

Walter Stewart, Ward 4

Matthew Howard, Ward 5

Stanley Anderson, Ward 6

Johnny Williams, Ward 7

APPOINTED OFFICIALS

Kelli Wilson, Chief of Staff

Teresa Metcalf Beasley, Director of Law

Karen Howse, Director of Finance

Ted Sims, Director of Service

Wesley Haynes, Chief of Police

Herb Waugh, Chief of Fire

Laura Cline, Personnel Director

Ben Brown, Building Commissioner

Jennifer Lastery, Director of Civic and Senior Center

GPD Associates, City Engineer

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

City of Warrensville Heights
Cuyahoga County
4743 Richmond Road
Warrensville Heights, Ohio 44128

To the Members of City Council:

Report on the Financial Statements

Opinions

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

In our opinion, the 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 Warrensville Heights as of December 31, 2023, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with 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 (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.

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 Postemployment Benefit Liabilities and Pension and Postemployment Benefit Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 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 have also issued our report dated May 21, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Zupka & Associates
Certified Public Accountants

May 21, 2024

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The discussion and analysis of the City of Warrensville Heights’ (the City) financial performance provides an overall review of the City’s financial activities for the year ended December 31, 2023. The intent of this discussion and analysis is to look at the City’s financial performance as a whole. Readers are encouraged to consider information presented here in conjunction with the additional information contained in the transmittal letter, as well as the basic financial statements to enhance their understanding of the City’s financial performance.

Financial Highlights

- The assets and deferred outflows of the City exceeded liabilities and deferred inflows at December 31, 2023 by \$5,332,439.
- Total assets increased by \$443,319 and deferred outflows of resources increased by \$4,937,258 in 2023. The largest increase was in depreciable and non-depreciable capital assets. The increase in deferred outflows of resources was related to the pension and OPEB plans.
- Total liabilities increased by \$9,328,523 and deferred inflows of resources decreased by \$6,972,840 in 2023. The main fluctuations in liabilities are related to net pension. The increase in deferred inflows of resources was related to the pension plan.
- Net position in total increased by \$3,024,894 during 2023.

Using this Annual Comprehensive 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 Warrensville Heights as a financial whole or as an entire operating entity. The statements proceed to provide an increasingly detailed look at our specific financial condition.

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole City. They provide both an aggregate view of the City’s finances in addition to 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 nonmajor funds presented in total in one column.

The City as a Whole

Statement of Net Position and the Statement of Activities

The Statement of Net Position presents information, excluding fiduciary funds, on all the City’s assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. This change is important because it serves as a useful indicator of whether the City’s financial position is improving or diminishing. However, in evaluating the overall position of the City, non-financial information such as changes in the City’s tax base, change in the tax law, and the condition of capital assets should also be considered.

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In the Statement of Net Position and the Statement of Activities, all of the City's activities are reported as governmental activities, which include all of the City's services including police, fire, administration, and all other departments. The City does not operate any business-type activities and has no component units. Both the Statement of Net Position and the Statement of Activities use the accrual basis of accounting similar to the accounting methods used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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 (Assets and Deferred Outflows of Resources minus Liabilities and Deferred Inflows of Resources)
- Program revenues and expenses
- General revenues
- Net position beginning of year and year-end

Reporting the City's Most Significant Funds

Fund Financial Statements

The analysis of the City's major funds begins on page 11. Fund financial reports provide detailed information about the City's major funds. The City has established many funds that 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 Warrensville Heights, the major governmental funds are the General Fund, General Obligation Bond Retirement Fund, and Street Improvements Fund.

Governmental Funds

The 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 available resources, as well as on balances of 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 the balances left at year-end available for spending in future periods. The City's funds are reported using the accounting method called modified accrual accounting which measures cash and all other financial assets that are expected to be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's operations and the basic services it provides.

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate a comparison between

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governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds.

Government-wide Financial Analysis – The City as a Whole

As noted earlier, the Statement of Net Position looks at the City as a whole and can be used as an indicator of the City’s financial position. Table 1 provides a summary of the City’s net position for 2023 compared to 2022.

Table 1 – Net Position

	2023	2022
ASSETS		
Current and other assets	\$ 26,556,192	\$ 28,672,928
Capital assets, net	43,216,035	39,834,040
Net OPEB asset	-	821,940
Total Assets	69,772,227	69,328,908
DEFERRED OUTFLOWS OF RESOURCES		
Pension	9,753,081	5,146,153
OPEB	1,477,713	1,147,383
Total Deferred Outflows of Resources	11,230,794	6,293,536
LIABILITIES		
Current and other liabilities	5,367,169	5,871,214
Long-term liabilities:		
Due within one year	2,693,235	2,744,349
Due in more than one year		
Net pension liability	27,742,760	15,240,591
Net OPEB liability	1,609,686	2,243,489
Other amounts	30,672,845	32,657,529
Total Liabilities	68,085,695	58,757,172
DEFERRED INFLOWS OF RESOURCES		
Property taxes	1,520,755	1,430,598
Lease	2,510,769	2,630,330
Pension	1,640,636	8,286,075
OPEB	1,912,727	2,210,724
Total Deferred Inflows of Resources	7,584,887	14,557,727
NET POSITION		
Net investment in capital assets	9,416,608	3,810,408
Restricted	7,351,500	7,056,428
Unrestricted	(11,435,669)	(8,559,291)
Total Net Position	\$ 5,332,439	\$ 2,307,545

The net pension liability (NPL) is reported pursuant to GASB Statement 68, “Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27.” The City has previously adopted GASB Statement 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than

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Pensions,” which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City’s actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

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

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

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

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

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

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the

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control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

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

The largest portion of the City’s net position reflects its net investment in capital assets (e.g. construction in progress, land, land improvements, buildings, machinery and equipment, vehicles, and various infrastructure), less any related debt to acquire those assets that is still outstanding along with any related deferred outflows/inflows of resources. The City uses these capital assets to provide service to its citizens; consequently, these assets are not available for future spending. At December 31, 2023, total net position had a balance of \$5,332,439. Total assets increased by \$443,319 from 2022 to 2023. Of that increase, the most significant changes were in depreciable and non-depreciable capital assets. Total liabilities increased by \$9,328,523 in 2023. The increase is mainly due to the increase in net pension liability. The changes in net pension liability, net OPEB liability, net OPEB asset, deferred outflows and inflows in resources is due to the recording of GASB Statement No. 68 and 75.

The implementation of GASB Statement No. 68 and 75 requires the reader to perform additional calculations to determine the City’s Total Net Position at December 31, 2023 without the implementation of GASB Statement No. 68 and 75. This is an important exercise, as the State Pension Systems (OPERS & OP&F) collect, hold, invest, and distribute pensions to our employees, not the City of Warrensville Heights. These calculations are as follows:

	Governmental Activities
Total Net Position at December 31, 2023 (with GASB 68 and 75)	\$ 5,332,439
GASB 68 Calculations:	
Add:	
Deferred Inflows related to Pension	1,640,636
Deferred Inflows related to OPEB	1,912,727
Net Pension Liability	27,742,760
Net OPEB Liability	1,609,686
Less:	
Deferred Outflows related to Pension	(9,753,081)
Deferred Outflows related to OPEB	(1,477,713)
Total Net Position (without GASB 68 and 75)	\$ 27,007,454

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Table 2 shows the change in net position for the year ended December 31, 2023 compared to 2022.

Table 2 – Statement of Activities

	2023	2022
REVENUES		
Program Revenues:		
Charges for services	\$ 1,406,002	\$ 1,712,966
Operating grants and contributions	1,265,106	974,175
Capital grants and contributions	927,448	547,097
Total Program Revenues	3,598,556	3,234,238
General Revenues:		
Property taxes	1,447,564	1,591,423
Municipal income taxes	21,297,748	22,418,704
Other Taxes	554,429	549,671
Grants and entitlements	2,014,354	2,151,095
Investment income	435,287	129,596
All other revenues	404,305	1,127,936
Total General Revenues	26,153,687	27,968,425
Total Revenues	29,752,243	31,202,663
EXPENSES		
Program Expenses:		
Security of persons and property	11,925,064	9,627,410
General government	6,499,891	6,099,990
Public works	4,246,931	3,325,593
Leisure time activities	728,871	763,128
Transportation	801,257	1,498,571
Community development	1,196,066	810,687
Public health and welfare	91,007	82,734
Interest and fiscal charges	1,238,262	1,253,514
Total Expenses	26,727,349	23,461,627
Change in Net Position	3,024,894	7,741,036
Net Position - Beginning of Year	2,307,545	(5,433,491)
Net Position - End of Year	\$ 5,332,439	\$ 2,307,545

Governmental Activities

Several revenue sources fund the governmental activities with the City municipal income tax being the largest contributor. Under the accrual basis of accounting, the City's municipal income tax accounted for \$21,297,748 or 71.58 percent of total revenues. The municipal income tax rate is 2.60 percent.

Property taxes of \$1,447,564 accounted for 4.87 percent of total revenues. Other taxes of \$554,429 accounted for 1.86 percent of total revenues. Charges for services of \$1,406,002 accounted for 4.73 percent of total revenue. Operating grants and contributions of \$1,265,106 accounted for 4.25 percent of total revenue. Grants and entitlements of \$2,014,354 accounted for 6.77 percent of total revenues. All other revenue sources of \$404,305 accounted for the remaining 1.36 percent of the City's 2023 revenue. The City monitors its sources of revenue very closely for fluctuations throughout the year, especially municipal income taxes. Municipal income taxes increased in part due advanced technology with the City's Third Party Administrator (TPA) collection agency report collections in real time.

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The provisions of GASB Statements 68 and 75 required the City to recognize a pension/OPEB adjustment that increased expenses in the amount of \$808,529 in 2023 and reduced expenses in the amount of \$2,558,998 in 2022. As a result, it is difficult to ascertain the true operational cost of services and the changes in the cost of services from year to year. The table below shows the total cost of services by function with the GASB Statements 68 and 75 pension and OPEB costs removed.

EXPENSES	<u>2023</u>	<u>2022</u>
Program Expenses:		
Security of persons and property	\$ 11,165,446	\$ 10,668,098
General government	6,483,390	6,628,703
Public works	4,225,042	4,015,996
Leisure time activities	725,489	870,899
Transportation	801,257	1,498,571
Community development	1,188,927	1,002,110
Public health and welfare	91,007	82,734
Interest and fiscal charges	1,238,262	1,253,514
Total Expenses	<u>\$ 25,918,820</u>	<u>\$ 26,020,625</u>

Using, the table above, Security of persons and property, including the Police and Fire departments, accounted for program expenses of \$11,165,446, which is 43.08 percent of total City expenses for 2023 and experienced an increase in expenses in 2023 are applicable to wage increased for Public Safety and increase in overtime due to attrition and staff shortage. The general government expenses accounted for \$6,483,390, or 25.01 percent of total expenses. The public works expenses, primarily the Service Department, accounted for \$4,225,042, or 16.30 percent of total expenses. Transportation expenses decreased \$697,314 due to decrease in project expenses.

The Police and Fire departments continue to provide the public with informative programs in a professional manner. The departments will continue to look for ways to expand our services and develop new public education programs for the community.

The City’s Funds

Information about the City’s major funds starts on page 17. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had revenues of \$30,111,344 and expenditures of \$31,354,282 (not including other financing sources and uses). The most significant fund is the General Fund with a fund balance at year-end of \$9,276,427. In 2023, the fund balance of the General Fund decreased by \$2,744,788. This decrease in fund balance is due to is mostly due to an increase in transfers out in 2023, the largest of which was to the Street Improvement fund.

The City’s other major fund is the General Obligation Bond Retirement Fund. The General Obligation Bond Retirement Fund is used to pay the City’s outstanding general obligation debt and also accounts for property tax and special assessment revenues which help to make it a major fund. The General Obligation Bond Retirement Fund’s fund balance increased \$276,352 from 2022, with a deficit fund balance of \$2,712,609 at December 31, 2023. The increase is due to revenues being greater than expenditures in 2023.

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The City's third major fund is the Street Improvement Fund. The Street Improvement Fund is used to accounts for loan proceeds from the Ohio Department of Transportation for rehabilitation of local roads. The Street Improvement Fund's fund balance increased by \$337,552 from 2022, with a fund balance of \$825,214 at December 31, 2023.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund. An annual appropriation budget is legally required to be prepared for all funds of the City other than custodial funds.

City Council is provided with a detailed line item budget for all departments and after a discussion at a Finance Committee meeting, which is open to the public, the budget is adopted by City Council at a regularly held City Council meeting at the object level for all other funds. The Finance Director has been authorized to allocate appropriations within the object level within each fund.

The General Fund supports many of our major activities including the police department, fire department, and most legislative and executive activities. The General Fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

Both the original revenue and expenditure budget is designed to be very conservative, requiring additional spending requests to be approved by City Council throughout the year. During the course of 2023, the City amended its General Fund budget in response to departmental needs. The original and final budgeted revenue (including other financing sources) amounted to \$24,551,579 and \$25,837,765, respectively. Actual revenues of \$25,862,943 were \$25,178 more than the final budgeted revenues. This difference is mainly due to a larger amount of income tax revenue received than budgeted.

The original and final budgeted expenditures (including other financing sources) amounted to \$27,153,637 and \$30,670,174, respectively. Actual expenditures of \$28,187,833 were \$2,482,341 less than the final budgeted expenditures mainly due to attrition and shortage in staffing.

Capital Assets and Debt Administration

Capital Assets

At the end of 2023, the City had \$43,216,035 invested in land, buildings, land improvements, machinery and equipment, vehicles, furniture and fixtures, and infrastructure.

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Table 3 shows 2023 balances of capital assets as compared to 2022.

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

	2023	2022
Land	\$ 3,204,022	\$ 3,156,796
Construction in progress	2,286,850	768,205
Buildings	24,894,728	25,500,450
Land Improvements	35,890	45,469
Machinery and Equipment	333,653	422,831
Vehicles	1,932,457	1,071,738
Infrastructure:		
Roads	9,045,420	7,318,740
Sanitary Sewers	687,417	721,863
Storm Sewers	795,598	827,948
Total Capital Assets	\$ 43,216,035	\$ 39,834,040

Capital assets increased by \$3,381,995 in 2023.

The City Engineer maintains a comprehensive listing of all the roads, sanitary sewers, and storm sewers within the City. Each spring, this inventory is updated with current conditions and recommendations made for repair or replacement. The City has taken an aggressive approach in pursuing funding to assist in the financing of infrastructure projects. See Notes 2 and 11 of the basic financial statements for additional information on capital assets.

Long-Term Obligations

At December 31, 2023, the City had \$62,718,526 in outstanding long-term obligations. Table 4 summarizes the long-term obligations outstanding.

Table 4 – Outstanding Long-Term Obligations at December 31

	2023	2022
General Obligation Bonds	\$ 5,169,574	\$ 5,909,135
Certificate of Participation	7,781,986	8,211,056
Loans Payable	1,087,259	1,501,480
Compensated Absences	2,526,345	2,301,798
Claims Payable	45,685	25,941
Financed Purchases Payable	16,755,231	17,452,468
Net Pension Liability	27,742,760	15,240,591
Net OPEB Liability	1,609,686	2,243,489
Total outstanding long term liabilities	\$ 62,718,526	\$ 52,885,958

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The City’s overall legal debt margin was \$23,354,173 with an unvoted legal debt margin of \$9,771,436 on December 31, 2023. For more information about the City’s long-term obligations and short-term note activity, see Notes 12, 13, 14, 17, and 18 to the basic financial statements.

Current Financial Related Activities

The year 2023 continued to be challenging for the City of Warrensville Heights when it came to staffing. The City experienced a reduction in staffing due to attrition, work injuries, and medical illness. This was particularly a huge factor in the City’s Public Safety division. One of solution to combat staffing issues within the City’s Police Division—the City implemented a retention bonuses and signing bonuses program in hopes to retain current workers and attract new officers. Despite the staffing challenges, the City continues striving to be proactive in the face of it all. Had the City not been a recipient of federal grant funding in 2021 through 2023, the City may have experienced financial stress. Furthermore, the federal grants made it financially feasible to issue retention hiring signing bonuses. Due to the federal grants, the City of Warrensville Heights ended the year with a healthy reserve balance allowing the City the ability to fund much needed infrastructure projects, capital improvements, and enhancements for the Public Safety and Public Works Divisions. The federal funding strengthen the City’s financial ability to act on emergencies and unforeseen expenditures in the future. The City will continue to assess cost savings measures while addressing the needs of the community.

The finances are closely monitored monthly by the Mayor, Administration and City Council ensuring the City is operating fiscally responsibly. Warrensville Heights continues to carry a favorable credit rating of an A-2 assigned by Moody’s Investors Services.

Contacting the City of Warrensville Heights’ Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the City’s finances and to show the City’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Director Karen Howse, at the City of Warrensville Heights, 4743 Richmond Road, Warrensville Heights, Ohio 44128, (216) 587-1135, or e-mail to khowse@cityofwarrensville.com.

**CITY OF WARRENSVILLE HEIGHTS
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STATEMENT OF NET POSITION
DECEMBER 31, 2023**

	Governmental Activities
ASSETS	
Equity in Pooled Cash and Cash Equivalents	\$ 12,522,189
Cash and Cash Equivalents:	
In Segregated Accounts	16,105
Materials and Supplies Inventory	172,699
Accounts Receivable	505,051
Accrued Interest Receivable	13,870
Intergovernmental Receivable	830,063
Prepaid Items	248,590
Municipal Income Taxes Receivable	5,800,187
Property Taxes Receivable	1,822,857
Special Assessments Receivable	2,066,153
Lease receivable	2,558,428
Nondepreciable Capital Assets	5,490,872
Depreciable Capital Assets	37,725,163
Total Assets	69,772,227
DEFERRED OUTFLOWS OF RESOURCES	
Pension	9,753,081
OPEB	1,477,713
Total Deferred Outflows of Resources	11,230,794
LIABILITIES	
Accounts Payable	413,744
Contracts Payable	187,123
Accrued Wages and Benefits	409,645
Intergovernmental Payable	256,804
Matured Compensated Absences Payable	11,201
Accrued Interest Payable	249,407
Retainage Payable	128,646
Unearned Revenue	1,020,991
Notes Payable	2,689,608
Long-term Liabilities:	
Due within one year	2,693,235
Due in more than one year:	
Net Pension Liability	27,742,760
Net OPEB Liability	1,609,686
Other amounts due in more than one year	30,672,845
Total Liabilities	68,085,695
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	1,520,755
Lease	2,510,769
Pension	1,640,636
OPEB	1,912,727
Total Deferred Inflows of Resources	7,584,887
NET POSITION	
Net Investment in Capital Assets	9,416,608
Restricted for:	
Debt Services	2,101,833
Capital Projects	1,991,539
Streets	1,662,922
Building Levy	387,833
Police and Fire	370,984
Residential Demolition	206,878
SIB Loan Repayment	502,421
Other Purpose	127,090
Unrestricted	(11,435,669)
Total Net Position	\$ 5,332,439

See accompanying notes to the basic financial statements

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
				Governmental Activities	
Primary Government:					
Governmental activities:					
Security of Persons and Property					
Police and Others	\$ 6,707,190	\$ 108,790	\$ 104,000	\$ 26,658	\$ (6,467,742)
Fire	5,217,874	493,582	104,000	5,000	(4,615,292)
Public Health and Welfare	91,007	-	-	-	(91,007)
Leisure Time Activities	728,871	17,435	-	486,057	(225,379)
Community Development	1,196,066	473,793	-	-	(722,273)
Public Works	4,246,931	-	-	-	(4,246,931)
Transportation	801,257	1,161	764,584	409,733	374,221
General Government	6,499,891	311,241	292,522	-	(5,896,128)
Interest and Fiscal Charges	1,238,262	-	-	-	(1,238,262)
Total Governmental activities	\$ 26,727,349	\$ 1,406,002	\$ 1,265,106	\$ 927,448	(23,128,793)
General Revenues:					
Property Taxes levied for:					
General Purposes					429,129
Debt Service Purpose					503,901
Other Purposes					514,534
Municipal Income Taxes levied for:					
General Purposes					21,297,748
Other Taxes					554,429
Grants & Entitlements not restricted to specific programs					2,014,354
Investment Income					435,287
All Other Revenues					404,305
Total General Revenues					<u>26,153,687</u>
Change in Net Position					<u>3,024,894</u>
Net Position - Beginning of Year					<u>2,307,545</u>
Net Position - End of Year					<u><u>\$ 5,332,439</u></u>

See accompanying notes to the basic financial statements

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	<u>General Fund</u>	<u>General Obligation Bond Retirement</u>	<u>Street Improvement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:					
Equity in Pooled Cash and Cash Equivalents	\$ 5,737,712	\$ 45,651	\$ 1,675,119	\$ 5,063,707	\$ 12,522,189
Cash and Cash Equivalents:			-		
In Segregated Accounts	16,105	-	-	-	16,105
Materials and Supplies Inventory	170,909	-	-	1,790	172,699
Accrued Interest Receivable	13,870	-	-	-	13,870
Accounts Receivable	483,665	-	-	21,386	505,051
Interfund Receivable	752,500	-	-	-	752,500
Intergovernmental Receivable	450,363	19,380	-	360,320	830,063
Prepaid Items	248,590	-	-	-	248,590
Municipal Income Taxes Receivable	5,800,187	-	-	-	5,800,187
Property Taxes Receivable	539,739	570,797	-	712,321	1,822,857
Special Assessments Receivable	-	2,066,153	-	-	2,066,153
Lease Receivable	2,558,428	-	-	-	2,558,428
Total Assets	<u>16,772,068</u>	<u>2,701,981</u>	<u>1,675,119</u>	<u>6,159,524</u>	<u>27,308,692</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 367,543	\$ -	\$ -	\$ 46,201	\$ 413,744
Accrued Wages and Benefits	409,645	-	-	-	409,645
Contracts Payable	-	-	-	187,123	187,123
Intergovernmental Payable	256,804	-	-	-	256,804
Matured Compensated Absences Payable	11,201	-	-	-	11,201
Accrued Interest Payable	-	68,652	-	-	68,652
Retainage Payable	-	-	97,405	31,241	128,646
Interfund Payable	-	-	752,500	-	752,500
Unearned Revenue	111,084	-	-	909,907	1,020,991
Notes Payable	-	2,689,608	-	-	2,689,608
Total Liabilities	<u>1,156,277</u>	<u>2,758,260</u>	<u>849,905</u>	<u>1,174,472</u>	<u>5,938,914</u>
Deferred Inflows of Resources:					
Property Taxes and Lease	2,961,467	475,628	-	594,429	4,031,524
Unavailable Revenue - Delinquent Property Taxes	89,041	95,169	-	117,892	302,102
Unavailable Revenue - Income Taxes	2,755,068	-	-	-	2,755,068
Unavailable Revenue - Other	533,788	2,085,533	-	243,900	2,863,221
Total Deferred Inflows of Resources	<u>6,339,364</u>	<u>2,656,330</u>	<u>-</u>	<u>956,221</u>	<u>9,951,915</u>
Fund Balances:					
Nonspendable	1,221,390	-	-	1,790	1,223,180
Restricted	-	-	825,214	3,748,963	4,574,177
Committed	100,000	-	-	278,078	378,078
Assigned	3,174,981	-	-	-	3,174,981
Unassigned (Deficit)	4,780,056	(2,712,609)	-	-	2,067,447
Total Fund Balances (Deficit)	<u>9,276,427</u>	<u>(2,712,609)</u>	<u>825,214</u>	<u>4,028,831</u>	<u>11,417,863</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 16,772,068</u>	<u>\$ 2,701,981</u>	<u>\$ 1,675,119</u>	<u>\$ 6,159,524</u>	<u>\$ 27,308,692</u>

See accompanying notes to the basic financial statements.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF
GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2023**

Total Governmental Funds Balance		\$ 11,417,863
<i>Amounts reported for Governmental Activities in the Statement of Net Position are different because:</i>		
Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds		43,216,035
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable revenues in the funds:		
Delinquent property taxes	302,102	
Municipal income taxes	2,755,068	
Special assessments	2,066,153	
Intergovernmental	529,321	
Charges for services	<u>267,747</u>	
Total		5,920,391
In the Statement of Activities, interest is accrued on outstanding bonds, whereas in Governmental funds, an interest expenditure is reported when due.		(180,755)
The net pension liability and net OPEB liability are not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflows - Pension	9,753,081	
Deferred Inflows - Pension	(1,640,636)	
Net Pension Liability	(27,742,760)	
Deferred Outflows - OPEB	1,477,713	
Deferred Inflows - OPEB	(1,912,727)	
Net OPEB Liability	<u>(1,609,686)</u>	
Total		(21,675,015)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:		
General obligation bonds	(4,985,000)	
Loans Payable	(1,087,259)	
Certificate of Participation	(7,725,000)	
Unamortized bond and note premiums	(241,560)	
Claims Payable	(45,685)	
Financed Purchases Payables	(16,755,231)	
Accrued compensated absences	<u>(2,526,345)</u>	
Total		<u>(33,366,080)</u>
Net Position of Governmental Activities		<u><u>\$ 5,332,439</u></u>

See accompanying notes to the basic financial statements.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL
FOR THE YEAR ENDED DECEMBER 31, 2023**

	General Fund	General Obligation Bond Retirement	Street Improvement Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes	\$ 479,318	\$ 503,901	\$ -	\$ 633,959	\$ 1,617,178
Municipal Income Taxes	21,071,857	-	-	-	21,071,857
Hotel Taxes	-	-	-	386,926	386,926
Franchise Taxes	167,503	-	-	-	167,503
Intergovernmental	1,911,891	38,759	392,663	1,869,431	4,212,744
Interest	435,267	-	-	20	435,287
Licenses and Permits	464,027	-	-	-	464,027
Fines and Forfeitures	114,660	-	-	5,750	120,410
Rentals	104,696	-	-	-	104,696
Charges for Services	594,910	-	-	6,388	601,298
Special Assessments	-	405,552	-	-	405,552
Lease	119,561	-	-	-	119,561
All Other Revenues	329,449	25,816	-	49,040	404,305
Total Revenues	25,793,139	974,028	392,663	2,951,514	30,111,344
EXPENDITURES					
Security of Persons and Property:					
Police and Others	5,708,420	-	-	541,183	6,249,603
Fire	4,412,163	-	-	278,000	4,690,163
Public Health and Welfare	91,007	-	-	-	91,007
Leisure Time Activities	455,566	-	-	-	455,566
Community Development	1,001,194	-	-	186,113	1,187,307
Public Works	3,814,220	-	-	-	3,814,220
Transportation	-	-	-	506,968	506,968
General Government	5,805,187	4,110	-	223,277	6,032,574
Capital Outlay	57,810	-	3,209,976	1,527,106	4,794,892
Debt Service:					
Principal Retirement	476,325	1,374,501	-	400,632	2,251,458
Interest and Fiscal Charges	598,675	628,434	-	34,430	1,261,539
Bond Issuance Costs	-	18,985	-	-	18,985
Total Expenditures	22,420,567	2,026,030	3,209,976	3,697,709	31,354,282
Excess of Revenues (Under) Expenditures	3,372,572	(1,052,002)	(2,817,313)	(746,195)	(1,242,938)
OTHER FINANCING SOURCES (USES)					
Sale of Capital Assets	5,121	-	-	-	5,121
Transfers In	-	1,328,354	3,154,865	1,639,262	6,122,481
Transfers Out	(6,122,481)	-	-	-	(6,122,481)
Total Other Financing Sources (Uses)	(6,117,360)	1,328,354	3,154,865	1,639,262	5,121
Net Change in Fund Balances	(2,744,788)	276,352	337,552	893,067	(1,237,817)
Fund Balances (Deficits) - Beginning of Year	12,021,215	(2,988,961)	487,662	3,135,764	12,655,680
Fund Balances (Deficits) - End of Year	\$ 9,276,427	\$ (2,712,609)	\$ 825,214	\$ 4,028,831	\$ 11,417,863

See accompanying notes to the basic financial statements.

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2023**

Net Change in Fund Balances-Total Governmental Funds \$ (1,237,817)

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

Capital Outlay	\$ 4,794,892	
Depreciation	(1,378,529)	
Total		3,416,363

In the Statement of Activities, only the loss on the disposal of capital assets is reported, whereas, in the Governmental Funds, the proceeds from the disposals increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets. (34,368)

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

Delinquent property taxes	(169,614)	
Municipal income taxes	225,891	
Special assessments	(388,482)	
Intergovernmental	(18,717)	
Charges for services	(8,179)	
Total		(359,101)

Repayment of bond and loan principal and capital leases are expenditures in the Governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 2,251,458

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

Pension		1,935,015
OPEB		29,780

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

Pension		(3,184,817)
OPEB		410,410

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.

Claims Payable	(19,744)	
Compensated Absences	(224,547)	
Amortization of Premium	28,631	
Accrued Interest On Bonds	13,631	
Total		(202,029)

Change in Net Position of Governmental Activities \$ 3,024,894

See accompanying notes to the basic financial statements.

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 455,445	\$ 507,015	\$ 479,318	\$ (27,697)
Income Taxes	20,166,006	21,166,472	21,210,805	44,333
Other Taxes	159,252	167,153	167,503	350
Intergovernmental	1,859,183	1,958,305	1,962,281	3,976
Interest	349,619	366,964	367,733	769
Licenses and Permits	447,998	470,224	471,209	985
Fines and Forfeitures	103,431	108,563	108,790	227
Rentals	217,037	227,805	228,282	477
Charges for Services	523,287	549,248	550,398	1,150
All Other Revenues	265,200	310,895	311,503	608
Total Revenues	<u>24,546,458</u>	<u>25,832,644</u>	<u>25,857,822</u>	<u>25,178</u>
Expenditures:				
Current:				
Security of Persons and Property	10,328,871	10,762,587	10,244,406	518,181
Leisure Time Activities	526,406	510,806	455,225	55,581
Community Development	1,000,884	1,064,675	994,577	70,098
Public Works	4,603,954	4,481,442	3,935,837	545,605
General Government	7,878,522	8,177,154	6,884,278	1,292,876
Total Expenditures	<u>24,338,637</u>	<u>24,996,664</u>	<u>22,514,323</u>	<u>2,482,341</u>
Excess of Revenues Over (Under) Expenditures	207,821	835,980	3,343,499	2,507,519
Other Financing Sources (Uses)				
Sale of Capital Assets	5,121	5,121	5,121	-
Advances Out	-	(752,500)	(752,500)	-
Transfer In	167,245	267,245	267,245	-
Transfers Out	(2,815,000)	(5,673,510)	(5,673,510)	-
Total Other Financing Sources (Uses)	<u>(2,642,634)</u>	<u>(6,153,644)</u>	<u>(6,153,644)</u>	<u>-</u>
Net Change in Fund Balance	(2,434,813)	(5,317,664)	(2,810,145)	2,507,519
Fund Balance - Beginning of Year, Restated	7,239,549	7,239,549	7,239,549	-
Prior Year Encumbrances	287,358	287,358	287,358	-
Fund Balance - End of Year	<u>\$ 5,092,094</u>	<u>\$ 2,209,243</u>	<u>\$ 4,716,762</u>	<u>\$ 2,507,519</u>

See accompanying notes to the basic financial statements.

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 STATEMENT OF FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 DECEMBER 31, 2023**

	Custodial Fund
ASSETS	
Equity in Pooled Cash and Cash Equivalents	\$ 544,118
Receivables:	
Taxes for Other Governments	316,268
Total Assets	860,386
LIABILITIES	
Due to External Parties	860,386
Total Liabilities	860,386
NET POSITION	
Restricted For:	
Individuals, Organizations, and Other Governments	-
Total Net Position	\$ -

See accompanying notes to the basic financial statements.

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	Custodial Funds
ADDITIONS	
Income Tax Collections for External Parties	\$ 429,138
Total Additions	429,138
DEDUCTIONS	
Distributions to External Parties	429,138
Total Deductions	429,138
Net Increase (Decrease) in Fiduciary Net Position	-
Net Position - Beginning of Year	-
Net Position - End of Year	\$ -

See accompanying notes to the basic financial statements.

Notes to the Basic Financial Statements

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1: DESCRIPTION OF THE CITY AND REPORTING ENTITY

The City of Warrensville Heights (the “City”) is a home rule municipal corporation established under the laws of the State of Ohio which operates under its own Charter. The current Charter, which provides for a Mayor-Council form of government, was adopted May 6, 1958. Legislative authority is vested in a seven member City Council. City Council members are elected for a four year term. The Mayor is elected for a four year term and serves as the City’s chief executive and administrative officer.

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 of the City consists of all funds, departments, boards, and agencies that are not legally separate from the City. For the City, this includes the agencies and departments that provide the following services: police and fire protection, parks and recreation, planning, zoning, street maintenance and repair, and general administrative services. The City’s departments include a Public Safety Department, a Public Service Department, a Street Maintenance Department, a Parks and Recreation Department, a Planning and Zoning Department, and a staff to provide support (i.e., payroll processing, accounts payable, and revenue collection) to the service providers. The operations of each of these activities and entities are directly controlled by the City 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; or 3) the City is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to, 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 the levying of taxes. The City has no component units.

The City is associated with four jointly governed organizations. These organizations are the First Suburbs Consortium of Northeast Ohio Council of Governments, the Northeast Ohio Public Energy Council (NOPEC), Chagrin/Southeast Council of Government, and Valley Enforcement Regional Council of Government. These organizations are presented in Note 20 to the basic financial statements.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial reporting practices of the City conform to generally accepted accounting principles as applicable to local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The most significant of the City’s accounting policies are described below.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

A. **Basis of Presentation**

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

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 statements usually distinguish between those activities 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 are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental 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. Fiduciary funds are reported by type.

B. **Fund Accounting**

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The City's funds are classified as either governmental or fiduciary.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

B. **Fund Accounting** (Continued)

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

General Obligation Bond Retirement Fund – The General Obligation Bond Retirement Debt Service Fund accounts for property tax collections and special assessments revenue which are used to pay the voted general obligation refunding bonds and special assessment bonds principal, interest, and related costs.

Street Improvement Fund - The Street Improvement Capital Projects Fund accounts for grant monies and note proceeds used for the improvement of streets and curbs within the City.

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

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investments trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City has no trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The City's fiduciary funds are custodial funds. The custodial funds of the City are the Tax Incentive Fund and the Miles North Randall Fund.

C. **Measurement Focus**

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

C. **Measurement Focus** (Continued)

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 (i.e., revenue) and decreases (i.e., 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 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 reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

D. **Basis of Accounting**

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

Revenues – Exchange and 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 60 days of year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include municipal income taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from municipal income taxes is recognized in the year in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 8). Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

D. **Basis of Accounting** (Continued)

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from 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: municipal income tax, state-levied locally shared taxes (including gasoline tax and motor vehicle license fees), licenses and permits, fines and forfeitures, interest, grants, and rentals.

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 17 and 18.

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 future periods and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, leases, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2023, but which were levied to finance year 2024 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, municipal income taxes, special assessments, intergovernmental grants and entitlements, and charges for services. 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 Balances to Net Position of Governmental Activities fund on page 18. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (See Notes 17 and 18).

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.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

D. **Basis of Accounting** (Continued)

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.

E. **Cash and Cash Equivalents**

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through City records. Interest in the pool is presented as “Equity in Pooled Cash and Cash Equivalents.”

Cash held for the City by a bank to purchase capital assets from a lease is included on the financial statements as “cash and cash equivalents with escrow agents.”

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

For 2023, there were no limitation or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, 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.

Following the Charter and Codified Ordinances of the City as well as Ohio statutes, the City has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during 2023 amounted to \$435,267, which includes \$235,514 assigned from other City funds.

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are presented on the financial statements as cash equivalents. Investments are reported at fair value which is based on quoted market prices, with the exception of nonparticipating certificates of deposits, which are reported at cost.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

F. **Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2023, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of purchase and reflecting the expenditure/expense in the year in which the services are consumed.

G. **Inventory**

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

H. **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 governmental-wide statement of net position but are not reported in the fund financial statements.

All capital assets 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 back-trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using the 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's capitalization threshold is five thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings	50 years
Land improvements	30 years
Machinery and equipment	5 to 15 years
Furniture and fixtures	7 years
Vehicles	3 to 15 years
Infrastructure	75 years

The City's infrastructure consists of roads, sanitary sewers, waterlines, storm sewers, and includes infrastructure acquired prior to December 31, 1980.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

I. **Interfund Balances**

On the fund financial statements, receivables and payables resulting from transactions between funds for services provided or goods received and from short-term interfund loans are classified as “Interfund Receivables/Payables.” Interfund loans which do not represent available expendable resources should have an equal offset which would be included in nonspendable fund balance unless the proceeds from their collection are restricted, committed, or assigned. Interfund balance amounts between governmental funds are eliminated in the Statement of Net Position.

J. **Compensated Absences**

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

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year-end taking into consideration any limits specified in the City’s termination policy. The City records a liability for accumulated unused sick leave for all employees after five years of service.

K. **Pensions/Other Postemployment Benefits (OPEB)**

For purposes of measuring the net pension/OPEB liability, net OPEB asset, 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 plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

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

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

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

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

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

Restricted – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City Council's resolutions). 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 a formal action (ordinance) 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) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, 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 are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts would represent intended uses established by City Council.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

M. **Fund Balance** (Continued)

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

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

N. **Net Position**

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. 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 either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

O. **Internal Activity**

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.

P. **Bond Premiums and Discounts**

On the government-wide financial statements, bond premiums and discounts are deferred and amortized over the term of the bonds using the straight line method. Bond premiums are presented as an increase of the face amount of the general obligation bonds payable. On fund financial statements, bond premiums are reported in the year the bonds are issued.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Q. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence.

R. 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.

S. Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates.

The certificate of estimated resources establishes a limit on the amount City Council may appropriate. The appropriations ordinance is City Council's authorization to spend resources and set annual limits on expenditures plus encumbrances at the level of control selected by City Council. The legal level of control has been established by City Council at the object level. 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 City Council.

The appropriation ordinance 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 ordinance 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 City Council during the year.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 3: CHANGES IN ACCOUNTING PRINCIPLES

During the fiscal year, the City implemented the following Governmental Accounting Standards Board (GASB) Statements and Guides:

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. These changes were incorporated in the City's financial statements; however, there was no effect on the beginning net position/fund balance.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The implementation of this Statement did not have an effect on the financial statements of the City.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The implementation of this Statement did not have an effect on the financial statements of the City.

GASB Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of this Statement did not have an effect on the financial statements of the City.

NOTE 4: ACCOUNTABILITY

The only fund with a deficit balance at December 31, 2023 is the General Obligation Bond Retirement Fund with a deficit balance of \$2,712,609. The deficit in this fund is the result of the issuance of anticipation notes which are used to finance projects until bonds are issued. Once the notes are retired or the bonds are issued, the deficits will be eliminated.

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (CONTINUED)**

NOTE 5: BUDGETARY BASIS OF ACCOUNTING

While 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 Balance – Budget (Non-GAAP Budgetary Basis) and Actual for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

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

1. Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP);
2. Expenditures are recorded when paid in cash (budgetary) as opposed to when the liability is incurred (GAAP);
3. Encumbrances are treated as expenditures (budgetary) rather than as a part of restricted, committed, and assigned fund balances (GAAP);
4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);
5. Other funds are included in the General Fund (GAAP basis), but have a separate legally adopted budget (budget basis).

The adjustments necessary to convert the results of operations for the year on the GAAP basis to the budgetary basis for the General Fund are as follows:

Net Change in Fund Balance	
	General Fund
GAAP Basis	\$ (2,744,788)
Increase (Decrease) Due to:	
Revenue Accruals	113,202
Expenditure Accruals	151,674
Advances Out	(752,500)
Transfer Out	716,216
Funds with Separate Legally Adopted Budgets	(33,527)
Net Impact of Encumbrances	(260,422)
Budgetary Basis	\$ (2,810,145)

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 6: 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 governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

	General	General Bond Retirement	Street Improvement Fund	Other Governmental Funds	Total
<i>Nonspendable</i>					
Prepaid Items	\$ 248,590	\$ -	\$ -	\$ -	\$ 248,590
Inventories	170,909	-	-	1,790	172,699
Interfund Balance	752,500	-	-	-	752,500
Unclaimed Funds	49,391	-	-	-	49,391
<i>Total Nonspendable</i>	<u>1,221,390</u>	<u>-</u>	<u>-</u>	<u>1,790</u>	<u>1,223,180</u>
<i>Restricted</i>					
Fire Pension	-	-	-	39,545	39,545
Police Pension	-	-	-	41,659	41,659
Police and Fire Services	-	-	-	134,711	134,711
Other Law Enforcement	-	-	-	63,587	63,587
Master Plan Grant	-	-	-	25,353	25,353
1st Responders Retention Grant	-	-	-	8,000	8,000
Great Grant	-	-	-	29,342	29,342
Streets and Highways	-	-	-	1,394,042	1,394,042
Building Levy	-	-	-	371,795	371,795
Residential Demolition	-	-	-	206,878	206,878
Community	-	-	-	34,205	34,205
SIB Loan	-	-	-	506,282	506,282
Capital Improvements	-	-	825,214	850,556	1,675,770
COPS Grant	-	-	-	4,818	4,818
Other Purposes	-	-	-	38,190	38,190
<i>Total Restricted</i>	<u>-</u>	<u>-</u>	<u>825,214</u>	<u>3,748,963</u>	<u>4,574,177</u>
<i>Committed</i>					
CRA monitoring fees	-	-	-	165,932	165,932
Economic development	-	-	-	28,150	28,150
Occupancy Program	-	-	-	83,996	83,996
Employee Payout Reserve	100,000	-	-	-	100,000
<i>Total Committed</i>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>278,078</u>	<u>378,078</u>
<i>Assigned</i>					
Fiscal Year 2024 Appropriations	2,960,936	-	-	-	2,960,936
Purchases on Order:					
Police Programs and services	103,051	-	-	-	103,051
Fire Programs and services	15,795	-	-	-	15,795
Community and Leisure Time Activities	1,922	-	-	-	1,922
Streets and Public Works	32,906	-	-	-	32,906
General Government	60,371	-	-	-	60,371
<i>Total Assigned</i>	<u>3,174,981</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,174,981</u>
<i>Unassigned (Deficit)</i>	<u>4,780,056</u>	<u>(2,712,609)</u>	<u>-</u>	<u>-</u>	<u>2,067,447</u>
Total Fund Balances (Deficit)	<u>\$ 9,276,427</u>	<u>\$ (2,712,609)</u>	<u>\$ 825,214</u>	<u>\$ 4,028,831</u>	<u>\$ 11,417,863</u>

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 7: DEPOSITS AND INVESTMENTS

The City follows State statute and classifies held monies into three categories.

Active monies are public monies 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 the City 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.

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 obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations.; and
6. The State Treasurer's investment pool (STAR Ohio).

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 7: **DEPOSITS AND INVESTMENTS** (Continued)

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bond of any municipal corporation, village, county, township or other political subdivision of this state, as to which there is not of principal, interest, or coupon; and,
3. Obligations of the City.

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.

Cash on Hand

At year-end, the City had \$600 in undeposited cash on hand, which is included on the balance sheet of the City as part of equity in pooled cash and cash equivalents.

Deposits

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of 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, 2023, the carrying amount of the City's deposits was \$6,069,505. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of December 31, 2023, \$499,999 of the City's bank balance of \$6,556,352 was covered by Federal Depository Insurance and \$5,045,222 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name, and \$1,011,131 was uninsured and uncollateralized. The City's financial institutions were approved for a reduced collateral rate of 50 percent through the Ohio Pooled Collateral System, 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 be either insured or protected by:

Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose fair 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 fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. The City's financial institution had enrolled in OPCS as of December 31, 2023.

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (CONTINUED)**

NOTE 7: **DEPOSITS AND INVESTMENTS** (Continued)

Investments

As of December 31, 2023, the City had the following investments:

<u>Investment Type</u>	<u>Measurement Value</u>	<u>Level Input</u>	<u>Credit Rating (*)</u>	<u>Investment Maturities (in Years)</u>
Money Market	\$ 632,234	N/A	N/A	\$ 632,234
Star Ohio	2,591,605	N/A	AAAm	2,591,605
Treasury Bills	2,331,315	2	AA+/A-1+	2,331,315
Certificates of Deposit	<u>1,457,153</u>	2	AA+/A-1+	<u>1,457,153</u>
Total Investments	<u>7,012,307</u>			<u>\$ 7,012,307</u>
Carrying Amount of Deposits	6,069,505			
Petty Cash	600			
Total Cash and Investments	<u><u>\$ 13,082,412</u></u>			

* Credit Ratings were obtained from Standard & Poor's, respectively, for all investments.

Star Ohio is measured at net asset value per share while all other investments are measured at fair value. The City has categorized 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. All other 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). The above chart identifies the City's recurring fair value measurements as of December 31, 2023. As previously discussed, Star Ohio is reported at its net asset value.

Interest Rate Risk – The City has no investment policy that addresses interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the City, and that an investment must be purchased with the expectation that it will be held to maturity. Repurchase agreements are limited to 30 days and the fair value of the securities must exceed the principal value of the agreement by at least two percent and be marked to market daily.

Credit Risk – STAROhio carries a rating of AAAm by Standard and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The credit ratings for the money market mutual fund were AA+ by Standard and Poor's. The City has no investment policy that would further limit its investment choices.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 7: **DEPOSITS AND INVESTMENTS** (Continued)

Investments (Continued)

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Securities backed by a federal government agency or instrumentality are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty’s trust department or agent but not in the City’s name. At the year end, the City’s investments in negotiable certificates of deposit was fully covered by the FDIC. The City has no investment policy dealing with investment custodial risk beyond the requirement in state statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

NOTE 8: **RECEIVABLES**

A. **Property Taxes**

Property taxes include amounts levied against all real, public utility and tangible personal property located in the City. Property tax revenue received during 2023 for real and public utility property taxes represents collections for 2022 taxes. Property tax payments received during 2023 for tangible personal property, except for public utility property, are for prior year unpaid tangible personal property taxes.

Real property taxes (other than public utility property) are levied after October 1 on the assessed value listed as of the prior January 1, the lien date. Assessed values are established by the County Auditor at 35 percent of the appraised market value, and reappraisal of all property is required every six years with a triennial update. The last reappraisal was completed for tax year 2023.

Real property taxes are payable annually or semi-annually. If paid annually, the payment is due December 31, if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Taxes not paid become delinquent after December 31 of the year in which payable. 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. Public utility real and tangible personal property taxes collected during the calendar year were levied in the preceding calendar year based on assessed values as of January 1 of that preceding year, the lien date.

Real and public utility 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 30. Under certain circumstances, state statute permits earlier or later payment dates to be established.

Public utility tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (CONTINUED)**

NOTE 8: **RECEIVABLES** (Continued)

A. **Property Taxes** (Continued)

The Cuyahoga County Fiscal Officer collects property tax on behalf of all taxing districts within the County. The Cuyahoga County Fiscal Officer periodically remits to the taxing districts their portions of the taxes collected.

The full tax rate for all City operations for the year ended December 31, 2023, was \$9.70 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2023 property tax receipts were based are as follows:

Category	Assessed Value
Real Property	\$ 259,372,730
Public Property	12,282,000
Total	\$ 271,654,730

Property taxes receivable represents real and tangible personal property taxes and public utility taxes which are measurable as of December 31, 2023 and for which there is an enforceable legal claim. In the General Fund, the General Obligation Bond Retirement Fund, the Police Salary and Equipment, the Fire Salary and Equipment, the Street Lighting, the Building Levy, the Fire Pension, and the Police Pension special revenue funds, the entire receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2023 operations and the collections of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred inflows of resources.

B. **Municipal Income Taxes**

The City levies a municipal income tax of 2.60 percent on income earned within the City. Residents of the City who work and pay taxes in another community receive a fifty percent credit of their Warrensville Heights City income tax. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the Regional Income Tax Agency (RITA) at least quarterly. Corporations and other individual taxpayers are also required to pay estimated tax quarterly and file a return annually. Taxes collected by RITA in one month are remitted to the City on the tenth of the following month. Municipal income tax revenue is credited entirely to the General Fund.

C. **Intergovernmental Receivables**

A summary of intergovernmental receivables follows:

Revenue Description	Amount
Local Government	\$ 290,518
Cents Per Gallon and Excise Tax	337,130
Homestead and Rollback	56,056
Permissive Tax	1,798
JEDD	144,561
Total Intergovernmental Receivable	\$ 830,063

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (CONTINUED)**

NOTE 8: **RECEIVABLES** (Continued)

D. **Lease**

The City of Warrensville Heights entered into a lease as Lessor for the use of BOE lease for space. An initial lease receivable was recorded in the amount of \$2,749,890. As of December 31, 2023, the value of the lease receivable is \$2,558,428. The lessee is required to make monthly fixed payments of \$11,043. The lease has an interest rate of 1.447%. The value of the deferred inflow of resources as of December 31, 2023 was \$2,510,769, and City of Warrensville Heights recognized lease revenue of \$119,561 during the fiscal year. The lessee has 3 extension options, each for 60 months. A summary of the future payments to be received is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total Receipts</u>
2024	\$ 96,136	\$ 36,385	\$ 132,521
2025	97,536	34,984	132,520
2026	98,957	33,563	132,520
2027	100,398	32,122	132,520
2028	101,861	30,660	132,521
2029-2033	559,264	129,840	689,104
2034-2038	635,537	86,697	722,234
2039-2043	717,529	37,835	755,364
2044	151,210	1,188	152,398
	<u>\$ 2,558,428</u>	<u>\$ 423,274</u>	<u>\$ 2,981,702</u>

NOTE 9: **INTERFUND TRANSFERS**

The transfers among City funds were made to provide additional resources for current operations and for the payment of debt. The following transfers were made during the year ended December 31, 2023:

	<u>Transfer From</u>
<u>Transfer To</u>	<u>General Fund</u>
General Obligation Bond Retirement	\$ 1,328,354
Street Improvement Fund	3,154,865
Non-Major Governmental Funds	1,639,262
Total	<u>\$ 6,122,481</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; distribute unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money approved by council to the fund from which it was originally provided once a project is completed.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 10: INTERFUND BALANCES

Interfund balances at December 31, 2023, consist of the following interfund receivable and payables:

<u>Interfund Payable</u>	<u>Interfund Receivable</u>
Major Governmental Funds:	<u>General Fund</u>
Street Improvement Fund	\$ 752,500

The loans to the other major and other governmental funds from the General Fund were made to cover expenditures until reimbursements are received.

NOTE 11: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023, was as follows:

	Balances 12/31/2022	Additions	Disposals	Balances 12/31/2023
Governmental Activities				
Nondepreciable Assets:				
Land	\$ 3,156,796	\$ 47,226	\$ -	\$ 3,204,022
Construction in progress	768,205	2,488,688	(970,043)	2,286,850
Total Nondepreciable Assets	3,925,001	2,535,914	(970,043)	5,490,872
Depreciable Assets:				
Land Improvements	191,571	-	-	191,571
Buildings	30,485,511	-	-	30,485,511
Machinery and Equipment	1,729,228	-	-	1,729,228
Vehicles	4,226,167	1,208,052	(34,368)	5,399,851
Infrastructure:	-	-	-	-
Roads	12,204,355	2,020,969	-	14,225,324
Sanitary Sewers	2,583,416	-	-	2,583,416
Storm Sewers	2,426,227	-	-	2,426,227
Total Depreciable Assets	53,846,475	3,229,021	(34,368)	57,041,128
Less Accumulated Depreciation				
Land Improvements	(146,102)	(9,579)	-	(155,681)
Buildings	(4,985,061)	(605,722)	-	(5,590,783)
Machinery and Equipment	(1,306,397)	(89,178)	-	(1,395,575)
Vehicles	(3,154,429)	(312,965)	-	(3,467,394)
Infrastructure:	-	-	-	-
Roads	(4,885,615)	(294,289)	-	(5,179,904)
Sanitary Sewers	(1,861,553)	(34,446)	-	(1,895,999)
Storm Sewers	(1,598,279)	(32,350)	-	(1,630,629)
Total Accumulated Depreciation	(17,937,436)	(1,378,529) *	-	(19,315,965)
Total Depreciable/Amortized Assets, Net	35,909,039	1,850,492	(34,368)	37,725,163
Governmental Activities Capital Assets, Net	\$ 39,834,040	\$ 4,386,406	\$ (1,004,411)	\$ 43,216,035

* See breakout of depreciation expense on the following page.

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (CONTINUED)**

NOTE 11: **CAPITAL ASSETS** (Continued)

* Depreciation expense was charged to governmental activities as follows:

Security of Persons and Property:	
Police and Others	\$ 84,989
Fire	129,950
Leisure Time Activities	269,923
Community Development	1,620
Public Works	216,198
Transportation	294,289
General Government	381,560
Total Depreciation Expense	\$ 1,378,529

NOTE 12: **LONG-TERM OBLIGATIONS**

Original issuance amounts and interest rates of the City's debt issues are as follows:

Debt Issue	Interest Rate	Original Issue	Year of Maturity
General obligation bonds:			
2013 Various purpose improvement refunding bonds	2.00%-3.125%	9,055,000	2032
2013 Various purpose improvement refunding bonds	2.00%-4.00%	1,725,000	2029
Unamortized Premium	n/a	304,219	2032
2014 Cinema Park improvement bonds	1.500% - 4.00%	2,095,000	2030
Unamortized Premium	n/a	142,163	2030
Certificates of participation:			
2013 Certificates of participation	3.125%-4.50%	9,800,000	2037
Unamortized premiums	n/a	145,419	2013-2037
Loans payable:			
State Infrastructure Bank Loan	3.00%	2,529,893	2025
OPWC Loan	n/a	450,000	2030

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 12: LONG-TERM OBLIGATIONS (Continued)

	Balances 12/31/2022	Issued	Retired	Balances 12/31/2023	Amounts Due in One Year
General Obligation Bonds:					
Various Purpose Bonds					
Series 2013-1	\$ 3,470,000	\$ -	\$ (460,000)	\$ 3,010,000	\$ 375,000
Various Purpose Bonds					
Series 2013-2	750,000	-	(95,000)	655,000	100,000
Cinema Park Improvement					
Bond Series 2014	1,480,000	-	(160,000)	1,320,000	165,000
Unamortized Premium	209,135	-	(24,561)	184,574	-
Total General Obligation Bonds	<u>5,909,135</u>	<u>-</u>	<u>(739,561)</u>	<u>5,169,574</u>	<u>640,000</u>
Certificates of Participation - Direct Placement:					
2013 Certificates of Participation	8,150,000	-	(425,000)	7,725,000	435,000
Unamortized Premium	61,056	-	(4,070)	56,986	-
Total Certificates of Participation:	<u>8,211,056</u>	<u>-</u>	<u>(429,070)</u>	<u>7,781,986</u>	<u>435,000</u>
Loans Payable - Direct Borrowings:					
OPWC	360,000	-	(45,000)	315,000	45,000
State Infrastructure Bank Loan	1,141,480	-	(369,221)	772,259	380,380
Total Loans Payable:	<u>1,501,480</u>	<u>-</u>	<u>(414,221)</u>	<u>1,087,259</u>	<u>425,380</u>
Other Long-Term Obligations:					
Compensated Absences	2,301,798	224,547	-	2,526,345	460,624
Claims Payable	25,941	175,702	(155,958)	45,685	45,685
Financed Purchases Payables - Direct Borrowings	17,452,468	-	(697,237)	16,755,231	686,546
Net Pension Liability:					
OPERS	2,453,253	6,075,253	-	8,528,506	-
OP&F	12,787,338	6,426,916	-	19,214,254	-
Total Net Pension Liability	<u>15,240,591</u>	<u>12,502,169</u>	<u>-</u>	<u>27,742,760</u>	<u>-</u>
Net OPEB Liability:					
OPERS	-	169,540	-	169,540	-
OP&F	2,243,489	-	(803,343)	1,440,146	-
Total Net OPEB Liability	<u>2,243,489</u>	<u>169,540</u>	<u>(803,343)</u>	<u>1,609,686</u>	<u>-</u>
Total Other Long-Term Obligations:	<u>37,264,287</u>	<u>13,071,958</u>	<u>(1,656,538)</u>	<u>48,679,707</u>	<u>1,192,855</u>
Total Governmental Activities	<u>\$ 52,885,958</u>	<u>\$ 13,071,958</u>	<u>\$ (3,239,390)</u>	<u>\$ 62,718,526</u>	<u>\$ 2,693,235</u>

The voted general obligation, special assessment refunding bonds for various purpose improvements and the street improvement general obligation bonds, and the certificate of participation will be paid with property tax revenue and special assessment revenue from the General Obligation Bond Retirement Fund.

Compensated absences, employer pension contributions, claims payable, and financed purchases payable (see Notes 14 and 16 for additional detail on capital leases and claims payable) will be paid from the General Fund. There is no repayment schedule for the net pension liability. See Notes 17 and 18 for further information regarding net pension liability and net OPEB liability.

As of December 31, 2023, the City's overall legal debt margin was \$23,354,173 and the unvoted legal debt margin was \$9,771,436.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 12: LONG-TERM OBLIGATIONS (Continued)

The City's total direct borrowing from OPWC contains a provision that in an event of default the amount of such default shall bear interest thereafter at the rate of 8 percent per annum until the date of payment, and outstanding amounts become immediately due. Also, OPWC may direct the county treasurer to pay the outstanding amount from the portion of the local government fund that would otherwise be remitted to the City.

The City's total direct borrowing from ODOT for the State Infrastructure Bank Loan contains provisions that in an event of default any of the following may apply: (a) the entire unpaid balance of the indebtedness is immediately due and payable (b) ODOT may inspect, examine and copy the books, records and financial data of the City (c) ODOT may pursue all remedies to collect all amounts due.

The City's total direct placement of from Certificates or Participation contains provisions that in the event of default the Trustee may pursue any available remedy to enforce the payment of Certificate payments. However, the Trustee may not declare any lease payment not then past due or in default to be immediately due and payable.

The annual requirements to amortize all long-term debt outstanding as of December 31, 2023 are as follows:

Year	General Obligation Bonds		Governmental Activities Certificates of Participation		State Infrastructure Bank Loan		OPWC Loan
	Principal	Interest	Principal	Interest	Principal	Interest	Principal
	2024	\$ 640,000	\$ 168,863	\$ 435,000	\$ 300,969	\$ 380,380	\$ 20,335
2025	650,000	147,387	450,000	287,375	391,879	8,839	45,000
2026	670,000	125,481	465,000	273,200	-	-	45,000
2027	655,000	102,925	480,000	258,087	-	-	45,000
2028	605,000	80,275	495,000	242,488	-	-	45,000
2029-2033	1,765,000	122,481	2,755,000	923,531	-	-	90,000
2034-2037	-	-	2,645,000	303,975	-	-	-
Total	\$ 4,985,000	\$ 747,412	\$ 7,725,000	\$ 2,589,625	\$ 772,259	\$ 29,174	\$ 315,000

NOTE 13: NOTES PAYABLE

	Balances 12/31/2022		Issued	Retired	Balances 12/31/2023
2022 Capital Facilities Note Series 2022	\$	700,000	\$ -	\$ (700,000)	\$ -
2022 Bond Anticipation Notes Emery Woods Improvements, Series 2022		330,000	-	(330,000)	-
2022 Bond Anticipation Notes City's Traffic Control System, Series 2022		300,000	-	(300,000)	-
2022 Bond Anticipation Notes City Hall, Series 2022		1,600,000	-	(1,600,000)	-
2023 Capital Facilities Note Series 2023		-	600,000	-	600,000
2023 Bond Anticipation Notes Emery Woods Improvements, Series 2023		-	280,000	-	280,000
2023 Bond Anticipation Notes City's Traffic Control System, Series 2023		-	300,000	-	300,000
2023 Bond Anticipation Notes City Hall, Series 2023		-	1,500,000	-	1,500,000
Note Premium		-	19,216	(9,608)	9,608
Total Governmental Activities	\$	2,930,000	\$ 2,699,216	\$ (2,939,608)	\$ 2,689,608

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (CONTINUED)**

NOTE 13: **NOTES PAYABLE** (Continued)

The City issued \$2,680,000 in Various Purpose, Series 2023 bond anticipation notes on May 16, 2023 at 5.00 percent and maturing June 26, 2024 for project cost overruns applicable to the new municipal building, technology, and the purchase and installation of two new traffic lights located in front of the new municipal building on 4743 Richmond Road, Warrensville Heights, Ohio.

All the notes are backed by the full faith and credit of the City and mature within one year. The note liability is reflected in the funds which received the proceeds. The notes will be paid off from the debt service funds.

NOTE 14: **FINANCED PURCHASES PAYABLE**

In prior years, the City has entered into a lease agreement in the amount of \$17,450,000 with Hemingway at Richmond III, LLC for the leasehold interest in the land, building and all other improvements located at 4743 Richmond Road, Warrensville Heights, Ohio 44128. This property will be the new location of city hall, police, and building department. The fire department will remain at the old City Hall. Also, in previous years, the City had entered into a lease agreement for a fire engine and a master agreement for equipment and vehicles. These lease agreements qualify as financed purchases payables for accounting purposes as they transfer ownership at the end of the lease and therefore, have been recorded at the present value of their minimum lease payments as of inception date and are secured by the above-mentioned property.

	Governmental Activities
Financed Purchases, being depreciated	
Buildings	\$ 16,454,600
Vehicles	1,069,266
Equipment	115,166
Total Financed Purchases, being depreciated	17,639,032
Less: Accumulated Depreciation	(1,361,000)
Financed Purchases, Net	\$ 16,278,032

In the event of default for the City Hall lease, the lessor may declare all amounts due under this lease agreement to become immediately due and payable, may declare the term of this lease ended and enter into the possession of the premises and sue for and recover all damages arising of such default.

For all other leases, in the event of a default the lender may require the City, at the City's cost, to promptly deliver possession of the collateral to the lender, and may recover all expenses and collection costs which the lender has incurred.

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (CONTINUED)**

NOTE 14: **FINANCED PURCHASES PAYABLE** (Continued)

The following is a schedule of the future long-term minimum lease payments required under the capital lease and present value of the minimum lease payments is as follows:

Year	Payment
2024	\$ 1,290,208
2025	1,290,207
2026	1,265,420
2027	1,246,350
2028	1,246,350
Thereafter	17,737,501
	24,076,036
Less Interest	(7,320,805)
Future Minimum Lease	\$ 16,755,231

NOTE 15: **CONTINGENCIES**

A. **Litigation**

The City is party to legal proceedings. The City management is of the opinion that the ultimate disposition of these claims and legal proceedings are still in litigation and unable to state at this time if they will have a material effect, if any, on the financial condition of the City.

B. **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 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, 2023.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 16: **RISK MANAGEMENT**

A. **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 2023, the City contracted with U.S. Specialty Insurance Company for various types of insurance as follows:

<u>Company</u>	<u>Coverage</u>	<u>Amount</u>
U.S. Specialty Insurance Co.	General Liability (per occurrence/aggregate)	\$1,000,000/\$3,000,000
	Damage to Premises Rented to You	1,000,000
	Premises Medical Payments (per person)	10,000
	Employee Benefits Liability (per occurrence/aggregate)	1,000,000/3,000,000
	Ohio Stop Gap Liability	1,000,000
	Employment Practice Liability	1,000,00/1,000,000
	Automobile Liability and Physical Damage Coverage:	
	Combined Bodily Injury and Property Damage	1,000,000
	Medical Payments	5,000
	Law Enforcement Liability (per occurrence/aggregate)	1,000,000/3,000,000
	Public Officials Liability (per occurrence/aggregate)	1,000,00/1,000,000
	Sexual Abuse Liability	1,000,00/1,000,000
	Crime:	
	Forgery and Alterations	250,000
	Computer Fraud	250,000
	Theft, Disappearance, and Destruction	25,000
	Employee Dishonesty	500,000
	Flood	500,000
	Earthquake	500,000
	Property (Building and Contents) Coverage	27,655,943
Inland Marine Coverage	2,588,698	
Umbrella Liability	5,000,000	

Settled claims have not exceeded this commercial coverage in any of the past three years and there have been no significant reductions in insurance coverage from the prior year.

B. **Workers' Compensation**

The City participates in the State Workers' Compensation Retrospective Rating and Payment Plan. This Plan involves the payment of a minimum premium for administrative services and stop-loss coverage plus the actual claims cost for injured employees. The balance of claims payable at December 31, 2023, represents an estimate of the liability for unpaid claims costs provided by Bureau of Workers' Compensation. The claims liability for the Workers' Compensation retrospective rating and payment system at December 31, 2023, was \$45,685. All the claims are paid from the General Fund.

The claims liability reported at December 31, 2023 for workers' compensation is based on the requirements of Governmental 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 claim adjustment expenses and does not include other allocated or unallocated adjustment expenses.

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (CONTINUED)**

NOTE 16: **RISK MANAGEMENT** (Continued)

B. **Workers' Compensation** (Continued)

Changes in claims activity for the last three years are as follows:

	Beginning of Year	Claims	Payments	End of Year
2021	5,523	10,884	14,055	2,352
2022	2,352	46,795	23,206	25,941
2023	25,941	175,702	155,958	45,685

NOTE 17: **DEFINED BENEFIT PENSION PLAN**

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The 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 liability represents the City's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the City's obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees' services in exchange for compensation including pension. GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

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

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

A. Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS' Annual Comprehensive Financial Report referenced above 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 62 with 60 months of service credit or Age 57 with 25 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The base amount of a member's pension benefit is locked in upon receipt of the initial benefit payment for calculation of the annual cost-of-living adjustment.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

When a traditional plan benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA.

For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent. Cost-of-living adjustments for OPERS members in 2022 will be 3 percent for all those eligible to receive the annual benefit increase.

A death benefit of \$500 - \$2,500, determined by the number of years of service credit of the retiree, is paid to the beneficiary of a deceased retiree or disability benefit recipient under the Tradition pension plan and the Combined Plan.

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 members' contributions plus or minus the investment gains or losses resulting from the members' 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 purchase of a monthly defined benefit annuity from OPERS (which includes joint and survivor options), 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.

Beginning in 2022, the combined plan will be considered under the traditional plan (defined benefit plan) and the combined plan will no longer be available to new hires beginning in 2022.

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (CONTINUED)**

NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

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

	State and Local
2023 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
 2023 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-Employment Health Care Benefits **	0.0
Total Employer	14.0 %
 Employee	 10.0 %

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

** These pension and employer health care rates are for the traditional plan. Beginning July 1, 2022, the employer contribution rate for the combined plan is allocated 2 percent health care with the remainder going to pension. The employer contributions rate for the member-directed plan allocated 4 percent for health care with remainder going to pension.

The portion of employer contributions used to fund pension benefits is net of postemployment health care benefits. The portion of the employer’s contribution allocated to health care was 0% for 2023 for the Traditional and Combined plans. The portion of the employer’s contribution allocated to health care was 4% for the Member-Directed plan for 2023. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contributions was \$673,221 for fiscal year ending December 31, 2023. Of this amount, \$52,825 is reported as an intergovernmental payable.

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

Plan Description - 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 may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
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(CONTINUED)**

NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

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 and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

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

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (CONTINUED)**

NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

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

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

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,261,794 for 2023. Of this amount, \$87,188 is reported as an intergovernmental payable.

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

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

The following is information related to the proportionate share and pension expense:

	OPERS Traditional Pension Plan	OP&F	Total
Proportion of the Net Pension Liability Prior Measurement Date	0.028197%	0.2046818%	
Proportion of the Net Pension Liability Current Measurement Date	0.028871%	0.2022759%	
Change in Proportionate Share	0.000674%	-0.0024059%	
 Proportionate Share of the Net Pension Liability	 \$ 8,528,506	 \$ 19,214,254	 \$ 27,742,760
Pension Expense	\$ 1,111,752	\$ 2,073,065	\$ 3,184,817

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
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 (CONTINUED)**

NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

C. **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

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

	OPERS		Total
	<u>Traditional Plan</u>	<u>OP&F</u>	
Deferred Outflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$ 2,430,891	\$ 2,797,364	\$ 5,228,255
Differences between expected and actual experience	283,280	288,207	571,487
Changes of assumptions	90,098	1,733,057	1,823,155
Changes in proportion and differences between City contributions and proportionate share of contributions	70,480	124,689	195,169
City contributions subsequent to the measurement date	<u>673,221</u>	<u>1,261,794</u>	<u>1,935,015</u>
Total Deferred Outflows of Resources	<u>\$ 3,547,970</u>	<u>\$ 6,205,111</u>	<u>\$ 9,753,081</u>
Deferred Inflows of Resources			
Changes of assumptions	\$ -	\$ 374,672	\$ 374,672
Differences between expected and actual experience	-	437,757	437,757
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>35,525</u>	<u>792,682</u>	<u>828,207</u>
Total Deferred Inflows of Resources	<u>\$ 35,525</u>	<u>\$ 1,605,111</u>	<u>\$ 1,640,636</u>

\$1,935,015 reported as deferred outflows of resources related to pension resulting from City's 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 the year ending December 31, 2024.

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
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 (CONTINUED)**

NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

C. **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

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		
Year Ending December 31:	<u>Traditional Plan</u>	<u>OP&F</u>	<u>Total</u>
2024	\$342,238	\$236,362	\$578,600
2025	590,635	770,246	\$1,360,881
2026	715,532	886,906	\$1,602,438
2027	1,190,819	1,501,353	\$2,692,172
2028	-	(56,661)	(56,661)
Total	\$2,839,224	\$3,338,206	\$6,177,430

D. **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 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 in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented on the following page:

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 (CONTINUED)**

NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

D. **Actuarial Assumptions – OPERS** (Continued)

	<u>Traditional Pension Plan</u>	<u>Combined Plan</u>
Wage Inflation		
Current Measurement Date:	2.75 percent	2.75 percent
Prior Measurement Date:	2.75 percent	2.75 percent
Future Salary Increases, including inflation		
Current Measurement Date:	2.75 to 10.75 percent including wage inflation	2.75 to 8.25 percent including wage inflation
Prior Measurement Date:	2.75 to 10.75 percent including wage inflation	2.75 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA		
Pre 1/7/2013 retirees:	3 percent, simple	3 percent, simple
Post 1/7/2013 retirees:		
Current Measurement Date:	3 percent, simple through 2023, then 2.05 percent simple	3 percent, simple through 2023, then 2.05 percent simple
Prior Measurement Date:	3 percent, simple through 2022, then 2.05 percent simple	3 percent, simple through 2022, then 2.05 percent simple
Investment Rate of Return		
Current Measurement Date:	6.9 percent	6.9 percent
Prior Measurement Date:	6.9 percent	6.9 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% 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% 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.

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

OPERS manages investments in three investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, 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 investments expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 12.1 percent for 2022.

**CITY OF WARRENSVILLE HEIGHTS
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 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (CONTINUED)**

NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

D. **Actuarial Assumptions – OPERS** (Continued)

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 the geometric real rates of return were provided by the Board’s investment consultant. For each major asset class that is included in the Defined Benefit portfolio’s target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

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

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

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

	<u>1% Decrease (5.90%)</u>	<u>Current Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
City's proportionate share of the net pension liability	\$ 12,775,418	\$ 8,528,506	\$ 4,995,838

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
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 (CONTINUED)**

NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

E. Actuarial Assumptions – OP&F

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2022, are presented below:

Valuation Date	January 1, 2022, with actuarial liabilities rolled forward to December 31, 2022
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.50 percent
Projected Salary Increases	3.75 percent to 10.5 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

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

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

The most recent experience study was completed December 31, 2021.

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 expectation. 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.

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (CONTINUED)**

NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

E. **Actuarial Assumptions – OP&F** (Continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return **</u>
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	18.60	4.80
International Equity	12.40	5.50
Core Fixed Income *	25.00	2.50
U.S. Inflation Linked Bonds *	15.00	2.00
High Yield Fixed Income	7.00	4.40
Private Real Estate	12.00	5.30
Private Markets	10.00	7.90
Midstream Energy Infrastructure	5.00	5.90
Private Credit	5.00	5.90
Real Assets	8.00	5.90
Gold	5.00	3.60
Commodities	2.00	3.60
 Total	 <u>125.00 %</u>	

Note: Assumptions are geometric

* levered 2.5x

** Geometric mean, net of expected inflation

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

Discount Rate The total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 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.

**CITY OF WARRENSVILLE HEIGHTS
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NOTE 17: **DEFINED BENEFIT PENSION PLAN** (Continued)

E. **Actuarial Assumptions – OP&F** (Continued)

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	\$ 25,347,308	\$ 19,214,254	\$ 14,115,845

NOTE 18: **DEFINED BENEFIT OPEB PLANS**

A. **Net OPEB Liability/Asset**

The net OPEB liability/asset reported on the statement of net position represents a liability or asset to employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. 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 OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

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

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

GASB 75 assumes that any liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

A. **Net OPEB Liability/Asset** (Continued)

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

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

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. Effective January 1, 2022 the Combined Plan is no longer available for member selection.

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

Currently, Medicare-eligible retirees can 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.

The base HRA allowance is determined by OPERS. Retirees receive a percentage of the base allowance, calculated 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.

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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

B. Plan Description – Ohio Public Employees Retirement System (OPERS) (Continued)

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

1. Medicare Retirees – Medicare-eligible with a minimum of 20 years of qualifying service credit.
2. Non-Medicare Retirees – Non-Medicare retirees qualify based on the following age-and-service criteria:
 - a. Group A – 30 years of qualifying service credit at any age;
 - b. Group B – 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;
 - c. Group C – 32 years of qualifying service credit and minimum age 55; or,
 - d. A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit.

Retirees who don't meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service. Members with a retirement date prior to January 1, 2022 who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022, as summarized in the following table:

Retirement Date	Group A		Group B		Group C	
	Age	Service	Age	Service	Age	Service
December 1, 2014 or Prior	Any	10	Any	10	Any	10
January 1, 2015 through December 31, 2021	60	20	52 60	31 20	55	32
	Any	30	Any	32	60	20

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.

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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

B. Plan Description – Ohio Public Employees Retirement System (OPERS) (Continued)

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of covered payroll. In 2023, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate employer contributions to health care for members in the Traditional Pension Plan. Effective July 1, 2022, OPERS began allocating 2.0 percent of the employer contribution rate to health care funding for the 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 2023 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 \$0 for 2023.

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

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) a cost-sharing, multiple-employer defined post-employment healthcare plan that provides various levels of health care to retired, disabled and beneficiaries, as well as their dependents. On January 1, 2019, OP&F changed the way it supports retiree health care. A stipend-based health care model has replaced the self-insured group health care plan that had been in place. 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. A summary of the full benefit provisions can be found in OP&F's annual comprehensive financial report.

OP&F provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 75. The Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

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(CONTINUED)**

NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

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

OP&F issues a publicly available annual comprehensive 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.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2023, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The City's contractually required contribution to OP&F was \$29,780 for 2023.

D. **OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

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

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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

D. **OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** (Continued)

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			
Prior Measurement Date	0.026242%	0.2046819%	
Proportion of the Net OPEB Liability/(Asset)			
Current Measurement Date	<u>0.026889%</u>	<u>0.2022759%</u>	
Change in Proportionate Share	<u>0.000647%</u>	<u>-0.0024060%</u>	
Proportionate Share of the Net OPEB			
Liability	\$ 169,540	\$ 1,440,146	\$ 1,609,686
OPEB Expense	\$ (372,283)	\$ (38,127)	\$ (410,410)

At December 31, 2023, 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			
Net difference between projected and actual earnings on OPEB plan investments	\$ 336,713	\$ 123,523	\$ 460,236
Differences between expected and actual experience	-	85,939	85,939
Changes of assumptions	165,594	717,686	883,280
Changes in proportion and differences between City contributions and proportionate share of contributions	-	18,478	18,478
City contributions subsequent to the measurement date	<u>-</u>	<u>29,780</u>	<u>29,780</u>
Total Deferred Outflows of Resources	<u>\$ 502,307</u>	<u>\$ 975,406</u>	<u>\$ 1,477,713</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$ 42,290	\$ 283,964	\$ 326,254
Changes of assumptions	13,626	1,177,923	1,191,549
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>11,704</u>	<u>383,220</u>	<u>394,924</u>
Total Deferred Inflows of Resources	<u>\$ 67,620</u>	<u>\$ 1,845,107</u>	<u>\$ 1,912,727</u>

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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

D. **OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** (Continued)

\$29,780 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS	OP&F	Total
Year Ending December 31:			
2024	\$45,603	(\$177,310)	(\$131,707)
2025	121,426	(154,510)	(33,084)
2026	104,997	(78,933)	26,064
2027	162,661	(49,404)	113,257
2028	-	(138,407)	(138,407)
Thereafter	-	(300,917)	(300,917)
Total	\$434,687	(\$899,481)	(\$464,794)

E. **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 benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

E. **Actuarial Assumptions – OPERS** (Continued)

Wage Inflation	
Current Measurement Date:	2.75 percent
Prior Measurement Date:	2.75 percent
Projected Salary Increases, including inflation	
Current Measurement Date:	2.75 to 10.75 percent, including wage inflation
Prior Measurement Date:	2.75 to 10.75 percent, including wage inflation
Single Discount Rate:	
Current Measurement Date:	5.22 percent
Prior Measurement Date:	6.00 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	
Current Measurement Date:	4.05 percent
Prior Measurement Date:	1.84 percent
Health Care Cost Trend Rate	
Current Measurement Date:	5.50 percent initial, 3.50 percent ultimate in 2036
Prior Measurement Date:	5.50 percent initial, 3.50 percent ultimate in 2034

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% 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% 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.

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

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 15.6 percent for 2022.

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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

E. **Actuarial Assumptions – OPERS** (Continued)

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

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

Discount Rate A single discount rate of 5.22 percent was used to measure the OPEB liability on the measurement date of December 31, 2022. A single discount rate of 6.00 percent was used to measure the OPEB asset 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 4.05 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2054. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

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 (CONTINUED)**

NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

E. **Actuarial Assumptions – OPERS** (Continued)

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 5.22 percent, as well as what the City’s proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one-percentage-point lower (4.22 percent) or one-percentage-point higher (6.22) than the current rate:

	1% Decrease (4.22%)	Current Discount Rate (5.22%)	1% Increase (6.22%)
City's proportionate share of the net OPEB asset	\$577,038	\$169,540	(\$166,712)

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 asset. 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.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB asset	\$158,914	\$169,540	\$181,501

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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

F. Actuarial Assumptions – OP&F

OP&F’s total OPEB liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022 and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of 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, 2022, with actuarial liabilities rolled forward to December 31, 2022
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	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Single discount rate:	
Current measurement date	4.27 percent
Prior measurement date	2.84 percent
Cost of Living Adjustments	2.2 percent simple

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

**CITY OF WARRENSVILLE HEIGHTS
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NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

F. **Actuarial Assumptions – OP&F** (Continued)

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

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

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F’s target asset allocation as of December 31, 2022, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	18.60	4.80
Non-US Equity	12.40	5.50
Core Fixed Income *	25.00	2.50
U.S. Inflation Linked Bonds *	15.00	2.00
High Yield Fixed Income	7.00	4.40
Private Real Estate	12.00	5.30
Private Markets	10.00	7.90
Midstream Energy Infrastructure	5.00	5.90
Private Credit	5.00	5.90
Real Assets	8.00	5.90
Gold	5.00	3.60
Commodities	2.00	3.60
Total	<u>125.00 %</u>	

Note: Assumptions are geometric
 * levered 2.5x

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (CONTINUED)**

NOTE 18: **DEFINED BENEFIT OPEB PLANS** (Continued)

F. **Actuarial Assumptions – OP&F** (Continued)

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

Discount Rate The total OPEB liability was calculated using the discount rate of 4.27 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 7.50 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, the long-term assumed rate of return on investments of 7.50 percent was applied to periods before December 31, 2035, resulting in a discount rate of 4.27 percent.

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

	1% Decrease (3.27%)	Current Discount Rate (4.27%)	1% Increase (5.27%)
City's proportionate share of the net OPEB liability	\$ 1,773,405	\$ 1,440,146	\$ 1,158,790

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 19: COMPENSATED ABSENCES

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. All City employees earn vacation ranging from two to six weeks based upon length of service.

General administration employees not covered by a collective bargaining agreement earn sick leave of 120 hours annually, without limit on the amount they can accumulate. General administration employees may carry forward a maximum of 336 hours of vacation leave unless the employee's department head certifies to the Mayor that the employee has exceeded the maximum vacation hours allowed as a result of the employee's inability to use vacation leave due to staffing requirements. Upon separation from the City, a maximum of 25 percent of accumulated sick leave up to 240 hours and up to 336 hours of vacation leave shall be paid.

Fire department employees earn 168 hours of sick leave annually and may carry forward an unlimited amount. Upon separation from the City, fire department employees will be paid for 37.5 percent of their accumulated sick balance up to 1,080 hours and up to 120 hours of vacation leave shall be paid. The maximum amount of vacation leave that may be carried forward annually is 120 hours.

Police officers earn 120 hours of sick leave per year and may carry forward an unlimited amount of sick leave annually. However, only 480 hours of vacation time may be carried forward annually. Police officers separating from employment will be paid for any unused vacation balance with a maximum of 480 hours. Police officers with at least ten years of continuous City service will be paid 30 percent of their accumulated sick leave balance upon separation from the City, with a maximum of 400 hours.

Police dispatchers earn 120 hours of sick leave annually and may carry forward an unlimited amount; the maximum amount of vacation leave that may be carried forward is 336 hours. Upon separation from employment, dispatchers may be paid for all accumulated vacation leave up to 336 hours; however they are only paid for accumulated sick leave at 30 percent of total or a maximum of 232 hours if separation is by retirement and with at least ten years of continuous service with the City.

NOTE 20: JOINTLY GOVERNED ORGANIZATIONS

First Suburbs Consortium of Northeast Ohio Council of Governments

The City is a member of the First Suburbs Consortium of Northeast Ohio Council of Government ("Council"). The Council is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. The Council is currently comprised of 20 communities. The Council was formed to foster cooperation between municipalities in matters of mutual concern including but not limited to, initiation and support of policies and practices which protect, maintain and redevelop mature communities and other matters which affect health, safety, welfare, education, economic conditions, and regional development.

The Council is governed by an Assembly made up of one representative from each member community. The representatives then elect the Governing Board made up of a Chair, Vice Chair, and other members elected in annual elections. The Governing Board oversees and manages the Council.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 20: **JOINTLY GOVERNED ORGANIZATIONS** (Continued)

First Suburbs Consortium of Northeast Ohio Council of Governments (Continued)

The degree of control exercised by any participating government is limited to its representation in the Assembly and on the Governing Board.

The City contributed \$3,000 to the Council during 2023. Financial information can be obtained by contacting First Suburbs Consortium of Northeast Ohio Council of Governments, 40 Severance Circle, Cleveland Heights, Ohio 44118.

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 energy. NOPEC is currently comprised of members of 240 communities in 10 counties who have been authorized by ballot to purchase energy on behalf of their citizens. The intent of NOPEC is to provide energy at the lowest possible rates while at the same time ensuring stability in prices by entering into long-term contracts with suppliers to provide energy to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. The Board of Directors 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 of Directors.

The City of Warrensville Heights did not contribute to NOPEC during 2023. Financial information can be obtained by contacting NOPEC, 31320 Solon Rd, Suite 20, Solon, Ohio 44139.

Chagrin/Southeast Council of Government

The Chagrin/Southeast Council of Government operates the Chagrin/Southeast HazMat Response Team. The team was formed in 1990 to assist local fire departments in responding to incidents involving industrial chemicals. The Council of Government has established two subsidiary organizations, the West Shore Hazardous Materials Committee which provides hazardous material protection and assistance, and the West Shore Enforcement Bureau which provides extra assistance to cities in the form of a Swat Team. During 2023, the City contributed \$3,500 to the organization. The Chagrin/Southeast Council of Government financial statements may be obtained by contacting the Finance Director of the Village of Glenwillow, 29555 Pettibone Road, Glenwillow, Ohio 44139.

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (CONTINUED)**

NOTE 20: **JOINTLY GOVERNED ORGANIZATIONS** (Continued)

Valley Enforcement Regional Council of Government

The City is a member of Valley Enforcement Regional Council of Government (“VERCOG”), a jointly governed organization. VERCOG is a regional council of government formed under Chapter 167 of the Ohio Revised Code. VERCOG was formed to continue to foster cooperation among political subdivisions through sharing of facilities for their common benefit. It includes the supervision and control of the Valley Enforcement Group (“VEG”), which has been a mutual aid organization providing the mutual interchange and sharing of police personnel and police equipment.

VERCOG is comprised of communities located within the Chagrin Valley which exercise law enforcement authority under Ohio law and whose law enforcement agency consists of four or more full-time, sworn law enforcement officers. VERCOG is authorized to acquire and own police equipment and other property, to be used by all participating members, and may do any other thing permitted by law to accomplish its general purposes. During 2023, the City paid \$10,000 to VERCOG. Financial information can be obtained by contacting the City of Pepper Pike, 28000 Shaker Boulevard, Pepper Pike, Ohio 44124.

NOTE 21: **OTHER SIGNIFICANT COMMITMENTS**

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:

	<u>Encumbrances</u>
General Fund	\$ 260,421
Nonmajor Governmental Funds	140,294
Total Encumbrances-Governmental Funds	\$ 400,715

NOTE 22: **TAX ABATEMENT DISCLOSURE**

Income tax abatement program

As of December 31, 2023, the City of Warrensville Heights continues to pursue new and efficient economic development strategies that are fiscally responsible, support the creation of new jobs, and grow the City’s economic tax base.

The Warrensville Heights Occupancy Program (W.H.O.P.) provides a monetary grant to businesses occupying or looking to occupy, whether buying or leasing, existing vacant industrial and/or commercial property within the City of Warrensville Heights, where such occupancy results in new jobs in the City of Warrensville Heights. The grant is an annual payment from the City’s non-tax revenues, which is equal to a percentage of the businesses total annual payroll. Retail and food service businesses are not eligible program participants.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 22: **TAX ABATEMENT DISCLOSURE** (Continued)

Income tax abatement program (Continued)

The business must currently employ at least twenty-five (25) full time or full-time equivalent employees with a current payroll, excluding benefits, exceeding \$500,000 and is creating at least ten (10) new jobs that will result in at least \$320,000 in new annual payroll within a three (3) year period beginning at the commencement date of the agreement. An eligible grant recipient will receive an annual grant payment equal to no more than fifty percent (50%) of the total annual payroll taxes paid to the City of Warrensville Heights for the duration of the W.H.O.P. agreement. The duration of the agreement may not exceed the lease term if the benefiting business is leasing space.

Real Estate Tax abatement

The City of Warrensville Heights Community Reinvestment Areas was created in 1977. The program underwent major revisions in 1994. In fact, there are two types of CRAs – those created prior to July 1, 1994 and those after. The City Council passed legislative authority with designated area determined the size, the number of areas as well as the term and extent of the real property exemptions. Designations includes Northeast, Southeast and West boundaries of the City of Warrensville Heights.

The City's Reinvestment Area program is an economic development tool administered by City of Warrensville Heights and county government that provides real property tax exemptions for property owners who renovate existing or construct new buildings. For residential property, a tax exemption on the increase in the assessed valuation resulting from improvements. Residential application must be filed with the Housing Officer no later than six months after construction completion.

- A. Ten (10) years, for the remodeling of dwellings containing not more than two housing units and upon which the cost of remodeling is at least \$2,500;
- B. Twelve (12) years for remodeling of existing residential dwelling containing more than two housing units and upon which the cost of remodeling is at least \$5,000;
- C. Fifteen (15) years for new residential, commercial, and industrial facilities shall be negotiated on a case-by-case basis in advance of construction occurring.

Warrensville Heights Tax Increment Financing (TIF) is another economic development mechanism used by the city to apply payments derived from the increased assessed value of improvements to real property beyond that amount are directed towards a separate fund to finance the construction of infrastructure defined within the TIF legislation.

The City Council designate a Housing Officer to review applications and serve as the program lead. The city created a Tax Incentive Review Council (TIRC) to review performance of all agreements and projects.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(CONTINUED)**

NOTE 22: **TAX ABATEMENT DISCLOSURE** (Continued)

City Council's incentive criteria for decision making

The City of Warrensville Heights has offered Community Reinvestment Area abatement and tax incentives programs to businesses based upon substantial investment into the City. All projects requires an application to the Office of Community and Economic Development, Mayoral review, Council approval and is filed with the County.

The City's Health Neighborhood Initiative housing development projects continues to rehabilitate areas of the city needing improvement. As a result, the City continues to see an increase in real estate values, particularly since the triannual appraisal occurred.

The total amount of tax abated for tax year 2021/collection year 2022 is \$41,587 (latest information available).

NOTE 23: **SUBSEQUENT EVENTS**

On May 18, 2023, Council approved the issuance of notes in the amounts of \$2,680,000. The Note issuance paid for a portion of the constructing, furnishing and equipping the City's new Municipal Building, the cost of acquiring recreation center facility improvements and related site improvements constructed from proceeds of a lease-purchase agreement. It also includes special assessment costs of constructing road improvements, including grading, draining, curbing and paving, constructing and installing sanitary sewer improvements, storm sewer improvements, utility improvements and landscaping. Additionally, the issuances includes the Emery Woods project, cost of improving the City's traffic control system by acquiring and installing signals and related equipment and devises to direct and control the flow of vehicular and pedestrian traffic along Richmond Road.

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM – TRADITIONAL PLAN
 LAST TEN FISCAL YEARS**

Traditional Plan	2023	2022	2021	2020
City's Proportion of the Net Pension Liability	0.028871%	0.028197%	0.029248%	0.031131%
City's Proportionate Share of the Net Pension Liability	\$ 8,528,506	\$ 2,453,253	\$ 4,330,992	\$ 6,153,253
City's Covered Payroll	\$ 4,475,300	\$ 4,176,214	\$ 4,140,786	\$ 4,379,136
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	190.57%	58.74%	104.59%	140.51%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.74%	92.62%	86.88%	82.17%

Amounts presented 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
0.030344%	0.030069%	0.029823%	0.028017%	0.027299%	0.027299%
\$ 8,310,606	\$ 4,717,243	\$ 6,772,296	\$ 4,852,897	\$ 3,292,564	\$ 3,218,196
\$ 4,100,364	\$ 3,973,692	\$ 3,865,858	\$ 3,533,442	\$ 3,375,283	\$ 3,507,777
202.68%	118.71%	175.18%	137.34%	97.55%	91.74%
74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 OHIO POLICE AND FIRE PENSION FUND
 LAST TEN FISCAL YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
City's Proportion of the Net Pension Liability	0.202276%	0.204682%	0.213004%	0.221861%
City's Proportionate Share of the Net Pension Liability	\$ 19,214,254	\$ 12,787,338	\$ 14,520,695	\$ 14,945,756
City's Covered Payroll	\$ 5,717,672	\$ 5,342,635	\$ 5,343,748	\$ 5,259,997
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	336.05%	239.35%	271.73%	284.14%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.90%	75.03%	70.65%	69.89%

Amounts presented 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
0.216076%	0.225047%	0.237202%	0.239739%	0.237798%	0.237798%
\$ 17,637,511	\$ 13,812,160	\$ 15,024,156	\$ 15,422,578	\$ 12,318,902	\$ 11,581,484
\$ 4,900,347	\$ 5,116,253	\$ 5,528,013	\$ 4,987,382	\$ 4,723,731	\$ 5,721,449
359.92%	269.97%	271.78%	309.23%	260.79%	202.42%
63.07%	70.91%	68.36%	66.77%	71.71%	73.00%

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S CONTRIBUTIONS - PENSION
 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM – TRADITIONAL PLAN
 LAST TEN FISCAL YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually Required Contributions	\$ 673,221	\$ 626,542	\$ 584,670	\$ 579,710
Contributions in Relation to the Contractually Required Contribution	<u>(673,221)</u>	<u>(626,542)</u>	<u>(584,670)</u>	<u>(579,710)</u>
Contribution Deficiency / (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 4,808,721	\$ 4,475,300	\$ 4,176,214	\$ 4,140,786
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

See accompanying notes to the required supplementary information

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 613,079	\$ 574,051	\$ 516,580	\$ 463,903	\$ 424,013	\$ 405,034
<u>(613,079)</u>	<u>(574,051)</u>	<u>(516,580)</u>	<u>(463,903)</u>	<u>(424,013)</u>	<u>(405,034)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,379,136	\$ 4,100,364	\$ 3,973,692	\$ 3,865,858	\$ 3,533,442	\$ 3,375,283
14.00%	14.00%	13.00%	12.00%	12.00%	12.00%

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S CONTRIBUTIONS - PENSION
 OHIO POLICE AND FIRE PENSION FUND
 LAST TEN FISCAL YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually Required Contributions	\$ 1,261,794	\$ 1,212,915	\$ 1,135,500	\$ 1,127,438
Contributions in Relation to the Contractually Required Contribution	<u>(1,261,794)</u>	<u>(1,212,915)</u>	<u>(1,135,500)</u>	<u>(1,127,438)</u>
Contribution Deficiency / (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 5,956,063	\$ 5,717,672	\$ 5,342,635	\$ 5,343,748
Contributions as a Percentage of Covered-Employee Payroll	21.19%	21.21%	21.25%	21.10%

See accompanying notes to the required supplementary information

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 1,113,010	\$ 1,036,722	\$ 1,078,584	\$ 1,165,415	\$ 1,050,947	\$ 996,497
<u>(1,113,010)</u>	<u>(1,036,722)</u>	<u>(1,078,584)</u>	<u>(1,165,415)</u>	<u>(1,050,947)</u>	<u>(996,497)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,259,997	\$ 4,900,347	\$ 5,116,253	\$ 5,528,013	\$ 4,987,382	\$ 4,723,731
21.16%	21.16%	21.08%	21.08%	21.07%	21.10%

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
 LAST SEVEN FISCAL YEARS (1)**

	2023	2022	2021
City's Proportion of the Net OPEB Liability/Asset	0.026889%	0.026242%	0.027238%
City's Proportionate Share of the Net OPEB Liability/(Asset)	\$ 169,540	\$ (821,940)	\$ (485,267)
City's Covered Payroll	\$ 4,475,300	\$ 4,176,214	\$ 4,140,783
City's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	3.79%	-19.68%	-11.72%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/Asset	94.79%	128.23%	115.57%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

Amounts presented as of the City's measurement date, which is the prior calendar year end.

See accompanying notes to the required supplementary information

2020	2019	2018	2017
0.028992%	0.028303%	0.028150%	0.027990%
\$ 4,004,548	\$ 3,690,043	\$ 3,056,883	\$ 2,827,085
\$ 4,379,135	\$ 4,107,257	\$ 3,847,733	\$ 3,810,666
91.45%	89.84%	79.45%	74.19%
47.80%	46.33%	54.14%	54.04%

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
 OHIO POLICE AND FIRE PENSION FUND
 LAST SEVEN FISCAL YEARS (1)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>
City's Proportion of the Net OPEB Liability	0.2022759%	0.2046819%	0.2130043%
City's Proportionate Share of the Net OPEB Liability	\$ 1,440,146	\$ 2,243,489	\$ 2,256,816
City's Covered Payroll	\$ 5,717,672	\$ 5,342,635	\$ 5,343,748
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	25.19%	41.99%	42.23%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	52.59%	46.86%	45.42%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

Amounts presented as of the City's measurement date, which is the prior calendar year end.

See accompanying notes to the required supplementary information

2020	2019	2018	2017
0.2218612%	0.2160758%	0.2250472%	0.2372000%
\$ 2,191,485	\$ 1,967,702	\$ 12,750,857	\$ 11,259,351
\$ 5,259,997	\$ 4,900,347	\$ 5,116,253	\$ 5,528,013
41.66%	40.15%	249.22%	203.68%
47.08%	46.57%	14.13%	15.96%

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S CONTRIBUTIONS - OPEB
 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
 LAST NINE FISCAL YEARS (1)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Contractually Required Contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 4,808,720	\$ 4,475,300	\$ 4,176,214	\$ 4,140,783
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

(1) Information prior to 2015 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

See accompanying notes to the required supplementary information

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ -	\$ 276	\$ 40,298	\$ 79,192	\$ 71,970
<u>-</u>	<u>(276)</u>	<u>(40,298)</u>	<u>(79,192)</u>	<u>(71,970)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,379,135	\$ 4,107,257	\$ 3,847,733	\$ 3,810,666	\$ 3,789,838
0.00%	0.01%	1.05%	2.08%	1.90%

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S CONTRIBUTIONS - OPEB
 OHIO POLICE AND FIRE PENSION FUND
 LAST TEN FISCAL YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually Required Contribution	\$ 29,780	\$ 28,588	\$ 26,713	\$ 26,718
Contributions in Relation to the Contractually Required Contribution	<u>(29,780)</u>	<u>(28,588)</u>	<u>(26,713)</u>	<u>(26,718)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 5,956,063	\$ 5,717,672	\$ 5,342,635	\$ 5,343,748
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%

See accompanying notes to the required supplementary information

2019	2018	2017	2016	2015	2014
\$ 26,333	\$ 24,502	\$ 25,581	\$ 25,580	\$ 26,425	\$ 23,846
(26,333)	(24,502)	(25,581)	(25,580)	(26,425)	(23,846)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 5,259,997	\$ 4,900,347	\$ 5,116,253	\$ 5,528,013	\$ 4,987,382	\$ 4,723,731
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023**

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2023.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016 and 2018. For 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 8.00% to 7.50%, (b) the expected long-term average wage inflation rate was reduced from 3.75% to 3.25%, (c) the expected long-term average price inflation rate was reduced from 3.00% to 2.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality rates were updated to the RP-2014 Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2015 (f) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2015 for males and 2010 for females (g) Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables. For 2019, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 7.50% to 7.20%. For 2020, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were reduced from 3.00% simple through 2018 to 1.40% simple through 2020, then 2.15% simple. For 2021, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were reduced from 1.40% simple through 2020 to 0.50% simple through 2021, then 2.15% simple. For 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected long-term average wage inflation rate was reduced from 3.25% to 2.75% (b) the cost-of-living adjustments for post-1/7/2013 retirees were increased from 0.50% simple through 2021 to 3.00% simple through 2022, then 2.05% simple (c) the expected investment return was reduced from 7.20% to 6.90%. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2023.

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2023.

Changes in assumptions: For 2018, the single discount rate changed from 4.23% to 3.85%. For 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected investment return was reduced from 6.50% to 6.00% (b) In January 2019, the Board adopted changes to health care coverage for Medicare and pre-Medicare retirees. It will include discontinuing the PPO plan for pre-Medicare retirees and replacing it with a monthly allowance to help participants pay for a health care plan of their choosing. The base allowance for Medicare eligible retirees will be reduced. The specific effect of these changes on the net OPEB liability and OPEB expense are unknown at this time (c) the single discount rate changed from 3.85% to 3.96%. For 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.96% to 3.16%. For 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.16% to 6.00% (b) the municipal bond rate changed from 2.75% to 2.00% (c) the health care cost trend rate changed from 10.50% initial and 3.50% ultimate in 2030 to 8.50% initial and 3.50% ultimate in 2035.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023**

For 2022, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected long-term average wage inflation rate was reduced from 3.25% to 2.75%. (b) the municipal bond rate changed from 2.00% to 1.84% (c) the health care cost trend rate changed from 8.50% initial and 3.50% ultimate in 2035 to 5.50% initial and 3.50% ultimate in 2034. For 2023, the following changes in assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 6.00% to 5.22% (b) the municipal bond rate changed from 1.84% to 4.05% (c) the health care cost trend rate changed from 5.50% initial and 3.50% ultimate in 2034 to 5.50% initial and 3.50% ultimate in 2036.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2023.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017. For 2018, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the investment rate of return was reduced from 8.25 percent to 8.00 percent (b) the projected salary increases was reduced from 4.25% to 3.75% (c) the payroll increases was reduced from 3.75% to 3.25% (d) the inflation assumptions was reduced from 3.25% to 2.75% (e) the cost of living adjustments was reduced from 2.60% to 2.20% (f) rates of withdrawal, disability and service retirement were updated to reflect recent experience (g) mortality rates were updated to the RP-2014 Total Employee and Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2016 (h) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2016. For 2019-2021, there have been no OP&F pension plan amendments adopted or changes in assumptions between the measurement date and the report date that would have impacted the actuarial valuation of the pension plan as of the measurement date. For 2022, the investment rate of return was reduced from 8.00 percent to 7.50 percent. For 2023, Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2% for males and 98.7% for females. Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135% for males and 97.9% for females. Mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates 68 adjusted by 108.9% for males and 131% for females. Mortality for active members is based on the Pub-2010 Below Medium Safety Amount-Weighted Employee mortality table. All rates are projected using the MP-2021 Improvement Scale.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023**

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018 and 2020-2023. For 2019, see below regarding changes to stipend-based model.

Changes in assumptions: For 2018, the single discount rate changed from 3.79 percent to 3.24 percent. For 2019, the changes of assumptions were: (a) beginning January 1, 2019 OP&F changed its retiree health care model and the current self-insured health care plan is no longer offered. In its place will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. As a result of changing from the current health care model to the stipend-based health care model, management expects that it will be able to provide stipends to eligible participants for the next 15 years (b) beginning in 2020 the Board approved a change to the Deferred Retirement Option Plan. The minimum interest rate accruing will be 2.5% (c) the single discount rate changed from 3.24 percent to 4.66 percent. For 2020, the single discount rate changed from 4.66 to 3.56. For 2021, the single discount rate changed from 3.56 to 2.96. For 2022, the single discount rate changed from 2.96 to 2.84. For 2023, the changes of assumptions were: (a) the single discount rate changed from 2.84% to 4.27% (b) the depletion year of OPEB assets is projected in year 2036 (c) mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2% for males and 98.7% for females. Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135% for males and 97.9% for females. Mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9% for males and 131% for females. Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP-2021 Improvement Scale.

Combining and Individual Fund Statements and Schedule

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
FUND DESCRIPTIONS- NONMAJOR GOVERNMENTAL FUNDS**

Nonmajor Special Revenue Funds

Special revenue funds are established to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. A description of the City's special revenue funds follows:

Street Construction, Maintenance, and Repair Fund

The Street Construction, Maintenance and Repair Fund accounts for ninety-two and one half percent (92.5%) of the state gasoline tax and motor vehicle registration fees restricted for street maintenance and repair.

State Highway Fund

The State Highway Fund accounts for seven and one half percent (7.5%) of the state gasoline tax and motor vehicle registration fees restricted for maintenance and repair of state highways within the City.

Police Levy Fund

The Police Salary and Equipment Fund accounts for property tax revenue levied for the payment of salaries and for the purchase of equipment in the police department.

Fire Levy Fund

The Fire Salary and Equipment Fund accounts for property tax revenue levied for the payment of salaries and for the purchase of equipment in the fire department.

Street Lighting Fund

The Street Lighting Fund accounts for property tax revenue levied to provide street lighting within the City.

Building Levy Fund

The Building Levy Fund accounts for property tax revenue levied for the payment of repairs to City owned buildings.

Fire Pension Fund

The Fire Pension Fund accounts for the accumulation of property taxes levied for the payment of employer's pension contributions.

Police Pension Fund

The Police Pension Fund accounts for the accumulation of property taxes levied for the payment of employer's pension contributions.

Master Plan Grant Fund

The Master Plan Grant Fund accounts for revenues received from the Cuyahoga County Department of Development to be used for maintaining the City's master plan which is a plan to create and maintain a quality way of life for the City's residents and businesses in both the immediate and longer-term future.

Bureau of Justice Grant Fund

The Bureau of Justice Grant Fund accounts for monies to be expended for safety equipment in the police department.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
FUND DESCRIPTIONS- NONMAJOR GOVERNMENTAL FUNDS**

Community Development Block Grant Fund

The Community Development Block Grant Fund accounts for revenues received from the federal government and City matching funds and expenditures as prescribed under the Community Development Block Grant Program.

Law Enforcement Trust Fund

The Law Enforcement Trust Fund accounts for confiscated monies from criminals that are restricted, by state statute, for expenditures that would enhance the police department.

Juvenile Diversion Program Fund

The Juvenile Diversion Program Fund accounts for monies received from Cuyahoga County to be used to establish or expand community policing programs.

CDBG Sidewalk Fund

The CDBG Sidewalk Fund accounts for monies received from the Cuyahoga County Community Development department for the inspection and improvement of sidewalks within the City.

COPS Grant Fund

The COPS Grant Fund accounts for monies from the federal government to be used for the purchase of equipment, computer software, and other costs associated with police mobile computing.

FEMA Grant Fund

The FEMA Grant Fund accounts for monies received from the Federal Emergency Management Agency to be expended on personal protective equipment for use by the fire department.

CRA Monitoring Fee Fund

The CRA Monitoring Fee Fund accounts for monies received from companies that have a Community Reinvestment Agreement with the City. Funds are to be used exclusively for the purpose of complying with Section 3735.671 (D) of the Ohio Revised Code.

The Cleveland Foundation Fund

The Cleveland Foundation Fund accounts for monies received from the Cleveland Foundation to be used for a summer and after school family based prevention program within the City.

Economic Development Stimulus Incentive Grant Fund

The Economic Development Stimulus Incentive Grant Fund accounts for monies received from building permits issued to developers of the Emery Woods Housing Project.

Grass Refuse Fund

The Grass Refuse Fund accounts for monies received from a special assessment to be used for various expenses incurred by the City for upkeep on unkempt lots and/or lawns.

State Grant Fund

The State Grant Fund accounts for state grants and is used to track and record the activity relating to the grants.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
FUND DESCRIPTIONS- NONMAJOR GOVERNMENTAL FUNDS**

G.R.E.A.T. Grant Fund

The G.R.E.A.T. Grant Fund accounts for federal grant monies used to implement gang-prevention education activities and programming for elementary school students.

1st Responders Retention Grant Fund

The 1st Responders Retention Grant Fund accounts for federal grant monies used to address public safety burnout due to understaffing and excessive overtime.

2007 Nature Works Grant Fund

The Nature Works Grant Fund accounts for revenues received from the Ohio Department of Natural Resources and City's matching funds. The fund expends funds in compliance with the Nature Works Local Grant Program State/Local Project Agreement, which includes: new playground equipment and various other improvements at the Green Road Civic Center and Park. This fund did not have any activity or a budget in 2023 and therefore no budgetary schedule has been provided.

2008 G.R.E.A.T. Grant Fund

The G.R.E.A.T. Grant Fund accounts for federal grant monies used to implement gang prevention education activities and programming for elementary school students. The 2008 grant is a subsequent grant to the 2007 G.R.E.A.T. Grant.

Warrensville Heights Occupancy Program Fund

The Warrensville Heights Occupancy Program Fund accounts for fees received to be used for compliance monitoring of companies participating in the program.

Residential Demolition Fund

The Residential Demolition Fund accounts for monies to be used for asbestos remediation and demolition of properties deemed blighted by the City.

Community Recycling Grant Fund

The Community Recycling Grant Fund accounts for funds received from the Cuyahoga County Solid Waste District to be used for community recycling programs.

Continuing Professional Training Program Fund

The Continuing Professional Training Program Fund accounts for funds received from the State of Ohio Continuing Professional Training Program to be used for law enforcement continuing professional training.

One Ohio-Opioid Fund

The One Ohio-Opioid fund was established to record revenues received from a lawsuit settlement against both opioid drug manufacturers and distributors as a consequence of its role in the national opioid epidemic.

Ohio Department of Transportation State Infrastructure Bank Loan Fund – The Ohio Department of Transportation State Infrastructure Bank Loan Fund is a special revenue fund that accounts for loan proceeds received from the Ohio Department of Transportation for the rehabilitation of local roads. This fund did not have any cash activity or a budget in 2023 and therefore no budgetary schedule has been provided.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
FUND DESCRIPTIONS- NONMAJOR GOVERNMENTAL FUNDS**

State Infrastructure Repayment Loan Fund

The State Infrastructure Repayment Loan Fund accounts for the funds received for hotel and motel taxes to be used for the repayment of state infrastructure bank loan.

American Rescue Plan Act Fund

The American Rescue Plan Act (ARPA) Fund accounts for grant proceeds provided to the local governments who have been financially impacted by the outbreak of COVID-19. The ARPA grant funding specifically is to be used to address the negative economic impacts caused by the public health emergency, replace lost public sector revenue, provide premium pay for essential workers. As well as, Invest in water, sewer, and broadband infrastructure.

Developer Deposit Fund

The Developer Deposit Fund accounts for deposits made by contractors held by the City to ensure compliance with City ordinances. Due to the implementation of GASB Statement No. 54, this fund was combined with the General Fund on the governmental fund financial statements but remained a separate fund in the budgetary schedules because it has a separate legally adopted budget.

Nonmajor Capital Projects Funds

Capital project funds are established to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. A description of the City's capital project funds follows:

Land Acquisition Fund

The Land Acquisition Fund accounts for resources set aside for future economic growth and development.

Town Center Project Fund The Town Center Project Fund accounts for note proceeds used to pay for the costs of constructing projects within the City's Town Center project.

Capital Improvements Fund

Capital Improvement Fund is for major, non-recurring physical expenditures such as land, buildings, public infrastructure, vehicles, trucks and equipment.

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2023**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
OUTFLOWS OF RESOURCES			
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 3,880,844	\$ 1,182,863	\$ 5,063,707
Materials and Supplies Inventory	1,790	-	1,790
Accounts Receivable	21,386	-	21,386
Intergovernmental Receivable	360,320	-	360,320
Property Taxes Receivable	712,321	-	712,321
Total Assets	<u>\$ 4,976,661</u>	<u>\$ 1,182,863</u>	<u>\$ 6,159,524</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 46,201	\$ -	\$ 46,201
Contracts Payable	-	187,123	187,123
Retainage Payable	-	31,241	31,241
Unearned Revenue	795,964	113,943	909,907
Total Liabilities	<u>842,165</u>	<u>332,307</u>	<u>1,174,472</u>
Deferred Inflows of Resources:			
Property Taxes	594,429	-	594,429
Unavailable Revenue - Delinquent Property Taxes	117,892	-	117,892
Unavailable Revenue - Other	243,900	-	243,900
Total Deferred Inflows of Resources	<u>956,221</u>	<u>-</u>	<u>956,221</u>
Fund Balances:			
Nonspendable	1,790	-	1,790
Restricted	2,898,407	850,556	3,748,963
Committed	278,078	-	278,078
Unassigned	-	-	-
Total Fund Balances	<u>3,178,275</u>	<u>850,556</u>	<u>4,028,831</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 4,976,661</u>	<u>\$ 1,182,863</u>	<u>\$ 6,159,524</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND
 BALANCE
 NON-MAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Property Taxes	\$ 633,959	\$ -	\$ 633,959
Hotel Taxes	386,926	-	386,926
Intergovernmental	1,383,374	486,057	1,869,431
Interest	-	20	20
Fines and Forfeitures	5,750	-	5,750
Charges for Services	6,388	-	6,388
All Other Revenues	14,695	34,345	49,040
Total Revenues	<u>2,431,092</u>	<u>520,422</u>	<u>2,951,514</u>
EXPENDITURES			
Security of Persons and Property:			
Police and Others	541,183	-	541,183
Fire	278,000	-	278,000
Community Development	186,113	-	186,113
Transportation	506,968	-	506,968
General Government	223,277	-	223,277
Capital Outlay	94,777	1,432,329	1,527,106
Debt Service:	-		
Principal Retirement	369,221	31,411	400,632
Interest and Fiscal Charges	31,496	2,934	34,430
Total Expenditures	<u>2,231,035</u>	<u>1,466,674</u>	<u>3,697,709</u>
Excess of Revenues Over (Under) Expenditures	<u>200,057</u>	<u>(946,252)</u>	<u>(746,195)</u>
OTHER FINANCING SOURCES			
Transfer In	833,289	805,973	1,639,262
Total Other Financing Sources	<u>833,289</u>	<u>805,973</u>	<u>1,639,262</u>
Net Change in Fund Balances	1,033,346	(140,279)	893,067
Fund Balances - Beginning of Year	2,144,929	990,835	3,135,764
Fund Balances - End of Year	<u>\$ 3,178,275</u>	<u>\$ 850,556</u>	<u>\$ 4,028,831</u>

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**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2023**

	Street Construction, Maintenance, and Repair	State Highway	Police Levy	Fire Levy	Street Lighting	Building Levy
ASSETS						
OUTFLOWS OF RESOURCES						
Assets:						
Equity in Pooled Cash and Cash Equivalents	\$ 1,163,955	\$ 66,320	\$ 70,612	\$ 64,099	\$ 79,672	\$ 371,795
Materials and Supplies Inventory	1,790	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-
Intergovernmental Receivable	313,507	25,421	2,932	2,932	7,243	2,471
Property Taxes Receivable	-	-	117,228	117,228	224,673	81,954
Total Assets	\$ 1,479,252	\$ 91,741	\$ 190,772	\$ 184,259	\$ 311,588	\$ 456,220
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 21,038	\$ -	\$ -	\$ -	\$ 11,287	\$ -
Unearned Revenue	-	-	-	-	-	-
<i>Total Liabilities</i>	<u>21,038</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,287</u>	<u>-</u>
Deferred Inflows of Resources:						
Property Taxes	-	-	98,010	98,010	187,334	68,387
Unavailable Revenue - Delinq. Property Taxes	-	-	19,218	19,218	37,339	13,567
Unavailable Revenue - Other	205,819	16,689	2,932	2,932	7,243	2,471
<i>Total Deferred Inflows of Resources</i>	<u>205,819</u>	<u>16,689</u>	<u>120,160</u>	<u>120,160</u>	<u>231,916</u>	<u>84,425</u>
Fund Balances:						
Nonspendable	1,790	-	-	-	-	-
Restricted	1,250,605	75,052	70,612	64,099	68,385	371,795
Committed	-	-	-	-	-	-
Total Fund Balances (Deficit)	<u>1,252,395</u>	<u>75,052</u>	<u>70,612</u>	<u>64,099</u>	<u>68,385</u>	<u>371,795</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,479,252	\$ 91,741	\$ 190,772	\$ 184,259	\$ 311,588	\$ 456,220

Continued

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
 DECEMBER 31, 2023**

	<u>Fire Pension</u>	<u>Police Pension</u>	<u>Master Plan Grant</u>	<u>BJA Grant</u>	<u>CDBG Grant</u>	<u>Law Enforcement Trust</u>
ASSETS						
OUTFLOWS OF RESOURCES						
Assets:						
Equity in Pooled Cash and Cash Equivalents	\$ 39,545	\$ 41,659	\$ 25,353	\$ 5	\$ 2,898	\$ 15,588
Materials and Supplies Inventory	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-
Intergovernmental Receivable	2,907	2,907	-	-	-	-
Property Taxes Receivable	85,619	85,619	-	-	-	-
Total Assets	<u>\$ 128,071</u>	<u>\$ 130,185</u>	<u>\$ 25,353</u>	<u>\$ 5</u>	<u>\$ 2,898</u>	<u>\$ 15,588</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned Revenue	-	-	-	-	-	-
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:						
Property Taxes	71,344	71,344	-	-	-	-
Unavailable Revenue - Delinq. Property Taxes	14,275	14,275	-	-	-	-
Unavailable Revenue - Other	2,907	2,907	-	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>88,526</u>	<u>88,526</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:						
Nonspendable	-	-	-	-	-	-
Restricted	39,545	41,659	25,353	5	2,898	15,588
Committed	-	-	-	-	-	-
Total Fund Balances (Deficit)	<u>39,545</u>	<u>41,659</u>	<u>25,353</u>	<u>5</u>	<u>2,898</u>	<u>15,588</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 128,071</u>	<u>\$ 130,185</u>	<u>\$ 25,353</u>	<u>\$ 5</u>	<u>\$ 2,898</u>	<u>\$ 15,588</u>

<u>Juvenile Diversion</u>	<u>CDBG Sidewalk</u>	<u>COPS Grant</u>	<u>FEMA Grant</u>	<u>CRA Monitoring</u>	<u>Cleveland Foundation</u>	<u>EDSI Grant</u>	<u>Grass Refuse</u>	<u>State Grant</u>
\$ 14,282	\$ 7,104	\$ 4,818	\$ 30,537	\$ 175,544	\$ 4,819	\$ 28,150	\$ 6,241	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>\$ 14,282</u>	<u>\$ 7,104</u>	<u>\$ 4,818</u>	<u>\$ 30,537</u>	<u>\$ 175,544</u>	<u>\$ 4,819</u>	<u>\$ 28,150</u>	<u>6,241</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ 9,612	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	9,612	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
14,282	7,104	4,818	30,537	-	4,819	-	6,241	-
-	-	-	-	165,932	-	28,150	-	-
<u>14,282</u>	<u>7,104</u>	<u>4,818</u>	<u>30,537</u>	<u>165,932</u>	<u>4,819</u>	<u>28,150</u>	<u>6,241</u>	<u>-</u>
<u>\$ 14,282</u>	<u>\$ 7,104</u>	<u>\$ 4,818</u>	<u>\$ 30,537</u>	<u>\$ 175,544</u>	<u>\$ 4,819</u>	<u>\$ 28,150</u>	<u>\$ 6,241</u>	<u>\$ -</u>

Continued

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
 DECEMBER 31, 2023**

	<u>G.R.E.A.T. Grant</u>	<u>1st Responders Retention Grant</u>	<u>2007 Nature Works</u>	<u>2008 G.R.E.A.T. Grant</u>	<u>Warrensville Hts. Occupancy Program</u>
ASSETS					
OUTFLOWS OF RESOURCES					
Assets:					
Equity in Pooled Cash and Cash Equivalents	\$ 3,668	\$ 8,000	\$ -	\$ 29,342	\$ 83,996
Materials and Supplies Inventory	-	-	-	-	-
Accounts Receivable	-	-	-	-	-
Intergovernmental Receivable	-	-	-	-	-
Property Taxes Receivable	-	-	-	-	-
Total Assets	<u>\$ 3,668</u>	<u>8,000</u>	<u>-</u>	<u>29,342</u>	<u>\$ 83,996</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned Revenue	-	-	-	-	-
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:					
Property Taxes	-	-	-	-	-
Unavailable Revenue - Delinq. Property Taxes	-	-	-	-	-
Unavailable Revenue - Other	-	-	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	3,668	8,000	-	29,342	-
Committed	-	-	-	-	83,996
Total Fund Balances (Deficit)	<u>3,668</u>	<u>8,000</u>	<u>-</u>	<u>29,342</u>	<u>83,996</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 3,668</u>	<u>\$ 8,000</u>	<u>\$ -</u>	<u>\$ 29,342</u>	<u>\$ 83,996</u>

<u>Residential Demolition</u>	<u>Community Recycling Grant</u>	<u>CPT Program</u>	<u>One Ohio Opioid</u>	<u>ODOT SIB Loan</u>	<u>SIB Loan Repayment</u>	<u>American Rescue Plan</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 206,878	\$ -	\$ 33,717	\$ 17,123	\$ -	\$ 484,896	\$ 800,228	\$ 3,880,844
-	-	-	-	-	-	-	1,790
-	-	-	-	-	21,386	-	21,386
-	-	-	-	-	-	-	360,320
-	-	-	-	-	-	-	712,321
<u>\$ 206,878</u>	<u>\$ -</u>	<u>\$ 33,717</u>	<u>\$ 17,123</u>	<u>\$ -</u>	<u>\$ 506,282</u>	<u>\$ 800,228</u>	<u>\$ 4,976,661</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,264	\$ 46,201
-	-	-	-	-	-	795,964	795,964
-	-	-	-	-	-	800,228	842,165
-	-	-	-	-	-	-	594,429
-	-	-	-	-	-	-	117,892
-	-	-	-	-	-	-	243,900
-	-	-	-	-	-	-	956,221
-	-	-	-	-	-	-	1,790
206,878	-	33,717	17,123	-	506,282	-	2,898,407
-	-	-	-	-	-	-	278,078
<u>206,878</u>	<u>-</u>	<u>33,717</u>	<u>17,123</u>	<u>-</u>	<u>506,282</u>	<u>-</u>	<u>3,178,275</u>
<u>\$ 206,878</u>	<u>\$ -</u>	<u>\$ 33,717</u>	<u>\$ 17,123</u>	<u>\$ -</u>	<u>\$ 506,282</u>	<u>\$ 800,228</u>	<u>\$ 4,976,661</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	Street Construction, Maintenance, and Repair	State Highway	Police Levy	Fire Levy	Street Lighting	Building Levy
REVENUES						
Property Taxes	\$ -	\$ -	\$ 104,470	\$ 104,470	\$ 200,686	\$ 73,155
Hotel Taxes	-	-	-	-	-	-
Intergovernmental	743,908	60,317	5,863	5,863	41,144	4,940
Fines and Forfeitures	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
All Other Revenues	-	-	-	-	-	-
Total Revenues	743,908	60,317	110,333	110,333	241,830	78,095
EXPENDITURES						
Security of Persons and Property:						
Police and Others	-	-	100,000	-	269,329	-
Fire	-	-	-	108,000	-	-
Community Environment	-	-	-	-	-	92,796
Transportation	456,967	50,001	-	-	-	-
General Government	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Debt Service:						
Principal Retirement	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
Total Expenditures	456,967	50,001	100,000	108,000	269,329	92,796
Excess of Revenues Over (Under) Expenditures	286,941	10,316	10,333	2,333	(27,499)	(14,701)
OTHER FINANCING SOURCES						
Transfer In	-	-	-	-	-	-
Total Other Financing Sources	-	-	-	-	-	-
Net Change in Fund Balances	286,941	10,316	10,333	2,333	(27,499)	(14,701)
Fund Balances - Beginning of Year	965,454	64,736	60,279	61,766	95,884	386,496
Fund Balances - End of Year	\$ 1,252,395	\$ 75,052	\$ 70,612	\$ 64,099	\$ 68,385	\$ 371,795

Fire Pension	Police Pension	Master Plan Grant	BJA Grant	CDBG Grant	Law Enforcement Trust	Juvenile Diversion
\$ 75,589	\$ 75,589	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
5,814	5,814	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	463	230
<u>81,403</u>	<u>81,403</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>463</u>	<u>230</u>
-	70,000	-	1,475	-	-	379
70,000	-	-	-	-	-	-
-	-	-	-	28,276	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>70,000</u>	<u>70,000</u>	<u>-</u>	<u>1,475</u>	<u>28,276</u>	<u>-</u>	<u>379</u>
<u>11,403</u>	<u>11,403</u>	<u>-</u>	<u>(1,475)</u>	<u>(28,276)</u>	<u>463</u>	<u>(149)</u>
-	-	-	148	57,919	-	-
-	-	-	148	57,919	-	-
<u>11,403</u>	<u>11,403</u>	<u>-</u>	<u>(1,327)</u>	<u>29,643</u>	<u>463</u>	<u>(149)</u>
28,142	30,256	25,353	1,332	(26,745)	15,125	14,431
<u>\$ 39,545</u>	<u>\$ 41,659</u>	<u>\$ 25,353</u>	<u>\$ 5</u>	<u>\$ 2,898</u>	<u>\$ 15,588</u>	<u>\$ 14,282</u>

Continued

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE
 NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	CDBG Sidewalk	COPS Grant	FEMA Grant	CRA Monitoring	Cleveland Foundation	EDSI Grant
REVENUES						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hotel Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	5,750	-	-
Charges for Services	-	-	-	-	-	-
All Other Revenues	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,750</u>	<u>-</u>	<u>-</u>
EXPENDITURES						
Security of Persons and Property:						
Police and Others	-	-	-	-	-	-
Fire	-	-	-	-	-	-
Community Environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
General Government	-	-	-	16,343	-	-
Capital Outlay	-	-	-	-	-	-
Debt Service:						
Principal Retirement	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,343</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,593)</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES						
Transfer In	-	21,566	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>21,566</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	21,566	-	(10,593)	-	-
Fund Balances - Beginning of Year	7,104	(16,748)	30,537	176,525	4,819	28,150
Fund Balances - End of Year	<u>\$ 7,104</u>	<u>\$ 4,818</u>	<u>\$ 30,537</u>	<u>\$ 165,932</u>	<u>\$ 4,819</u>	<u>\$ 28,150</u>

<u>Grass Refuse</u>	<u>State Grant</u>	<u>G.R.E.A.T. Grant</u>	<u>1st Responders Retention Grant</u>	<u>2007 Nature Works</u>	<u>2008 G.R.E.A.T. Grant</u>	<u>Warrensville Hts. Occupancy Program</u>	<u>Residential Demolition</u>	<u>Community Recycling Grant</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	5,000	-	208,000	-	-	-	-	-
-	-	-	-	-	-	-	-	-
4,888	-	-	-	-	-	1,500	-	-
-	-	-	-	-	-	-	-	-
<u>4,888</u>	<u>5,000</u>	<u>-</u>	<u>208,000</u>	<u>-</u>	<u>-</u>	<u>1,500</u>	<u>-</u>	<u>-</u>
-	-	-	100,000	-	-	-	-	-
-	-	-	100,000	-	-	-	-	-
46,127	-	-	-	-	-	18,018	-	896
-	-	-	-	-	-	-	-	-
-	5,000	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>46,127</u>	<u>5,000</u>	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>18,018</u>	<u>-</u>	<u>896</u>
<u>(41,239)</u>	<u>-</u>	<u>-</u>	<u>8,000</u>	<u>-</u>	<u>-</u>	<u>(16,518)</u>	<u>-</u>	<u>(896)</u>
<u>40,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,589</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>-</u>
<u>40,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,589</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>-</u>
<u>(1,239)</u>	<u>-</u>	<u>-</u>	<u>8,000</u>	<u>19,589</u>	<u>-</u>	<u>83,482</u>	<u>-</u>	<u>(896)</u>
<u>7,480</u>	<u>-</u>	<u>3,668</u>	<u>-</u>	<u>(19,589)</u>	<u>29,342</u>	<u>514</u>	<u>206,878</u>	<u>896</u>
<u>\$ 6,241</u>	<u>\$ -</u>	<u>\$ 3,668</u>	<u>\$ 8,000</u>	<u>\$ -</u>	<u>\$ 29,342</u>	<u>\$ 83,996</u>	<u>\$ 206,878</u>	<u>\$ -</u>

Continued

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE
 NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	CPT Program	One Ohio Opioid	ODOT SIB Loan	SIB Loan Repayment	American Rescue Plan	Total Nonmajor Special Revenue Funds
REVENUES						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 633,959
Hotel Taxes	-	-	-	386,926	-	386,926
Intergovernmental	-	-	-	-	296,711	1,383,374
Fines and Forfeitures	-	-	-	-	-	5,750
Charges for Services	-	-	-	-	-	6,388
All Other Revenues	-	14,002	-	-	-	14,695
Total Revenues	<u>-</u>	<u>14,002</u>	<u>-</u>	<u>386,926</u>	<u>296,711</u>	<u>2,431,092</u>
EXPENDITURES						
Security of Persons and Property:						
Police and Others	-	-	-	-	-	541,183
Fire	-	-	-	-	-	278,000
Community Environment	-	-	-	-	-	186,113
Transportation	-	-	-	-	-	506,968
General Government	-	-	-	-	206,934	223,277
Capital Outlay	-	-	-	-	89,777	94,777
Debt Service:						
Principal Retirement	-	-	-	369,221	-	369,221
Interest and Fiscal Charges	-	-	-	31,496	-	31,496
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>400,717</u>	<u>296,711</u>	<u>2,231,035</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>14,002</u>	<u>-</u>	<u>(13,791)</u>	<u>-</u>	<u>200,057</u>
OTHER FINANCING SOURCES						
Transfer In	-	-	594,067	-	-	833,289
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>594,067</u>	<u>-</u>	<u>-</u>	<u>833,289</u>
Net Change in Fund Balances	-	14,002	594,067	(13,791)	-	1,033,346
Fund Balances - Beginning of Year	33,717	3,121	(594,067)	520,073	-	2,144,929
Fund Balances - End of Year	<u>\$ 33,717</u>	<u>\$ 17,123</u>	<u>\$ -</u>	<u>\$ 506,282</u>	<u>\$ -</u>	<u>\$ 3,178,275</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 COMBINING BALANCE SHEET
 NON-MAJOR CAPITAL PROJECT FUNDS
 DECEMBER 31, 2023**

	<u>Land Acquisition</u>	<u>Town Center Project</u>	<u>Capital Improvement</u>	<u>Total Nonmajor Capital Projects Funds</u>
ASSETS				
OUTFLOWS OF RESOURCES				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 19,282	\$ 8,536	\$ 1,155,045	\$ 1,182,863
Total Assets	<u>\$ 19,282</u>	<u>\$ 8,536</u>	<u>\$ 1,155,045</u>	<u>\$ 1,182,863</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Contracts Payable	-	-	187,123	187,123
Retainage Payable	-	-	31,241	31,241
Unearned Revenue	-	-	113,943	113,943
Total Liabilities	<u>-</u>	<u>-</u>	<u>332,307</u>	<u>332,307</u>
Fund Balances:				
Restricted	19,282	8,536	822,738	850,556
Total Fund Balances	<u>19,282</u>	<u>8,536</u>	<u>822,738</u>	<u>850,556</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 19,282</u>	<u>\$ 8,536</u>	<u>\$ 1,155,045</u>	<u>\$ 1,182,863</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCES
 NON-MAJOR CAPITAL PROJECT FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	Land Acquisition	Town Center Project	Capital Improvement	Capital Projects Funds
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 486,057	\$ 486,057
Interest	-	-	20	20
All Other Revenues	-	-	34,345	34,345
Total Revenues	<u>-</u>	<u>-</u>	<u>520,422</u>	<u>520,422</u>
EXPENDITURES				
Capital Outlay	\$ 47,744	\$ -	\$ 1,384,585	\$ 1,432,329
Debt Service:				
Principal Retirement	-	-	31,411	31,411
Interest and Fiscal Charges	-	-	2,934	2,934
Total Expenditures	<u>47,744</u>	<u>-</u>	<u>1,418,930</u>	<u>1,466,674</u>
OTHER FINANCING SOURCES				
Transfer In	-	5,973	800,000	805,973
Total Other Financing Sources	<u>-</u>	<u>5,973</u>	<u>800,000</u>	<u>805,973</u>
Net Change in Fund Balances	(47,744)	5,973	(98,508)	(140,279)
Fund Balances - Beginning of Year	67,026	2,563	921,246	990,835
Fund Balances - End of Year	<u>\$ 19,282</u>	<u>\$ 8,536</u>	<u>\$ 822,738</u>	<u>\$ 850,556</u>

**Individual Fund
Schedules of Revenues, Expenditures, and
Changes in Fund Balances –
Budget (Non – GAAP Basis) and Actual**

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 455,445	\$ 507,015	\$ 479,318	\$ (27,697)
Income Taxes	20,166,006	21,166,472	21,210,805	44,333
Other Taxes	159,252	167,153	167,503	350
Intergovernmental	1,859,183	1,958,305	1,962,281	3,976
Interest	349,619	366,964	367,733	769
Licenses and Permits	447,998	470,224	471,209	985
Fines and Forfeitures	103,431	108,563	108,790	227
Rentals	217,037	227,805	228,282	477
Charges for Services	523,287	549,248	550,398	1,150
All Other Revenues	265,200	310,895	311,503	608
Total Revenues	<u>24,546,458</u>	<u>25,832,644</u>	<u>25,857,822</u>	<u>25,178</u>
Expenditures:				
Current:				
Security of Persons and Property				
Fire Department				
Personal Services	2,845,165	2,900,165	2,827,229	72,936
Other Expenses	1,913,821	1,774,821	1,575,432	199,389
Total Fire Department	<u>4,758,986</u>	<u>4,674,986</u>	<u>4,402,661</u>	<u>272,325</u>
Police Department				
Personal Services	3,436,450	3,947,800	3,891,111	56,689
Other Expenses	2,133,435	2,139,801	1,950,634	189,167
Total Police Department	<u>5,569,885</u>	<u>6,087,601</u>	<u>5,841,745</u>	<u>245,856</u>
Total Security of Persons and Property	<u>10,328,871</u>	<u>10,762,587</u>	<u>10,244,406</u>	<u>518,181</u>

Continued

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, 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, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Leisure Time Activates				
Civic Center				
Other Expenses	6,100	-	-	-
Total Civic Center	6,100	-	-	-
Senior Services				
Personal Services	280,500	296,500	290,569	5,931
Other Expenses	239,806	214,306	164,656	49,650
Total Senior Services	520,306	510,806	455,225	55,581
Total Leisure Time Activates	526,406	510,806	455,225	55,581
Community Development				
Personal Services	163,000	163,000	160,302	2,698
Other Expenses	140,300	146,800	118,418	28,382
Total Community Development	303,300	309,800	278,720	31,080
Board and Commission Department				
Personal Services	22,000	28,000	26,070	1,930
Other Expenses	555	760	518	242
Total Board of Zoning Appeals	22,555	28,760	26,588	2,172
Building Department				
Personal Services	393,915	441,115	436,687	4,428
Other Expenses	281,114	285,000	252,582	32,418
Total Building Department	675,029	726,115	689,269	36,846
Total Community Development	1,000,884	1,064,675	994,577	70,098

Continued

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, 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, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Basic Utility Services				
Personal Services	1,706,000	1,441,000	1,414,741	26,259
Other Expenses	2,897,954	3,040,442	2,521,096	519,346
Total Basic Utility Services	<u>4,603,954</u>	<u>4,481,442</u>	<u>3,935,837</u>	<u>545,605</u>
General Government				
City Council				
Personal Services	175,700	182,000	176,612	5,388
Other Expenses	169,572	151,193	125,226	25,967
Total City Council	<u>345,272</u>	<u>333,193</u>	<u>301,838</u>	<u>31,355</u>
Mayors Office				
Personal Services	330,100	318,700	318,155	545
Other Expenses	213,190	177,835	160,774	17,061
Total Clerk of Council	<u>543,290</u>	<u>496,535</u>	<u>478,929</u>	<u>17,606</u>
Legal				
Personal Services	123,300	123,300	117,991	5,309
Other Expenses	243,665	336,165	273,855	62,310
Total Legal	<u>366,965</u>	<u>459,465</u>	<u>391,846</u>	<u>67,619</u>
Community Liason				
Personal Services	70,000	74,000	73,500	500
Other Expenses	232,040	230,240	219,638	10,602
Total Community Liason	<u>302,040</u>	<u>304,240</u>	<u>293,138</u>	<u>11,102</u>
Human Resources				
Personal Services	72,000	76,000	75,600	400
Other Expenses	116,196	125,896	107,181	18,715
Total Human Resources	<u>188,196</u>	<u>201,896</u>	<u>182,781</u>	<u>19,115</u>
Information Systems				
Personal Services	98,150	98,150	95,250	2,900
Other Expenses	994,225	794,226	588,550	205,676
Total Public Properties	<u>1,092,375</u>	<u>892,376</u>	<u>683,800</u>	<u>208,576</u>

Continued

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, 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, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Finance Department				
Personal Services	446,000	446,000	436,336	9,664
Other Expenses	741,731	810,995	797,785	13,210
Total Finance Department	1,187,731	1,256,995	1,234,121	22,874
Engineering				
Supplies and Materials	255,000	400,000	314,930	85,070
Total Engineering	255,000	400,000	314,930	85,070
Lands and Buildings				
Supplies and Materials	2,150,285	2,242,013	1,988,521	253,492
Total Lands and Buildings	2,150,285	2,242,013	1,988,521	253,492
Other General Government				
Personal Services	15,000	40,000	35,162	4,838
Other Expenses	1,332,368	1,550,441	979,212	571,229
Total Other General Government	1,347,368	1,590,441	1,014,374	576,067
Total General Government	7,878,522	8,177,154	6,884,278	1,292,876
Total Expenditures	24,338,637	24,996,664	22,514,323	2,482,341
Excess of Revenues Over (Under) Expenditures	207,821	835,980	3,343,499	2,507,519
Other Financing Sources (Uses)				
Sale of Capital Assets	5,121	5,121	5,121	-
Advances Out	-	(752,500)	(752,500)	-
Transfers In	167,245	267,245	267,245	-
Transfers Out	(2,815,000)	(5,673,510)	(5,673,510)	-
Total Other Financing Sources (Uses)	(2,642,634)	(6,153,644)	(6,153,644)	-
Net Change in Fund Balance	(2,434,813)	(5,317,664)	(2,810,145)	2,507,519
Fund Balance - Beginning of Year, Restated	7,239,549	7,239,549	7,239,549	-
Prior Year Encumbrances	287,358	287,358	287,358	-
Fund Balance - End of Year	\$ 5,092,094	\$ 2,209,243	\$ 4,716,762	\$ 2,507,519

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, 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, 2023**

	Budgeted Amounts		Variance with Final Budget
	Final	Actual	Positive (Negative)
Revenues:			
Property Taxes	\$ 503,901	\$ 503,901	\$ -
Intergovernmental	38,759	38,759	-
Special Assessments	405,552	405,552	-
All Other Revenues	25,816	25,816	-
Total Revenues	<u>974,028</u>	<u>974,028</u>	<u>-</u>
Expenditures:			
Current:			
General Government			
Other	4,115	4,110	5
Debt Service:			
Principal	4,327,001	4,304,501	22,500
Interest & Fiscal Charges	615,000	607,763	7,237
Total Expenditures	<u>4,946,116</u>	<u>4,916,374</u>	<u>29,742</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,972,088)</u>	<u>(3,942,346)</u>	<u>29,742</u>
Other Financing Sources			
Note Proceeds	2,680,231	2,680,231	-
Transfers In	1,281,400	1,281,400	-
Total Other Financing Sources	<u>3,961,631</u>	<u>3,961,631</u>	<u>-</u>
Net Change in Fund Balance	(10,457)	19,285	29,742
Fund Balance- Beginning of Year	26,366	26,366	-
Fund Balance - End of Year	<u>\$ 15,909</u>	<u>\$ 45,651</u>	<u>\$ 29,742</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 STREET IMPROVEMENTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Revenues:			
Intergovernmental	\$ 223,576	\$ 392,663	\$ 169,087
Expenditures:			
Current:			
Transportation			
Capital Outlay	4,237,374	3,132,064	1,105,310
Excess of Revenues Over (Under) Expenditures	(4,013,798)	(2,739,401)	1,274,397
Other Financing Sources			
Advances In	752,500	752,500	-
Transfers In	3,154,865	3,154,865	-
Total Other Financing Sources	3,907,365	3,907,365	-
Net Change in Fund Balance	(106,433)	1,167,964	1,274,397
Fund Balance - Beginning of Year	69,836	69,836	-
Prior Year Encumbrances	36,600	36,600	-
Fund Balance - End of Year	<u>\$ 3</u>	<u>\$ 1,274,400</u>	<u>\$ 1,274,397</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 STREET CONSTRUCTION, REPAIR, AND MAINTENANCE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Intergovernmental	\$ 692,000	\$ 745,083	\$ 53,083
Expenditures:			
Current:			
Transportation			
Personal Services	350,000	350,000	-
Other	137,988	99,805	38,183
Total Expenditures	<u>487,988</u>	<u>449,805</u>	<u>38,183</u>
Net Change in Fund Balance	204,012	295,278	91,266
Fund Balance - Beginning of Year	847,311	847,311	-
Prior Year Encumbrances	13,865	13,865	-
Fund Balance - End of Year	<u>\$ 1,065,188</u>	<u>\$ 1,156,454</u>	<u>\$ 91,266</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 STATE HIGHWAY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Revenues:			
Intergovernmental	\$ 59,000	\$ 60,412	\$ 1,412
Expenditures:			
Current:			
Transportation			
Personal Services	50,000	50,000	-
Net Change in Fund Balance	9,000	10,412	1,412
Fund Balance - Beginning of Year	55,909	55,909	-
Fund Balance - End of Year	<u>\$ 64,909</u>	<u>\$ 66,321</u>	<u>\$ 1,412</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 POLICE LEVY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Revenues:			
Property Taxes	\$ 104,470	\$ 104,470	\$ -
Intergovernmental	5,863	5,863	-
Total Revenues	<u>110,333</u>	<u>110,333</u>	<u>-</u>
Expenditures:			
Current:			
Security of Persons and Property:			
Police and Others:			
Personal Services	100,000	100,000	-
Net Change in Fund Balance	10,333	10,333	-
Fund Balance - Beginning of Year	60,279	60,279	-
Fund Balance - End of Year	<u>\$ 70,612</u>	<u>\$ 70,612</u>	<u>\$ -</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 FIRE LEVY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Property Taxes	\$ 104,470	\$ 104,470	\$ -
Intergovernmental	5,863	5,863	-
Total Revenues	<u>110,333</u>	<u>110,333</u>	<u>-</u>
Expenditures:			
Current:			
Security of Persons and Property:			
Fire			
Personal Services	<u>108,000</u>	<u>108,000</u>	<u>-</u>
Net Change in Fund Balance	2,333	2,333	-
Fund Balance - Beginning of Year	61,766	61,766	-
Fund Balance - End of Year	<u>\$ 64,099</u>	<u>\$ 64,099</u>	<u>\$ -</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 STREET LIGHTING FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Property Taxes	\$ 178,563	\$ 200,686	\$ 22,123
Intergovernmental	36,609	41,144	4,535
Total Revenues	<u>215,172</u>	<u>241,830</u>	<u>26,658</u>
Expenditures:			
Current:			
Security of Persons and Property:			
Police and Others:			
Other	325,000	277,941	47,059
Net Change in Fund Balance	(109,828)	(36,111)	73,717
Fund Balance - Beginning of Year	115,783	115,783	-
Prior Year Encumbrances	-	-	-
Fund Balance - End of Year	<u>\$ 5,955</u>	<u>\$ 79,672</u>	<u>\$ 73,717</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 BUILDING LEVY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Revenues:			
Property Taxes	\$ 73,155	\$ 73,155	\$ -
Intergovernmental	4,940	4,940	-
Total Revenues	<u>78,095</u>	<u>78,095</u>	<u>-</u>
Expenditures:			
Current:			
Community Development			
Other	<u>325,000</u>	<u>134,019</u>	<u>190,981</u>
Net Change in Fund Balance	(246,905)	(55,924)	190,981
Fund Balance - Beginning of Year	386,496	386,496	-
Fund Balance - End of Year	<u>\$ 139,591</u>	<u>\$ 330,572</u>	<u>\$ 190,981</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 FIRE PENSION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Property Taxes	\$ 75,589	\$ 75,589	\$ -
Intergovernmental	5,814	5,814	-
Total Revenues	<u>81,403</u>	<u>81,403</u>	<u>-</u>
Expenditures:			
Current:			
Security of Persons and Property:			
Fire			
Personal Services	<u>85,000</u>	<u>70,000</u>	<u>15,000</u>
Net Change in Fund Balance	(3,597)	11,403	15,000
Fund Balance - Beginning of Year	28,142	28,142	-
Fund Balance - End of Year	<u>\$ 24,545</u>	<u>\$ 39,545</u>	<u>\$ 15,000</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 POLICE PENSION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Revenues:			
Property Taxes	\$ 75,589	\$ 75,589	\$ -
Intergovernmental	5,814	5,814	-
Total Revenues	<u>81,403</u>	<u>81,403</u>	<u>-</u>
Expenditures:			
Current:			
Security of Persons and Property:			
Police and Others:			
Personal Services	85,000	70,000	15,000
Net Change in Fund Balance	(3,597)	11,403	15,000
Fund Balance - Beginning of Year	30,256	30,256	-
Fund Balance - End of Year	<u>\$ 26,659</u>	<u>\$ 41,659</u>	<u>\$ 15,000</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 MASTER PLAN GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning of Year	<u>25,353</u>	<u>25,353</u>	<u>-</u>
Fund Balance - End of Year	<u><u>\$ 25,353</u></u>	<u><u>\$ 25,353</u></u>	<u><u>\$ -</u></u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 BUREAU OF JUSTICE GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
Expenditures:			
Current:			
Security of Persons and Property			
Police Safety Equipment			
Other	\$ 1,476	\$ 1,475	\$ 1
Net Change in Fund Balance	(1,476)	(1,475)	1
Fund Balance - Beginning of Year	1,480	1,480	-
Fund Balance - End of Year	<u>\$ 4</u>	<u>\$ 5</u>	<u>\$ 1</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 COMMUNITY DEVELOPMENT BLOCK GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Final			
Expenditures:				
Current:				
Community Development				
Other	\$ 30,000		\$ 28,276	\$ 1,724
Excess of Revenues Over (Under) Expenditures	(30,000)		(28,276)	1,724
 Other Financing Sources				
Transfers In	30,000		30,000	-
Net Change in Fund Balance	\$ -		\$ 1,724	\$ 1,724
Fund Balance - Beginning of Year	1,174		1,174	-
Fund Balance - End of Year	\$ 1,174		\$ 2,898	\$ 1,724

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 LAW ENFORCEMENT TRUST FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
All Other Revenues	\$ -	\$ 463	\$ 463
Expenditures:			
Current:			
Security of Persons and Property			
Other	14,000	-	14,000
Net Change in Fund Balance	(14,000)	463	14,463
Fund Balance - Beginning of Year	15,125	15,125	-
Fund Balance - End of Year	\$ 1,125	\$ 15,588	\$ 14,463

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 JUVENILE DIVERSION PROGRAM FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Revenues:			
All Other Revenues	\$ 230	\$ 230	\$ -
Expenditures:			
Current:			
Security of Persons and Property:			
Mandatory Drug Law			
Other	10,000	787	9,213
Net Change in Fund Balance	(9,770)	(557)	9,213
Fund Balance - Beginning of Year	14,431	14,431	-
Fund Balance - End of Year	<u>\$ 4,661</u>	<u>\$ 13,874</u>	<u>\$ 9,213</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 CDBG SIDEWALK FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Net Change in Fund Balance	\$ -	\$ -	\$ -
Fund Balance - Beginning of Year	7,104	7,104	-
Fund Balance - End of Year	<u>\$ 7,104</u>	<u>\$ 7,104</u>	<u>\$ -</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 COPS GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Final</u>		<u>(Negative)</u>
Net Change in Fund Balance	\$ -	\$ -	\$ -
Fund Balance - Beginning of Year	4,818	4,818	-
Fund Balance - End of Year	<u>\$ 4,818</u>	<u>\$ 4,818</u>	<u>\$ -</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 FEMA GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Final</u>		<u>(Negative)</u>
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning of Year	30,537	30,537	-
Fund Balance - End of Year	<u>\$ 30,537</u>	<u>\$ 30,537</u>	<u>\$ -</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 CRA MONITORING FEE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Revenues:			
Fines, Licenses and Permits	\$ 6,000	\$ 5,750	\$ (250)
Expenditures:			
Current:			
General Government			
Other	10,000	6,731	3,269
Net Change in Fund Balance	(4,000)	(981)	3,019
Fund Balance - Beginning of Year	176,525	176,525	-
Fund Balance - End of Year	<u>\$ 172,525</u>	<u>\$ 175,544</u>	<u>\$ 3,019</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 THE CLEVELAND FOUNDATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Net Change in Fund Balance	\$ -	\$ -	\$ -	\$ -
Fund Balance - Beginning of Year	4,819	4,819	4,819	-
Fund Balance - End of Year	<u>\$ 4,819</u>	<u>\$ 4,819</u>	<u>\$ 4,819</u>	<u>\$ -</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 ECONOMIC DEVELOPMENT STIMULUS GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Net Change in Fund Balance	\$ -	\$ -	\$ -
Fund Balance - Beginning of Year	28,150	28,150	-
Fund Balance - End of Year	<u><u>\$ 28,150</u></u>	<u><u>\$ 28,150</u></u>	<u><u>\$ -</u></u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 GRASS REFUSE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Revenues:			
Charges for Services	\$ 5,000	\$ 4,888	\$ (112)
Expenditures:			
Current:			
Community Development			
Other	48,000	46,127	1,873
Excess of Revenues Over (Under) Expenditures	(43,000)	(41,239)	1,761
Other Financing Sources			
Transfers In	40,000	40,000	-
Net Change in Fund Balance	(3,000)	(1,239)	1,761
Fund Balance (Deficit) - Beginning of Year	7,480	7,480	-
Fund Balance - End of Year	<u>\$ 4,480</u>	<u>\$ 6,241</u>	<u>\$ 1,761</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 STATE GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Revenues:			
Intergovernmental	\$ 5,000	\$ 5,000	\$ -
Expenditures:			
Capital Outlay			
Other	5,000	5,000	-
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning of Year	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 G.R.E.A.T GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
	Final		
Net Change in Fund Balance	\$ -	\$ -	\$ -
Fund Balance - Beginning of Year	3,668	3,668	-
Fund Balance - End of Year	\$ 3,668	\$ 3,668	\$ -

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 1ST RESPONDERS RETENTION GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Revenues:			
Intergovernmental	\$ 208,000	\$ 208,000	\$ -
Expenditures:			
Current:			
Security of Persons and Property:			
Police and Others:			
Personal Services	104,000	100,000	4,000
Fire:			
Personal Services	104,000	100,000	4,000
Total Expenditures	<u>208,000</u>	<u>200,000</u>	<u>8,000</u>
Net Change in Fund Balance	-	8,000	8,000
Fund Balance - Beginning of Year	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 8,000</u>	<u>\$ 8,000</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 2008 G.R.E.A.T GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Net Change in Fund Balance	\$ -	\$ -	\$ -
Fund Balance - Beginning of Year	29,342	29,342	-
Fund Balance - End of Year	\$ 29,342	\$ 29,342	\$ -

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 WARRENSVILLE HEIGHTS OCCUPANCY PROGRAM FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u></u>
Revenues:			
Charges for Services	\$ 1,500	\$ 1,500	\$ -
Expenditures:			
Current:			
Community Development			
Other	100,000	18,018	81,982
Other Financing Sources			
Transfers In	100,000	100,000	-
Net Change in Fund Balance	1,500	83,482	81,982
Fund Balance - Beginning of Year	514	514	-
Prior Year Encumbrances	-	-	-
Fund Balance - End of Year	<u>\$ 2,014</u>	<u>\$ 83,996</u>	<u>\$ 81,982</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 RESIDENTIAL DEMOLITION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Expenditures:			
Current:			
Community Development			
Other	\$ 50,000	\$ -	\$ 50,000
Net Change in Fund Balance	(50,000)	-	50,000
Fund Balance - Beginning of Year	206,878	206,878	-
Fund Balance - End of Year	<u>\$ 156,878</u>	<u>\$ 206,878</u>	<u>\$ 50,000</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 COMMUNITY RECYCLING GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Expenditures:			
Current:			
Community Development			
Other	\$ 896	\$ 896	\$ -
Net Change in Fund Balance	(896)	(896)	-
Fund Balance - Beginning of Year	896	896	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 CONTINUING PROFESSIONAL TRAINING PROGRAM FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Net Change in Fund Balance	\$ -	\$ -	\$ -
Fund Balance - Beginning of Year	33,717	33,717	-
Fund Balance - End of Year	\$ 33,717	\$ 33,717	\$ -

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 ONE OHIO-OPIOID FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Revenues:			
All Other Revenues	\$ 14,002	\$ 14,002	\$ -
Expenditures:			
Current:			
Security of Persons and Property:			
Police and Others:			
Other	8,100	-	8,100
Fire			
Other	8,100	-	8,100
Total Expenditures	<u>16,200</u>	<u>-</u>	<u>16,200</u>
Net Change in Fund Balance	(2,198)	14,002	16,200
Fund Balance - Beginning of Year	3,121	3,121	-
Fund Balance - End of Year	<u>\$ 923</u>	<u>\$ 17,123</u>	<u>\$ 16,200</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 STATE INFRASTRUCTURE BANK LOAN REPAYMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues:			
Hotel Taxes	\$ 357,195	\$ 387,723	\$ 30,528
Expenditures:			
Current:			
Debt Service			
Principal	370,000	369,189	811
Interest & Fiscal Charges	35,000	31,528	3,472
Total Expenditures	<u>405,000</u>	<u>400,717</u>	<u>4,283</u>
Net Change in Fund Balance	(47,805)	(12,994)	34,811
Fund Balance - Beginning of Year	898,608	898,608	-
Fund Balance - End of Year	<u>\$ 850,803</u>	<u>\$ 885,614</u>	<u>\$ 34,811</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 AMERICAN RESCUE PLAN ACT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u></u>
Expenditures:			
Current:			
General Government			
Capital Outlay	\$ 166,238	\$ 166,238	\$ -
Other	241,067	202,670	38,397
Total Expenditures	<u>407,305</u>	<u>368,908</u>	<u>38,397</u>
 Net Change in Fund Balance	 (407,305)	 (368,908)	 38,397
 Fund Balance - Beginning of Year	 1,092,675	 1,092,675	 -
Prior Year Encumbrances	-	-	-
Fund Balance - End of Year	<u><u>\$ 685,370</u></u>	<u><u>\$ 723,767</u></u>	<u><u>\$ 38,397</u></u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 DEVELOPERS DEPOSITS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Revenues:			
Fines, Licenses and Permits	\$ 2,376	\$ 3,000	\$ 624
Charges for Services	51,054	64,459	13,405
Total Revenues	<u>53,430</u>	<u>67,459</u>	<u>14,029</u>
Expenditures:			
Current:			
General Government			
Other	<u>115,750</u>	<u>63,364</u>	<u>52,386</u>
Excess of Revenues Over (Under) Expenditures	<u>(62,320)</u>	<u>4,095</u>	<u>66,415</u>
Net Change in Fund Balance	(62,320)	4,095	66,415
Fund Balance - Beginning of Year	723,274	723,274	-
Fund Balance - End of Year	<u>\$ 660,954</u>	<u>\$ 727,369</u>	<u>\$ 66,415</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 LAND AQUISITION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
Expenditures:			
Current:			
General Government			
Other	48,000	48,000	-
Net Change in Fund Balance	(48,000)	(48,000)	-
Fund Balance - Beginning of Year	72,145	72,145	-
Fund Balance - End of Year	<u>\$ 24,145</u>	<u>\$ 24,145</u>	<u>\$ -</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 TOWN CENTER PROJECT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>		<u>Variance with Final Budget Positive (Negative)</u>
	<u>Final</u>				<u>(Negative)</u>
Expenditures:					
Current:					
Community Development					
Other	\$ 8,537		\$ -		\$ 8,537
Total Expenditures	<u>8,537</u>		<u>-</u>		<u>8,537</u>
 Net Change in Fund Balance	 \$ (8,537)		 \$ -		 \$ 8,537
 Fund Balance - Beginning of Year	 -		 -		 -
Prior Year Encumbrances	8,536		8,536		-
Fund Balance - End of Year	<u>\$ (1)</u>		<u>\$ 8,536</u>		<u>\$ 8,537</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET (NON-GAAP BASIS) AND ACTUAL –
 CAPITAL IMPROVEMENTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:			
Intergovernmental	\$ 194,471	\$ 194,471	\$ -
Expenditures:			
Current:			
Capital Outlay			
Other	1,459,002	1,180,923	278,079
Excess of Revenues Over (Under) Expenditures	(1,264,531)	(986,452)	278,079
Other Financing Sources			
Transfers In	800,000	800,000	-
Net Change in Fund Balance	(464,531)	(186,452)	278,079
Fund Balance - Beginning of Year	1,326,795	1,326,795	-
Fund Balance - End of Year	<u>\$ 862,264</u>	<u>\$ 1,140,343</u>	<u>\$ 278,079</u>

STATISTICAL SECTION

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
STATISTICAL SECTION
DECEMBER 31, 2023**

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S2-S13
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	S14-S19
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S20-S26
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	S27-S28
Operating Information These schedules contain service 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.	S29-S33

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

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 NET POSITION BY COMPONENT
 ACCRUAL BASIS OF ACCOUNTING
 LAST TEN YEARS**

	<u>2014</u>	<u>2015 (2)</u>	<u>2016</u>	<u>2017 (3)</u>	<u>2018</u>
Governmental activities:					
Net investment in					
Capital assets (1)	\$ (1,660,356)	\$ (413,445)	\$ 4,413,884	\$ 1,531,320	\$ 3,702,183
Restricted for:					
Capital projects	306,185	643,180	74,795	637,366	862,412
Streets	409,723	394,833	396,076	573,835	472,601
Police and Fire	73,187	84,477	142,895	282,005	232,468
Building Levy	45,891	23,996	19,506	61,988	114,428
Debt Services	1,675,502	4,645,437	1,861,294	4,128,029	1,766,666
Other Purposes	597,939	274,504	1,064,971	937,486	1,195,779
Unrestricted	<u>(5,058,960)</u>	<u>(6,447,325)</u>	<u>(7,929,908)</u>	<u>(24,267,918)</u>	<u>(25,865,387)</u>
 Total net position - governmental activities	 <u>\$ (3,610,889)</u>	 <u>\$ (794,343)</u>	 <u>\$ 43,513</u>	 <u>\$ (16,115,889)</u>	 <u>\$ (17,518,850)</u>

(1) – Item reported as Invested in capital assets, net of related debt through December 31, 2017.

(2) – Restated for GASB Statement No. 68 Implementation

(3) – Restated for GASB Statement No. 75 Implementation

Table 1

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 7,587,956	\$ 5,597,454	\$ 3,418,298	\$ 3,810,408	\$ 9,416,608
116,306	839,943	1,309,536	1,476,265	1,991,539
774,848	687,740	1,042,959	1,454,158	1,662,922
243,605	262,609	290,373	326,401	324,449
182,758	260,591	333,919	410,284	387,833
1,617,354	1,640,057	2,839,277	2,520,707	2,101,833
1,019,593	1,172,030	915,311	868,613	882,924
<u>(19,091,754)</u>	<u>(21,551,420)</u>	<u>(13,949,459)</u>	<u>(8,559,291)</u>	<u>(11,435,669)</u>
<u>\$ (7,549,334)</u>	<u>\$ (11,090,996)</u>	<u>\$ (3,799,786)</u>	<u>\$ 2,307,545</u>	<u>\$ 5,332,439</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 CHANGES IN NET POSITION
 ACCRUAL BASIS OF ACCOUNTING
 LAST TEN YEARS**

	2014	2015	2016	2017
Program revenues:				
Charges for services				
Security of persons and property				
Police and others	\$ 102,818	\$ 72,121	\$ 253,964	\$ 137,773
Fire	485,032	419,462	505,002	499,474
Leisure time activities	58,434	63,865	67,561	71,246
Community development	21,991	19,714	574,943	589,967
Public works	60	68	62,000	9,000
Transportation	-	-	2,250	12,200
General government	818,026	750,044	36,989	42,079
Total charges for services	<u>1,486,361</u>	<u>1,325,274</u>	<u>1,502,709</u>	<u>1,361,739</u>
Operating grants and contributions				
Security of persons and property				
Police and others	12,080	17,050	6,166	6,000
Fire	-	40,000	-	-
Leisure time activities	-	-	409,863	90,137
Community development	3,680	146,180	5,607	4,185
Transportation	482,853	489,380	227,320	36,995
General government	-	-	15,740	4,229
Total operating grants and contributions	<u>498,613</u>	<u>692,610</u>	<u>664,696</u>	<u>141,546</u>
Capital grants and contributions				
Security of persons and property				
Police and others	-	-	-	26,658
Fire	-	-	-	5,000
Leisure time activities	-	-	-	486,057
Community development	165,260	559	-	-
Transportation	-	-	363,141	131,869
General government	2,670,483	581,364	-	-
Total capital grants and contributions	<u>2,835,743</u>	<u>581,923</u>	<u>363,141</u>	<u>649,584</u>
Total program revenues	<u>4,820,717</u>	<u>2,599,807</u>	<u>2,530,546</u>	<u>2,152,869</u>

Table 2

2018	2019	2020	2021	2022	2023
\$ 252,645	\$ 119,311	\$ 111,461	\$ 104,678	\$ 143,233	\$ 108,790
315,974	529,635	187,537	477,001	553,976	493,582
77,379	73,467	8,225	16,913	26,817	17,435
425,083	613,072	459,788	829,877	628,188	473,793
-	91,019	3,884	-	-	-
480	1,754	528	-	462	1,161
74,259	72,100	105,125	308,147	360,290	311,241
<u>1,145,820</u>	<u>1,500,358</u>	<u>876,548</u>	<u>1,736,616</u>	<u>1,712,966</u>	<u>1,406,002</u>
20,502	-	234,549	162,475	12,468	104,000
-	-	377,153	162,475	-	104,000
-	-	-	-	-	-
75,394	5,000	-	2,146	-	-
779,706	764,296	729,372	797,766	758,183	764,584
815	1,964	254,643	293,357	203,524	292,522
<u>876,417</u>	<u>771,260</u>	<u>1,595,717</u>	<u>1,418,219</u>	<u>974,175</u>	<u>1,265,106</u>
-	5,400	-	-	-	26,658
-	-	-	-	-	5,000
-	-	-	-	-	486,057
-	-	-	-	-	-
31,966	1,207,477	348,445	409,127	547,097	409,733
-	-	-	108,660	-	-
<u>31,966</u>	<u>1,212,877</u>	<u>348,445</u>	<u>517,787</u>	<u>547,097</u>	<u>927,448</u>
<u>2,054,203</u>	<u>3,484,495</u>	<u>2,820,710</u>	<u>3,672,622</u>	<u>3,234,238</u>	<u>3,598,556</u>

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
CHANGES IN NET POSITION
ACCRUAL BASIS OF ACCOUNTING (Continued)
LAST TEN YEARS**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Expenses:				
Security of persons and property				
Police and others	5,163,481	5,421,417	6,480,372	6,764,289
Fire	3,603,854	3,925,081	4,250,869	4,365,946
Public health and welfare	65,183	53,085	53,085	53,085
Leisure time activities	697,906	495,965	1,142,545	1,103,575
Community development	873,757	961,571	865,269	1,035,567
Public works	1,173,154	1,527,105	2,948,804	4,042,109
Transportation	2,637,135	2,004,180	2,670,273	2,004,261
General government	2,411,281	4,164,107	3,447,287	4,907,339
Interest and Fiscal Charges	876,751	781,460	505,598	525,353
Total primary government expenses	<u>17,502,502</u>	<u>19,333,971</u>	<u>22,364,102</u>	<u>24,801,524</u>
Net (expense)/revenue	<u>(12,681,785)</u>	<u>(16,734,164)</u>	<u>(19,833,556)</u>	<u>(23,166,370)</u>
General revenues				
Property taxes levied for:				
General purposes	560,635	687,313	405,700	463,538
Debt service	317,748	335,894	283,752	392,932
Other purposes	456,484	490,916	650,621	671,723
Municipal income taxes levied for:				
General purposes	16,169,998	16,576,878	17,824,264	17,607,661
Other Taxes	-	-	-	-
Grants and entitlements				
not restricted to specific programs	659,957	679,693	1,276,788	1,729,668
Investment income	6,872	14,054	37,654	74,099
Gain on the sale of capital assets	-	-	128,686	-
All other revenues	231,000	171,522	63,947	87,904
Total general revenues	<u>18,402,694</u>	<u>18,956,270</u>	<u>20,671,412</u>	<u>21,027,525</u>
Change in net position	<u>\$ 5,720,909</u>	<u>\$ 2,222,106</u>	<u>\$ 837,856</u>	<u>\$ (2,138,845)</u>

Table 2 (Continued)

2018	2019	2020	2021	2022	2023
6,362,593	1,801,291	6,554,403	5,802,654	5,415,787	6,707,190
4,402,676	(443,842)	5,019,470	4,335,159	4,211,623	5,217,874
58,020	64,189	73,804	73,804	82,734	91,007
1,032,162	1,133,371	459,579	376,687	763,128	728,871
1,675,338	1,412,006	1,130,627	475,483	810,687	1,196,066
3,853,307	3,986,195	3,810,021	2,086,500	3,325,593	4,246,931
1,582,197	2,018,172	970,145	627,539	1,498,571	801,257
4,497,280	4,745,170	7,303,586	5,224,634	6,099,990	6,499,891
624,390	793,590	1,034,594	1,430,073	1,253,514	1,238,262
<u>24,087,963</u>	<u>15,510,142</u>	<u>26,356,229</u>	<u>20,432,533</u>	<u>23,461,627</u>	<u>26,727,349</u>
<u>(22,033,760)</u>	<u>(12,025,647)</u>	<u>(23,535,519)</u>	<u>(16,759,911)</u>	<u>(20,227,389)</u>	<u>(23,128,793)</u>
417,337	401,580	460,144	463,565	471,107	429,129
391,614	450,152	456,153	461,724	462,765	503,901
575,572	485,087	620,719	625,525	657,551	514,534
17,797,030	18,916,565	17,201,265	19,244,124	22,418,704	21,297,748
-	515,671	338,557	389,132	549,671	554,429
534,019	586,140	1,829,896	1,771,496	2,151,095	2,014,354
129,037	201,320	57,390	5,590	129,596	435,287
245,998	245,189	248,207	412,495	60,574	-
807,744	193,459	1,824,380	677,470	1,067,362	404,305
<u>20,898,351</u>	<u>21,995,163</u>	<u>23,036,711</u>	<u>24,051,121</u>	<u>27,968,425</u>	<u>26,153,687</u>
<u>\$ (1,135,409)</u>	<u>\$ 9,969,516</u>	<u>\$ (498,808)</u>	<u>\$ 7,291,210</u>	<u>\$ 7,741,036</u>	<u>\$ 3,024,894</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 FUND BALANCES, GOVERNMENTAL FUNDS -
 MODIFIED ACCRUAL BASIS OF ACCOUNTING
 LAST TEN YEARS**

	2014	2015	2016	2017	2018
General fund:					
Nonspendable	\$ 240,079	\$ 372,040	\$ 944,501	\$ 857,919	\$ 1,012,638
Assigned	165,860	1,735,968	935,889	301,710	1,543,313
Unassigned	6,663,466	6,035,565	6,741,663	6,622,333	5,517,741
Total general fund	<u>7,069,405</u>	<u>8,143,573</u>	<u>8,622,053</u>	<u>7,781,962</u>	<u>8,073,692</u>
All other governmental funds:					
Nonspendable	-	-	-	-	-
Restricted	925,964	1,365,745	1,362,755	1,368,376	1,859,606
Committed	214,296	194,996	190,361	176,271	169,287
Unassigned (Deficit)	(882,616)	(2,386,056)	(2,543,979)	(2,153,944)	(2,172,492)
Total all other governmental funds	<u>257,644</u>	<u>(825,315)</u>	<u>(990,863)</u>	<u>(609,297)</u>	<u>(143,599)</u>
Total governmental funds	<u><u>\$ 7,327,049</u></u>	<u><u>\$ 7,318,258</u></u>	<u><u>\$ 7,631,190</u></u>	<u><u>\$ 7,172,665</u></u>	<u><u>\$ 7,930,093</u></u>

Table 3

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 1,909,519	\$ 916,540	\$ 1,049,634	\$ 1,046,471	\$ 1,221,390
-	-	-	-	100,000
1,852,800	880,604	816,363	2,375,928	3,174,981
<u>3,689,894</u>	<u>4,862,730</u>	<u>9,229,591</u>	<u>8,598,816</u>	<u>4,780,056</u>
<u>7,452,213</u>	<u>6,659,874</u>	<u>11,095,588</u>	<u>12,021,215</u>	<u>9,276,427</u>
-	-	2,145	1,214	1,790
1,905,206	2,794,896	3,328,316	4,074,172	4,571,274
248,314	238,141	246,392	205,189	278,078
<u>(2,941,884)</u>	<u>(2,127,770)</u>	<u>(3,901,984)</u>	<u>(3,646,110)</u>	<u>(2,709,706)</u>
<u>(788,364)</u>	<u>905,267</u>	<u>(325,131)</u>	<u>634,465</u>	<u>2,141,436</u>
<u>\$ 6,663,849</u>	<u>\$ 7,565,141</u>	<u>\$ 10,770,457</u>	<u>\$ 12,655,680</u>	<u>\$ 11,417,863</u>

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS -
MODIFIED BASIS OF ACCOUNTING
LAST TEN YEARS**

	2014	2015	2016	2017
Revenues:				
Property Taxes and Other Local Taxes	\$ 1,707,323	\$ 1,595,845	\$ 1,744,604	\$ 1,677,400
Income Taxes	15,872,496	16,689,455	17,800,538	17,829,418
Intergovernmental	1,266,054	1,311,829	1,632,792	1,543,486
Interest	6,872	14,054	26,828	74,544
Licenses and Permits	812,181	603,691	380,903	380,380
Fines and Forfeitures	170,812	138,794	253,846	137,641
Rentals	-	-	193,250	196,600
Charges for Services	498,852	603,209	672,962	575,551
Special Assessments	341,708	520,889	430,546	176,004
Lease	-	-	-	-
All Other Revenues	233,527	149,447	66,136	87,904
Total Revenues	20,909,825	21,627,213	23,202,405	22,678,928
Expenditures:				
Current:				
Security of persons and property				
Police and others	5,177,961	5,353,511	5,867,392	6,011,557
Fire	3,552,650	3,774,899	3,860,674	4,049,991
Public health and welfare	53,085	53,085	53,085	53,085
Leisure time activities	470,772	445,491	888,433	769,368
Community development	736,622	1,002,863	850,694	928,466
Public works	1,186,403	1,485,708	2,602,683	3,654,007
Transportation	2,809,577	2,221,014	2,175,556	1,943,116
General government	3,536,088	4,194,991	3,219,241	3,989,601
Capital Outlay	358,256	105,879	4,031,299	478,837
Debt Service:				
Principal retirement	2,625,000	2,621,541	821,131	1,080,547
Interest and fiscal charges	934,422	827,848	757,822	755,615
Bond issuance costs	-	-	17,686	26,760
Total expenditures	21,440,836	22,086,830	25,145,696	23,740,950
Excess of revenues over (under) expenditures	(531,011)	(459,617)	(1,943,291)	(1,062,022)

Table 4

2018	2019	2020	2021	2022	2023
\$ 1,893,496	\$ 2,014,837	\$ 1,859,818	\$ 1,931,874	\$ 2,033,226	\$ 2,171,607
17,802,827	18,992,918	16,484,233	19,698,733	20,718,629	21,071,857
1,396,971	1,271,550	4,489,597	3,393,348	3,536,264	4,212,744
129,037	201,320	57,390	5,590	129,596	435,287
263,303	397,779	228,980	664,233	355,722	464,027
279,017	133,826	137,639	128,587	134,590	120,410
170,550	228,205	254,315	471,900	299,367	104,696
581,680	695,861	497,644	548,660	717,941	601,298
202,499	414,638	418,010	512,496	406,151	405,552
-	-	-	-	119,560	119,561
297,239	193,459	1,824,380	677,470	1,067,362	404,305
<u>23,016,619</u>	<u>24,544,393</u>	<u>26,252,006</u>	<u>28,032,891</u>	<u>29,518,408</u>	<u>30,111,344</u>
5,451,431	5,789,119	6,300,873	5,807,461	6,304,639	6,249,603
3,721,429	4,168,269	4,516,667	4,234,885	4,448,008	4,690,163
58,020	64,189	73,804	73,804	82,734	91,007
712,525	745,003	389,808	356,672	607,329	455,566
1,590,050	1,238,312	989,773	922,583	995,796	1,187,307
3,488,250	3,332,570	3,181,801	3,531,077	3,855,313	3,814,220
1,531,068	1,899,566	825,412	492,795	1,283,459	506,968
3,811,516	3,900,967	6,674,372	5,421,725	6,065,258	6,032,574
185,505	2,533,816	18,019,416	2,270,593	1,209,646	4,794,892
1,118,474	1,556,521	1,721,117	1,994,255	2,200,879	2,251,458
805,221	790,118	1,055,721	1,300,104	1,272,667	1,261,539
31,700	37,376	12,950	22,048	9,250	18,985
<u>22,505,189</u>	<u>26,055,826</u>	<u>43,761,714</u>	<u>26,428,002</u>	<u>28,334,978</u>	<u>31,354,282</u>
<u>511,430</u>	<u>(1,511,433)</u>	<u>(17,509,708)</u>	<u>1,604,889</u>	<u>1,183,430</u>	<u>(1,242,938)</u>

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS -
 MODIFIED BASIS OF ACCOUNTING (Continued)
 LAST TEN YEARS**

	2014	2015	2016	2017
Other financing sources (uses):				
Sale of capital assets	-	-	251,802	1,000
Inception of Capital lease	187,290	-	77,025	100,102
Certificates of Participation issued	1,800,000	1,700,000	-	-
Bond anticipation notes issued	-	-	-	-
Land acquisition notes issued	-	450,000	-	-
SIB Loan Issued	-	-	1,927,396	602,497
OPWC Loan Issued	-	-	-	-
General obligation bonds issued	2,095,000	-	-	-
Premium on debt issuance	157,625	16,745	-	-
Transfers in	1,989,457	2,378,807	2,066,814	2,088,033
Transfers out	(1,989,457)	(2,378,807)	(2,066,814)	(2,088,033)
Total other financing sources (uses)	4,239,915	2,166,745	2,256,223	703,599
Net change in fund balances	\$ 3,708,904	\$ 1,707,128	\$ 312,932	\$ (358,423)
Debt service as a percentage of noncapital expenditures	17.58%	16.10%	7.25%	7.95%

Table 4 (Continued)

2018	2019	2020	2021	2022	2023
245,998	245,189	248,207	412,495	60,574	5,121
-	-	17,450,000	1,187,932	100,102	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	450,000	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,268,798	3,229,260	1,788,065	3,506,000	3,371,371	6,122,481
<u>(2,268,798)</u>	<u>(3,229,260)</u>	<u>(1,788,065)</u>	<u>(3,506,000)</u>	<u>(3,371,371)</u>	<u>(6,122,481)</u>
<u>245,998</u>	<u>245,189</u>	<u>18,148,207</u>	<u>1,600,427</u>	<u>160,676</u>	<u>5,121</u>
<u>\$ 757,428</u>	<u>\$ (1,266,244)</u>	<u>\$ 638,499</u>	<u>\$ 3,205,316</u>	<u>\$ 1,344,106</u>	<u>\$ (1,237,817)</u>
8.62%	9.98%	10.95%	13.26%	12.98%	11.80%

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 ASSESSED VALUATIONS AND ESTIMATED ACTUAL VALUES OF TAXABLE
 PROPERTY
 LAST TEN YEARS**

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2014	80,172,290	141,778,880	634,146,200	7,924,770	9,005,420
2015	79,884,880	134,848,560	613,524,114	8,154,550	9,266,534
2016	73,126,970	130,974,830	583,148,000	8,299,220	9,430,932
2017	73,739,210	135,432,590	597,633,714	8,768,870	9,964,625
2018	74,993,660	131,051,340	588,700,000	9,303,430	10,572,080
2019	84,615,600	149,297,660	668,323,600	9,655,450	10,972,102
2020	84,197,110	149,797,330	668,555,543	10,311,730	11,717,875
2021	84,023,650	150,111,910	668,958,743	10,989,280	12,487,818
2022	99,806,840	158,668,470	738,500,886	11,638,110	13,225,125
2023	100,301,400	159,071,330	741,064,943	12,282,000	13,956,818

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

The assessed value of real property (including public utility real property) is 35% of estimated true value. The assessed value of public utility personal property ranges from 25% of true value for railroad property to 88% for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25% for machinery and equipment and 23% for inventories.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

Source: Cuyahoga County, Ohio; County Fiscal Office

Table 5

Total			Total Direct Tax Rate
Assessed Value	Estimated Actual Value	Ratio	
229,873,940	623,434,276	36.87	9.70
222,887,990	622,790,648	35.78	9.70
212,401,020	592,578,932	35.84	9.70
217,940,670	607,598,339	35.87	9.70
215,348,430	599,272,080	35.94	9.70
243,568,710	679,295,702	35.86	9.70
244,306,170	680,273,418	35.91	9.70
245,124,840	681,446,561	35.97	9.70
270,113,420	751,726,011	35.93	9.70
271,654,730	755,021,761	35.98	9.70

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 DIRECT AND OVERLAPPING PROPERTY TAX RATES (Per \$1,000 of Assessed Valuation)
 LAST TEN YEARS**

Table 6

Collection Year	City of Warrensville Heights				Warrensville Heights School District	Orange City School District	Cuyahoga County	Special (2) Taxing Districts	Total Tax Levy
	General Fund	Special Funds (1)	Debt Service	Total Levy					
2014	3.60	4.10	2.00	9.70	91.80	91.10	14.05	8.48	215.13
2015	3.60	4.10	2.00	9.70	91.70	91.20	14.05	9.38	216.03
2016	3.60	4.10	2.00	9.70	92.40	91.20	14.05	9.38	216.73
2017	3.60	4.10	2.00	9.70	92.40	91.20	14.05	9.38	216.73
2018	3.60	3.60	2.50	9.70	93.20	91.20	14.05	9.88	218.03
2019	3.60	3.60	2.50	9.70	99.70	91.00	14.05	9.88	224.33
2020	3.60	3.60	2.50	9.70	98.40	91.00	14.05	4.90	218.05
2021	3.60	3.60	2.50	9.70	97.80	90.90	14.85	11.28	224.53
2022	3.60	3.60	2.50	9.70	97.00	90.90	14.85	11.28	223.73
2023	3.60	3.60	2.50	9.70	97.50	90.90	14.85	11.28	224.23

Source: Cuyahoga County, Ohio; County Fiscal Office

(1) Policy Levy, Fire Levy, Street Lighting, Building Levy, Fire Pension, and Police Pension special revenue funds

(2) Cleveland Metro Parks, Cuyahoga County Library, Cuyahoga Community College and Cleveland-Cuyahoga Port Authority

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS**

Year	Current Tax Levy	Current Collections	Percentage of Current Collections To Current Levy	Delinquent Tax Collection	Total Tax Collection	Percentage of Total Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Table 7 Percentage of Delinquent Taxes to To Total Tax Levy
2014	2,264,718	1,352,331	59.71%	153,636	1,505,967	66.50%	447,462	19.76%
2015	2,061,817	1,393,725	67.60%	132,815	1,526,540	74.04%	358,650	17.39%
2016	1,991,939	1,436,198	72.10%	104,700	1,540,898	77.36%	347,356	17.44%
2017	1,886,663	1,633,483	86.58%	87,209	1,720,692	91.20%	500,834	26.55%
2018	1,897,393	1,630,432	85.93%	246,283	1,876,715	98.91%	502,367	26.48%
2019	1,968,151	1,870,994	95.06%	248,583	2,119,577	107.69%	340,020	17.28%
2020	1,979,160	1,881,047	95.04%	366,060	2,247,107	113.54%	355,774	17.98%
2021	1,999,433	1,914,335	95.74%	101,738	2,016,073	100.83%	377,047	18.86%
2022	2,115,628	1,882,807	89.00%	93,370	1,976,177	93.41%	471,716	22.30%
2023	2,256,350	2,100,729	93.10%	124,565	2,225,294	98.62%	302,102	13.39%

Source: Cuyahoga County, Ohio; County Fiscal Office

Note: The County does not identify delinquent collections by the year for which the tax was levied.

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 PRINCIPAL TAXPAYERS – REAL ESTATE TAX
 2023 AND 2014**

Table 8

Name of Taxpayer	December 31, 2023	
	Assessed Value (1)	Percent of Total Assessed Value
JP JLP Harvard Park, LLC	11,643,280	4.49%
Cleveland East Hotel	10,381,290	4.00%
Highlands Woods NS, LLC	8,706,340	3.36%
Granada Apartments, LTD	8,365,200	3.23%
Clarkwood Apartment, Ltd	6,699,660	2.58%
Ellacott Parkway Holdings, LLC	4,445,090	1.71%
LBMK Properties, LLC	4,153,740	1.60%
Miles North Randall, LLC	3,798,350	1.46%
Sherwin-Williams Automotive	3,319,200	1.28%
Highlands Business Park Property, LLC	3,143,080	1.21%
Total	\$ 64,655,230	24.92%
Assessed Value	\$ 259,372,730	

Name of Taxpayer	December 31, 2014	
	Assessed Value	Percent of Total Assessed Value
JP JLP Harvard Park, LLC	\$ 11,954,430	5.39%
Cleveland East Hotel	8,497,970	3.83%
Cleveland Illuminating Company	6,811,860	3.07%
Meridia Health System	6,612,240	2.98%
Highlands Woods NS, LLC	6,146,440	2.77%
Clarkwood Appartments	4,887,790	2.20%
Galaxy Dev. Limited	3,235,490	1.46%
Richmond Road, LLC	2,923,220	1.32%
Sherwin-Williams Automotive	2,792,830	1.26%
Ellacott Parkway, LLC	2,638,130	1.19%
Total	\$ 56,500,400	25.46%
Assessed Value	\$ 221,951,170	

Source: Cuyahoga County, Ohio; County Fiscal Office
 (1) Latest information available

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
INCOME TAX REVENUE BASE COLLECTIONS
LAST TEN YEARS**

Table 9

<u>Tax Year</u>	<u>Tax Rate (1)</u>	<u>Total Tax Collected</u>	<u>Taxes from Withholding</u>	<u>Percentage of Taxes from Withholding</u>	<u>Taxes from Net Profits</u>	<u>Percentage of Taxes from Net Profits</u>	<u>Taxes from Individuals</u>	<u>Percentage of Taxes from Individuals</u>
2014	2.60	\$ 15,103,264	\$ 11,854,771	78.49%	\$ 1,926,434	12.76%	\$ 1,322,058	8.75%
2015	2.60	15,968,752	12,401,242	77.66%	2,187,643	13.70%	1,379,866	8.64%
2016	2.60	16,607,036	12,223,229	73.60%	2,154,043	12.97%	1,445,887	8.71%
2017	2.60	16,558,002	13,341,371	80.57%	1,844,681	11.14%	1,371,950	8.29%
2018	2.60	17,346,368	13,839,779	79.78%	2,250,732	12.98%	1,255,856	7.24%
2019	2.60	17,552,442	14,087,855	80.26%	2,100,002	11.96%	1,364,584	7.77%
2020	2.60	16,946,162	14,105,584	83.24%	1,737,047	10.25%	1,103,531	6.51%
2021	2.60	17,091,627	14,114,302	82.58%	2,256,677	13.20%	720,648	4.22%
2022	2.60	20,327,575	16,026,718	78.84%	3,367,836	16.57%	933,022	4.59%
2023	2.60	20,406,408	16,958,087	83.10%	2,448,453	12.00%	999,868	4.90%

(1) The City is statutorily prohibited from presenting individual taxpayers.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
RATIO OF OUTSTANDING DEBT TO TOTAL PERSONAL INCOME AND DEBT PER
CAPITA
LAST TEN YEARS**

Table 10

Fiscal Year	Governmental Activities					Total	Personal Income	Percentage of Personal Income	Per Population	Per Capita
	General Obligation Bonds	C.O.P.s	Financed Purchases	Long-term Loans	Capital Leases					
2014	\$ 11,845,623	\$ 11,708,443	\$ -	\$ -	\$ 879,018	\$ 24,433,084	\$ 268,551,402	9.10%	\$ 13,542	\$ 1,804
2015	11,081,062	11,605,465	-	368,459	605,607	23,660,593	275,728,662	8.58%	13,542	1,747
2016	10,321,501	9,885,476	-	2,209,828	442,830	22,859,635	280,387,110	8.15%	13,542	1,688
2017	9,526,940	9,881,406	-	2,722,395	222,213	22,352,954	282,079,860	7.92%	13,542	1,651
2018	8,942,379	9,777,336	-	2,611,557	142,129	21,473,401	285,682,032	7.52%	13,542	1,586
2019	8,207,818	9,408,266	-	2,185,408	86,757	19,888,249	291,329,046	6.83%	13,542	1,469
2020	7,453,257	9,024,196	-	2,297,741	17,263,307	36,038,501	315,630,210	11.42%	13,789	2,614
2021	6,693,696	8,625,126	17,979,857	1,904,868	-	35,203,547	319,408,396	11.02%	13,789	2,553
2022	5,909,135	8,211,056	17,452,468	1,501,480	-	33,074,139	325,310,088	10.17%	13,789	2,399
2023	5,169,574	7,781,986	16,755,231	1,087,259	-	30,794,050	368,579,970	8.35%	13,789	2,233

Note: Population and Personal Income data are presented in Table 15.

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 RATIO OF GENERAL OBLIGATION BONDED DEBT TO ESTIMATED ACTUAL VALUE
 OF TAXABLE PROPERTY AND BONDED DEBT PER CAPITA
 LAST TEN YEARS**

Table 11

Year	Population (1)		Estimated Actual Value of Taxable Property (2)	General Obligation Debt (3)	Resources Available for Repayment	Net General Bonded Debt	Bonded Debt to Estimated Actual Value of Taxable Property	Bonded Debt per Capita
2014	13,542	a	\$ 623,434,276	\$ 23,554,066	\$ 1,675,502	\$ 21,878,564	3.51%	\$ 1,615.61
2015	13,542	a	622,790,648	22,686,527	3,747,337	18,939,190	3.04%	1,398.55
2016	13,542	a	592,578,932	20,206,977	1,861,294	18,345,683	3.10%	1,354.72
2017	13,542	a	607,598,339	19,408,346	4,128,029	15,280,317	2.51%	1,128.36
2018	13,542	a	599,272,080	18,719,715	1,766,666	16,953,049	2.83%	1,251.89
2019	13,542	a	679,295,702	17,616,084	1,617,354	15,998,730	2.36%	1,181.42
2020	13,789	b	680,273,418	16,477,453	1,640,057	14,837,396	2.18%	1,076.03
2021	13,789	b	681,446,561	15,318,822	2,839,277	12,479,545	1.83%	905.04
2022	13,789	b	751,726,011	14,120,191	2,520,707	11,599,484	1.88%	1,024.02
2023	13,789	b	755,021,761	12,951,560	2,101,833	10,849,727	1.44%	786.84

Sources:

(1) U. S. Bureau of Census, Census of Population

a. 2010 Census

b. 2020 Census

(2) Cuyahoga County, Ohio; County Fiscal Office

(3) Includes all general obligation bonded debt with the exception of Special Assessment debt.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
LEGAL DEBT MARGIN
LAST TEN YEARS**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Assessed Valuation	<u>\$ 229,873,940</u>	<u>\$ 222,887,990</u>	<u>\$ 212,401,020</u>	<u>\$ 217,940,670</u>
Overall debt limit - 10.5% of assessed value	\$ 24,136,764	\$ 23,403,239	\$ 22,302,107	\$ 22,883,770
Debt Outstanding:				
General obligation bonds	11,845,623	11,081,062	10,321,501	9,526,940
Certificate of participation	11,708,443	11,605,465	9,885,476	9,881,406
Real property acquisition notes	215,000	-	-	-
Bond anticipation notes	<u>1,560,000</u>	<u>1,515,000</u>	<u>2,790,389</u>	<u>2,659,000</u>
Total gross indebtedness	<u>25,329,066</u>	<u>24,201,527</u>	<u>22,997,366</u>	<u>22,067,346</u>
Less:				
Notes issued in anticipation of the levy or collection of municipal income taxes	(1,775,000)	(1,515,000)	(2,790,389)	(2,659,000)
Certificates of participation	(11,708,443)	(11,605,465)	(9,885,476)	(9,881,406)
General obligation bond retirement fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net debt applicable to debt limit	<u>11,845,623</u>	<u>11,081,062</u>	<u>10,321,501</u>	<u>9,526,940</u>
Legal Debt Margin within 10 1/2% limitations	<u>\$ 12,291,141</u>	<u>\$ 12,322,177</u>	<u>\$ 11,980,606</u>	<u>\$ 13,356,830</u>
Legal debt margin as a percentage of the debt limit	50.92%	52.65%	53.72%	58.37%

Table 12

2018	2019	2020	2021	2022	2023
<u>\$ 215,348,430</u>	<u>\$ 243,568,710</u>	<u>\$ 244,306,170</u>	<u>\$ 245,124,840</u>	<u>\$ 270,113,420</u>	<u>\$ 271,654,730</u>
\$ 22,611,585	\$ 25,574,715	\$ 25,652,148	\$ 25,738,108	\$ 28,361,909	\$ 28,523,747
8,942,379	8,207,818	7,453,257	6,693,696	5,909,135	5,169,574
9,777,336	9,408,266	9,024,196	8,625,126	8,211,056	7,781,986
-	-	-	-	-	-
<u>2,399,000</u>	<u>2,015,000</u>	<u>3,795,000</u>	<u>3,230,000</u>	<u>2,930,000</u>	<u>2,689,608</u>
21,118,715	19,631,084	20,272,453	18,548,822	17,050,191	15,641,168
(2,399,000)	(2,015,000)	(3,795,000)	(3,230,000)	(2,930,000)	(2,689,608)
(9,777,336)	(9,408,266)	(9,024,196)	(8,625,126)	(8,211,056)	(7,781,986)
-	-	-	-	-	-
<u>8,942,379</u>	<u>8,207,818</u>	<u>7,453,257</u>	<u>6,693,696</u>	<u>5,909,135</u>	<u>5,169,574</u>
<u>\$ 13,669,206</u>	<u>\$ 17,366,897</u>	<u>\$ 18,198,891</u>	<u>\$ 19,044,412</u>	<u>\$ 22,452,774</u>	<u>\$ 23,354,173</u>
60.45%	67.91%	70.94%	73.99%	79.17%	81.88%

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
LEGAL DEBT MARGIN (Continued)
LAST TEN YEARS**

	2014	2015	2016	2017
Debt Limit - 5.5% of assessed unvoted value	\$ 12,643,067	\$ 12,258,839	\$ 11,682,056	\$ 11,986,737
Gross indebtedness authorized by council:				
Notes issued in anticipation of the levy or collection of municipal income taxes	25,329,066	24,201,527	22,997,366	22,067,346
Certificates of participation	(1,775,000)	(1,515,000)	(2,790,389)	(2,659,000)
General obligation bond retirement fund balance	-	-	-	-
Net debt within 5.5% limit	<u>11,845,623</u>	<u>11,081,062</u>	<u>10,321,501</u>	<u>9,526,940</u>
Unvoted legal debt margin within 5 1/2% limitations	<u>\$ 797,444</u>	<u>\$ 1,177,777</u>	<u>\$ 1,360,555</u>	<u>\$ 2,459,797</u>
Unvoted legal debt margin as a percentage of the unvoted debt limitation	6.31%	9.61%	11.65%	20.52%

Source: City Financial Records

Table 12 (Continued)

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 11,844,164	\$ 13,396,279	\$ 13,436,839	\$ 13,481,866	\$ 14,856,238	\$ 14,941,010
21,118,715	19,631,084	20,272,453	18,548,822	17,050,191	15,641,168
(2,399,000)	(2,015,000)	(3,795,000)	(3,230,000)	(2,930,000)	(2,689,608)
(9,777,336)	(9,408,266)	(9,024,196)	(8,625,126)	(8,211,056)	(7,781,986)
-	-	-	-	-	-
<u>8,942,379</u>	<u>8,207,818</u>	<u>7,453,257</u>	<u>6,693,696</u>	<u>5,909,135</u>	<u>5,169,574</u>
<u>\$ 2,901,785</u>	<u>\$ 5,188,461</u>	<u>\$ 5,983,582</u>	<u>\$ 6,788,170</u>	<u>\$ 8,947,103</u>	<u>\$ 9,771,436</u>
24.50%	38.73%	44.53%	50.35%	60.22%	65.40%

**CITY OF WARRENSVILLE HEIGHTS
 CUYAHOGA COUNTY, OHIO
 COMPUTATION OF DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES
 DEBT
 DECEMBER 31, 2023**

Table 13

<u>Jurisdiction</u>	Governmental Activities Debt Outstanding	(1) Percentage Applicable to City of Warrensville Heights	Amount Applicable to City of Warrensville Heights
Direct Debt:			
City of Warrensville Heights			
General Obligation Bonds	\$ 5,169,574	100.00%	\$ 5,169,574
Certificates of Participation	7,781,986	100.00%	7,781,986
Financed Purchases	16,755,231	100.00%	16,755,231
Loans Payable	1,087,259	100.00%	1,087,259
Total Direct Debt	30,794,050		30,794,050
Overlapping Debt:			
Warrensville Heights City School District	49,876,031	65.94%	32,890,700
Orange City School District	3,852,951	0.71%	27,184
Cuyahoga County	240,795,000	0.77%	1,865,283
Cuyahoga Community College	189,980,000	0.77%	1,471,652
Total overlapping debt	484,503,982		36,254,819
Total	\$ 515,298,032		\$ 67,048,869

Source: Cuyahoga County, Ohio; County Fiscal Office

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
PRINCIPAL TAXPAYERS
2023 AND 2014**

Table 14

<u>Employer</u>	2023	
	<u>Employees</u>	<u>Percentage of</u>
Cleveland Clinic Foundation	1,732	14.37%
Sherwin Williams Manufacturing	353	2.93%
Heinens Inc	550	4.56%
University Hospitals Health System	792	6.57%
Warrensville Heights Board of Education	436	3.62%
Cleveland Holdings LLC	Not reported	
Sherwin Williams Company	148	1.23%
Horizons Incorporated	174	1.44%
City of Warrensville Heights	187	1.55%
Select Employment Services Inc	226	1.88%
Total	<u>4,598</u>	<u>38.15%</u>
Total City Employment	<u>12,053</u>	<u>100.00%</u>
	2014	
<u>Employer</u>	<u>Employees</u>	<u>Percentage of</u>
Cleveland Clinic Foundation	1,434	10.20%
Warrensville Heights Board of Education	456	3.24%
Group Management Services	267	1.90%
University Hospital Health System	371	2.64%
Sherwin-Williams Co.	384	2.73%
Heinen's Inc.	250	1.78%
Progressive Interchange Healthcare Inc.	284	2.02%
One Source Employee Management	358	2.55%
GMRI/Olive Garden	229	1.63%
Little Sisters of the Poor	203	1.44%
Total	<u>4,236</u>	<u>30.13%</u>
Total City Employment	<u>14,058</u>	<u>100.00%</u>

Source: Regional Income Tax Agency (RITA)

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS**

Table 15

Year	Population (1)	Total Personal Income (4)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)	Educational Attainment: Bachelor's Degree or Higher	School Enrollment (2)	Cuyahoga County Unemployment Rate (3)	Total Assessed Property Value
2013	13,542 a	\$ 255,293,784	\$ 18,852	\$ 35,926	39.2	15.50	1,657	7.0%	\$ 225,845,060
2014	13,542 a	268,551,402	19,831	35,461	39.6	15.40	1,432	6.9%	229,873,940
2015	13,542 a	275,728,662	20,361	35,143	39.6	17.60	1,416	4.0%	222,887,990
2016	13,542 a	280,387,110	20,705	35,181	38.3	19.40	1,531	5.3%	212,401,020
2017	13,542 a	282,079,860	20,830	35,733	37.8	17.20	1,539	5.9%	217,940,670
2018	13,542 a	285,682,032	21,096	35,871	37.8	18.80	1,640	5.0%	215,348,430
2019	13,542 a	291,329,046	21,513	34,814	37.8	17.00	1,647	3.6%	243,568,710
2020	13,789 b	315,630,210	22,890	38,433	37.8	17.00	1,673	8.3%	244,306,170
2021	13,789 b	319,408,396	23,164	39,919	37.8	17.50	1,750	4.9%	245,124,840
2022	13,789 b	325,310,088	23,592	41,712	37.8	17.90	1,800	3.5%	270,113,420
2023	13,789 b	368,579,970	26,730	43,848	35.9	19.60	1,800	3.2%	271,654,730

Sources:

- (1) U. S. Bureau of Census, Census of Population
 - a. 2010 Census
 - b. 2020 Census
- (2) Ohio Department of Education for Warrensville Heights City School District
- (3) U. S. Bureau of Labor Statistics
- (4) Total Personal Income is calculated by multiplying Population times Personal Income per Capita

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS**

Table 16

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Function/program:										
Security of persons and property:										
Police and others:										
Total calls for services	15,842	19,245	20,691	20,715	20,068	21,638	17,668	17,861	17,569	18,595
Number of traffic citations issued	1,809	1,483	2,921	3,084	2,239	2,112	2,112	1,855	1,855	1,009
Number of parking citations issued	811	1,919	1,716	1,457	1,535	1,725	1,725	1,369	965	1,152
Number of criminal arrests	670	783	379	896	674	688	211	161	429	432
Number of accident reports completed	1,018	1,154	1,225	1,367	1,251	1,320	506	496	598	487
Part 1 offenses (major offenses)	568	7	774	869	783	765	64	28	39	43
DUI arrests	24	112	30	39	42	33	13	10	61	8
Prisoners	40	-	496	619	653	630	301	309	301	402
Prisoner meal costs	\$ -	\$ -	\$ 10,836	\$ 12,234	\$ 8,795	\$ 6,083	\$ 3,450	\$ 3,260	\$ 4,590	\$ 8,505
Motor vehicle accidents	1,018	1,154	1,225	1,367	1,345	1,412	506	496	598	487
Property damage accident	725	630	191	247	327	355	278	93	133	120
Fatalities from motor vehicle accident	1	-	-	-	-	2	2	1	-	-
Gasoline costs of fleet	\$ 51,591	\$ -	\$ -	-	-	-	-	-	-	-
Community diversion program youths	14	15	20	30	16	14	3	7	4	7
Community diversion program - service hours	385	425	450	467	389	425	40	32	120	40
Fire:										
EMS calls	2,037	2,227	2,494	2,587	2,781	3,006	2,900	2,835	3,202	3,077
Ambulance billing collections (net)	\$ 385,632	\$ 403,302	\$ 441,205	\$ 430,752	\$ 461,781	\$ 411,849	\$ 412,299	\$ 422,971	\$ 524,575	\$ 498,498
Fire calls	498	668	635	649	666	540	644	734	656	606
Fires with loss	14	3	7	35	41	36	30	8	26	38
Fires with losses exceeding \$10k	6	1	5	31	17	22	8	5	11	8
Fire losses	\$ 687,000	\$ 96,430	\$ 148,699	\$ 1,200,900	\$ 1,155,000	\$ 1,300,000	\$ 316,500	\$ 137,500	\$ 976,000	\$ 287,000
Fire safety inspections	85	211	171	125	212	207	103	202	213	153
Number of times mutual aid given to fire and EMS	27	19	16	19	23	36	64	66	52	32
Number of times mutual aid received for fire and EMS	38	56	61	78	107	92	105	127	155	93

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
OPERATING INDICATORS BY FUNCTION/PROGRAM (Continued)
LAST TEN YEARS**

Table 16 (Continued)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Basic Utility Services:										
Refuse disposal per year (in tons)	4,070	3,051	3,010	2,718	2,921	2,586	3,088	3,207	2,846	2,887
Refuse disposal costs per year (calendar year)	\$ 153,703	\$ 161,650	\$ 419,379	\$ 554,896	\$ 523,524	\$ 526,803	\$ 540,565	\$ 619,938	\$ 553,402	\$ 683,369
Annual recycling tonnage (excluding leaf and compost items)	88	76	398	534	551	471	597.61	707	515	481
Percentage of waste recycled	2.13%	2.16%	13.23%	5.20%	16.00%	15.40%	16.00%	17.99%	18.72%	13.85%
Transportation:										
Street repair (curbs, aprons, berms, asphalt) (hours)	1,950	877	973	720	630	1808	968	1860	740	2520
Guardrail repair (hours)	5	2	3	16	3	5	0	0	0	40
Paint striping (hours)	150	256	328	1,260	480	1136	760	956	300	300
Street sweeper (hours)	350	317	784	560	556	920	400	500	380	520
Cold patch (hours)	620	344	398	144	640	948	720	600	1000	100
Snow and ice removal overtime hours	1,800	3,265	1,534	1,856	1,233	636	700	720	480	400
Landscaping stump-chipper service (hours)	800	1,789	1,238	2,064	1,054	2,100	2,840	2,740	3,060	4,688
Holiday lights setup (hours)	200	261	181	144	732	336	308	120	120	200
Sign department (hours)	220	180	120	1,004	552	708	400	1460	2060	1620
Number of trees planted per year	10	5	28	30	10	2	1	0	0	18
Tons of snow melting salt purchased (Nov - Mar)	7,000	4,525	4,066	6,000	6,000	4,200	4,200	4,700	4,700	2,700
Cost of salt purchased	\$ 161,313	\$ 295,216	\$ 205,081	\$ 168,000	291,420	310,800	229,488	175,686	218,320	246,938
General government:										
Council and clerk:										
Number of ordinances passed	139	165	179	166	127	175	184	215	142	152
Number of resolutions passed	23	66	77	57	49	56	71	51	54	47

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
OPERATING INDICATORS BY FUNCTION/PROGRAM (Continued)
LAST TEN YEARS**

Table 16 (Continued)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Finance department:										
Number of checks/vouchers issued	2,736	2,887	2,976	2,988	3,185	3,198	2,698	2,650	2,736	2,670
Amount of checks written	\$ 5,348,674	\$ 7,076,524	\$ 10,530,470	\$ 8,627,601	\$ 8,714,435	\$ 10,321,888	\$ 9,622,638	\$ 9,992,980	\$ 8,845,716	\$ 11,953,863
General fund interest earnings for fiscal year (cash basis)	\$ 6,639	\$ 123,553	\$ 30,085	\$ 76,597	\$ 139,990	\$ 166,651	\$ 69,383	\$ 19,192	\$ 76,523	\$ 367,733
Number of receipts issued	3,869	4,795	4,619	4,290	3,997	4,344	3,270	1,603	1,923	1,871
Number of budget adjustments issued	6	3	5	83	13	18	23	20	18	37
Agency rating - Moody's financial services	A-1	A-1	A-1	A-1	A-1	A-2	A-2	A-2	A-2	A-2
Health insurance costs vs. general fund expenditures (cash basis)	9.10%	10.09%	9.88%	9.47%	10.78%	12.00%	10.00%	11.00%	11.00%	11.00%
General Fund receipts (cash basis)	\$ 17,984,776	\$ 19,584,225	\$ 19,635,744	\$ 20,478,751	\$ 20,639,441	\$ 21,554,286	\$ 23,751,092	\$ 23,935,454	\$ 26,155,467	\$ 25,935,107
General Fund expenditures (cash basis)	\$ 16,555,825	\$ 18,480,253	\$ 19,450,905	\$ 20,651,242	\$ 21,099,041	\$ 20,595,931	\$ 22,818,640	\$ 22,223,790	\$ 25,704,000	\$ 28,833,016
General Fund cash balances	\$ 4,291,087	\$ 5,396,290	\$ 4,988,658	\$ 4,930,484	\$ 4,621,605	\$ 3,362,970	\$ 4,295,422	\$ 5,970,583	\$ 6,420,534	\$ 3,262,648
Building department indicators:										
Construction permits issued	667	932	795	625	589	639	615	202	357	538
Estimated value of construction	\$ 86,106,191	\$ 25,462,710	\$ 26,797,000	\$ 25,437,749	\$ 10,187,805	\$ 54,756,373	\$ 64,861,292	\$ 83,655,847	\$ 16,133,255	\$ 7,314,932
Number of plumbin and electrical permits issued	126	301	288	211	184	182	162	65	198	177
Amount of revenue generated from permits	\$ 613,841	\$ 593,877	\$ 359,996	\$ 264,014	\$ 140,677	\$ 376,284	\$ 145,780	\$ 300,841	\$ 313,781	\$ 151,119
Number of contract registrations issued	255	259	266	225	280	331	449	500	347	261
Number of rental inspections performed	1,206	2,018	315	1,298	908	1,081	945	728	286	664
Number of point of sale inspections	102	203	177	159	134	165	191	68	102	181

Source: Information for operating indicators was obtained from the various departments within the City.

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS**

Table 17

Function/program:	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Security of persons and property:										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Square footage of building	4,840	4,840	4,840	4,840	4,840	4,840	7,437	7,437	7,437	7,437
Vehicles	29	29	14	18	17	16	18	17	20	16
Fire:										
Stations	2	2	2	2	2	2	2	2	2	2
Square footage of building	13,460	13,460	13,460	13,460	13,460	13,460	13,460	13,460	13,460	13,460
Vehicles	11	11	8	8	8	8	6	6	8	10
Leisure time activities:										
Recreation:										
Number of parks	6	6	7	7	7	7	8	8	8	8
YMCA square footage	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Senior Community Center:										
Square footage of building	13,300	13,300	13,300	13,300	13,300	13,300	13,300	13,300	13,300	13,300
Vehicles	1	1	2	2	2	1	1	1	1	1
Transportation:										
Public works:										
Square footage of building	41,360	41,360	41,360	41,360	41,360	41,360	41,360	41,360	41,360	41,360
Vehicles	40	40	21	39	41	29	29	28	28	31
Streets (miles)	52	52	52	52	52	52	52	52	52	52
General government:										
Square footage occupied	25,515	25,515	25,515	25,515	25,515	25,515	40,000	40,000	40,000	40,000
Administrative vehicles	-	-	-	-	0	2	2	2	2	2
Inspection vehicles	7	7	8	4	4	5	5	5	5	5

Source: City's capital asset records

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
FULL-TIME EQUIVALENT CITY GOVERNMENTAL EMPLOYEES BY
FUNCTION/PROGRAM
LAST TEN YEARS**

Table 18

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Function/program:										
Security of persons and property:										
Police	29.00	31.00	32.00	30.00	31.00	28.00	27.00	29.00	26.00	29.00
Police - auxiliary/guards	3.50	3.50	3.50	3.50	-	-	3.50	3.50	3.50	3.50
Police - dispatchers/office/other	8.00	8.00	8.00	9.00	9.00	9.00	11.00	10.00	11.00	12.00
Police - jailers	0.50	1.50	1.50	1.50	1.00	1.00	1.00	2.00	2.00	2.00
Police - animal wardens	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fire	27.00	28.00	28.00	27.00	28.00	29.00	28.00	28.00	29.00	26.00
Fire - secretary - other	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Leisure time activities:										
Senior and civic center	5.00	5.00	5.50	6.00	6.00	6.00	6.00	6.00	5.50	5.50
Community liason	0.50	0.50	0.50	0.50	0.50	0.50	-	-	-	-
Community Development:										
Building	8.50	8.50	8.50	6.50	7.50	8.50	8.50	7.50	8.50	8.50
Economic Development	1.00	1.00	2.00	2.00	2.00	2.00	1.00	1.00	2.00	2.00
Transportation:										
Service	28.00	28.00	28.00	28.00	27.00	27.00	25.00	27.00	28.00	27.00
General government										
Council	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Executive administration	4.00	5.50	6.50	6.00	6.00	6.00	5.00	5.00	5.00	5.00
Finance	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Municipal income tax	0.50	0.55	0.50	0.50	1.00	1.00	1.00	1.00	1.00	1.00
Legal	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Human reources	1.00	1.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00
Planning	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Civil service	1.50	1.50	1.50	1.50	1.50	1.50	1.00	1.00	1.50	1.50
Community activities	1.00	1.00	1.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00
Totals	<u>137.50</u>	<u>143.05</u>	<u>147.50</u>	<u>144.50</u>	<u>143.00</u>	<u>141.00</u>	<u>139.50</u>	<u>141.50</u>	<u>143.50</u>	<u>143.50</u>

Source City Payroll Department Payroll Register

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee at year-end.

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**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO**

AUDIT REPORT

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

Zupka & Associates
Certified Public Accountants

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2023**

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

City of Warrensville Heights
Cuyahoga County
4743 Richmond Road
Warrensville Heights, Ohio 44128

To the Members of 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Warrensville Heights, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 21, 2024.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 have not been identified.

Report on Compliance and Other Matters

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



Zupka & Associates
Certified Public Accountants

May 21, 2024

**CITY OF WARRENSVILLE HEIGHTS
CUYAHOGA COUNTY, OHIO
SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023**

The prior audit report, as of December 31, 2022, included no audit findings. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.