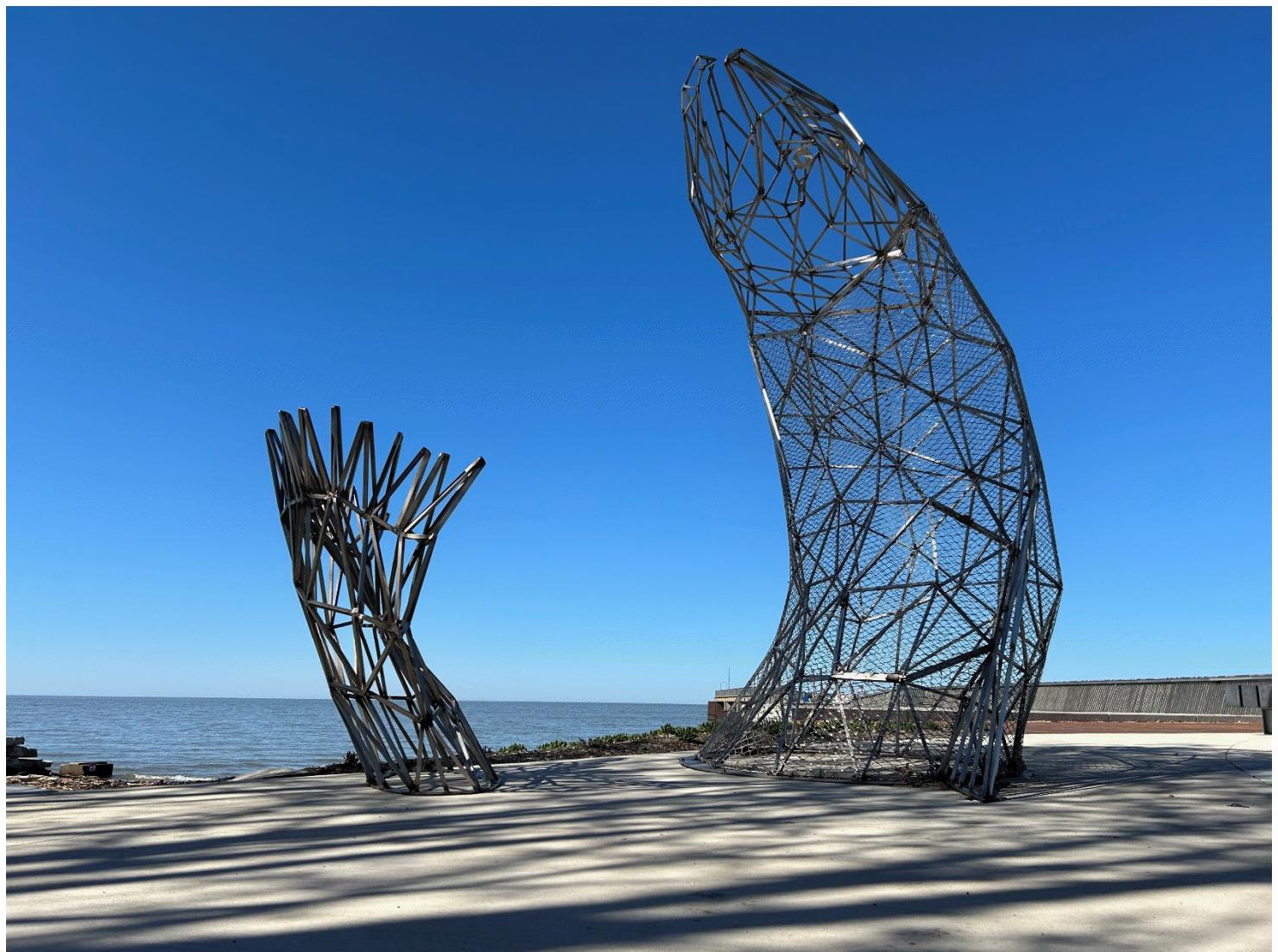


City of Rocky River, Ohio

Annual Comprehensive Financial Report



For the Year Ended December 31, 2024



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

City Council
City of Rocky River
21012 Hilliard Blvd
Rocky River, OH 44116

We have reviewed the *Independent Auditor's Report* of the City of Rocky River, Cuyahoga County, prepared by Zupka & Associates, for the audit period January 1, 2024 through December 31, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

KEITH FABER
Ohio Auditor of State

A handwritten signature in black ink that reads "Tiffany L Ridenbaugh".

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

January 09, 2026

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Introductory Section



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City of Rocky River, Ohio

Annual Comprehensive Financial Report

For the Year Ended December 31, 2024

Issued by:

City of Rocky River
Department of Finance

Michael A. Thomas, CPA
Director of Finance

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City of Rocky River, Ohio

Annual Comprehensive Financial Report For the Year Ended December 31, 2024

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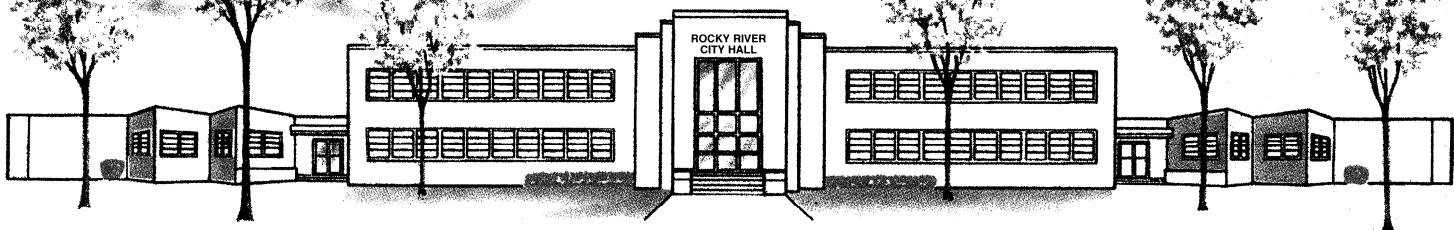
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CITY OF ROCKY RIVER



August 28, 2025

Citizens of the City of Rocky River,
Mayor Pamela E. Bobst, and
Members of City Council

Transmittal of the Annual Comprehensive Financial Report

The City of Rocky River, Ohio (City) submits this Annual Comprehensive Financial Report (ACFR) for the year ending December 31, 2024. The ACFR is a more extensive report than basic financial statements and it is believed that the ACFR demonstrates the City's ongoing commitment to be accountable to its citizenry and to excellence in financial reporting. While no single report can be all things to all people, the goal in presenting this ACFR is to provide any person or entity interested in the City with information needed to gain a fair understanding of the City's financial position, results of operations and cash flows.

The Ohio Revised Code Section 117.38 requires that the City certify and file, within one hundred fifty days after the close of the fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America. The City issues the ACFR for the year ended December 31, 2024 therefore.

This ACFR is subject to review and acceptance by the Ohio Auditor of State, and the requirements of Ohio Revised Code Section 117.25 are not met until the Auditor of State certifies it. The review, acceptance and certification process will be completed by the Auditor of State in a reasonable timeframe and reports are subject to change if the Auditor of State determines that modification of the report is necessary to comply with required accounting or auditing standards or Uniform Guidance, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

The ACFR consists of managements' representations concerning the finances of the City. Consequently management assumes responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive internal control system that has been established for that purpose. To provide a reasonable basis for making these representations, management of the City has established a thorough internal control framework that is designed to both protect the City's assets from loss, theft, or misuse and to compile sufficient, reliable information for the preparation of the City's financial statements in accordance with GAAP. The City strives to maintain a dynamic system of internal controls and procedures – including internal control over financial reporting – designed to ensure reliable financial record-keeping, transparent financial reporting and disclosure and protection of assets. Because the cost of internal control should not exceed anticipated benefits, the objective of the internal control system is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The City maintains an active Audit Committee to review the audit process and to report to and to make recommendations to City Council. The three Audit Committee members are residents of the City with expertise in financial administration and auditing.

The financial statements of the City have been audited by independent auditor Zupka & Associates Certified Public Accountants. The objective of an audit is to provide reasonable assurance that the financial statements are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Based upon the results of the audit, Zupka & Associates Certified Public Accountants concluded that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the year ended December 31, 2024 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the Financial Section of the ACFR.

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. MD&A complements this Letter of Transmittal and should be read in conjunction with it.

Profile of the City of Rocky River, Ohio

The City of Rocky River is an established residential community located in northeastern Ohio, founded as a village carved out of part of Rockport Township in 1903. The City covers 4.7 square miles along the southern shore of Lake Erie west of the City of Cleveland, in Cuyahoga County. The Rocky River, which drains into Lake Erie, forms the eastern border of the City. The 2020 U. S. Census reports the City's population at 21,755 residents. The City is a home-rule municipal corporation established pursuant to the general laws of the State of Ohio and its own charter. The current charter, which provides for the Mayor/Council form of government, was originally adopted in 1960 and last amended in 2020 with the next review for potential amendment(s) scheduled to occur in 2026. None of the recently enacted charter amendments are expected to have an impact on governance or financial reporting.

The City is governed by an elected full-time Mayor and seven City Council members City Council all of whom serve two-year terms. The Law Director is also an elected office holder who also serves two-year terms. The Mayor appoints the heads of the following departments: Safety-Service, Finance, Human Resources, Information Technology, Building, Service, Public Buildings (facilities) Office on Aging and Recreation. As of December 31, the City had 205 full-time employees, including the Rocky River Municipal Court.

The City provides various services including police and fire protection, including emergency medical services, parks and recreation, senior services, refuse pick-up and recycling services, street maintenance, sanitary and storm sewer services, planning and zoning, and general government services. Public health services are provided by contract with the Cuyahoga County Board of Health. Located in the City are the Rocky River Municipal Court and the Rocky River Wastewater Treatment Plant; both provide services to City residents and a jurisdiction that extends to several neighboring communities.

In addition to access to services by government entities, City residents may participate in the activities of a variety of local private facilities in the City including the Cleveland Yachting Club; Westwood Country Club; Oakwood Beach; Parklawn Beach; Wagar Beach; Lutheran West High School; Magnificat High School and numerous private elementary schools and churches that contribute to the sense of community in the City.

Economic Conditions

Local Economy Because of the proximity to major cultural, educational and medical facilities in Northeastern Ohio and ease of travel in the area, the City experiences a degree of economic stability. City residents in the professional, managerial, entrepreneurial categories benefit from convenient access to the City of Cleveland and other suburban regional employment centers.

The tax base of the City's municipal income tax consists of business (and employees) located within the City as well as individual, resident taxpayers. The largest organizations located within the City generating income tax revenue are the City and the Rocky River City School District. Other significant industries in the City are health care and senior citizen congregate housing; financial services and banking; shipping and logistics; and

retail. U. S. Census reports the City's median household income was \$93,956; while for the State of Ohio that amount was \$67,769. Both amounts according to the *2023 American Community Survey 5-Year Estimates*.

Components of income tax collections are:

Component	2021	2022	2023	2024
Employee Withholding	\$9,335,722	\$11,444,236	12,518,598	13,613,812
Residence Tax	6,558,744	7,590,613	7,107,016	7,011,928
Business Profit	1,455,605	1,678,445	1,565,734	1,723,427
Penalties & Interest	460,230	471,481	471,664	471,684
Total	\$17,810,301	\$21,184,775	\$21,663,012	22,820,851

Income tax collections indicate growth for the span of years shown in the above table. The overall growth for the period indicated exceeds 28%. The Employee Withholding component grew by over 45%, comfortably surpassing the \$10.0M threshold and has been sustained above that amount.

In context, over a longer lookback period of five years, the annual income tax collection change has been in the range of -7.25 % to 18.95%. The City's income tax rate is 2.0 percent with a credit to residents of 1.5 percent for income taxes paid to another city. With a ballot issue approved in November 2014, 0.5 percent of the City income tax was designated to provide resources for capital projects and equipment purchases, either directly or through the payment of debt service for those activities. While this revenue source is generally characterized as economically sensitive in the short-term, it has been proven to be durable in the long-term. Prior to the rate increase that became effective January 1, 2015, the last rate increase was put in place in 1977.

For the City, and within the State of Ohio, property tax revenue received during 2024 represents collections of the 2023 tax levies (Tax Year below). On behalf of the State of Ohio, the Cuyahoga County Fiscal Officer establishes property values within the City for tax purposes. The continuing strong real estate market has a favorable impact on property tax revenue. While there were no new single-family homes built in the City in 2024, that amount in 2023 was three and six in 2022. The new single-family home construction in 2023 represented about \$5,170,000 in property value.

In previous measurement periods, the percentages of the components making up the total assessed value were in the range of: residential, 85 percent; commercial, 14 percent; public utility, 1 percent. During a more current three year look-back period, the mix between the residential and commercial components has been maintained at: residential, 86 percent; commercial, 13 percent; public utility, 1 percent.

Component	Tax Year 2020	Tax Year 2021	Tax Year 2022	Tax Year 2023
Residential	\$759,648,800	\$906,497,710	\$906,594,420	\$915,501,670
Commercial	114,407,590	126,038,670	133,550,890	129,093,220
Public Utility	11,827,610	12,582,710	13,689,300	14,078,760
Total Assessed Value	\$885,884,000	\$1,045,119,090	\$1,053,834,610	\$1,058,673,650

Total assessed value indicates growth over the span of years shown in the above table. The growth of largest component (Residential) at 20% impacted the total assessed value which increased by a similar amount.

During 2024, the Cuyahoga County Fiscal Officer completed a full property value reappraisal, resulting in overall value increase of about 25%. Because of the structure of the City's property tax levies, property tax revenue increases with property value increases; the derivative revenue will be realized in 2025. The increased values support property tax levies in place for various City funds, services and functions.

Demographic data confirm the importance of real estate values to the financial stability of the City. According to the Census Reporter (2019-2023 5-year ACS and the 2023 1-year ACS), the median value of owner-

occupied housing units in the City is \$327,600 while that amount in the State of Ohio is \$199,200. Also reported, the owner-occupied housing unit occupancy rate was 71 percent in the City while that amount in the State of Ohio was 67 percent.

Major Initiatives

Management of various phases of significant improvement projects was the focus of attention of the City during 2024. The following two projects were completed.

2020 Rocky River Sewer Improvement Project-Total Cost \$5.4 million

For this project, the City was approved for an interest free loan from the Ohio Public Works Commission; the loan approved for 56 percent of the project cost with the City providing the remaining 44 percent funding. The loan amortization period is 30 years. A source of a portion of the local match amount was a cost reimbursement pursuant to the Agreement between the Cities of Cleveland and Rocky River for Suburban Distribution Asset Renewal Program Project Reimbursement for the waterline improvement component cost of the project.

Spencer Road Sewer and Pavement Improvement Project-Total Cost \$1.5 million

For this project, the City was approved for an interest free loan from the Ohio Public Works Commission; the loan was approved for 30 percent of the project cost with the City providing the remaining 70 percent funding. The loan amortization period is 20 years.

The projects described above were undertaken within the comprehensive sewer maintenance and rehabilitation plan drafted by the City Engineer in 2006. Completion of the projects in the plan will serve to mitigate the potential for sanitary sewer overflows, residential flooding and reduce the City's potential exposure to compliance penalties.

The City initiated project design and engineering on an additional seven comprehensive street projects. Several of those projects include collaborative, grant or loan funding.

The City issued no new debt in 2024. In 2022, general obligation bonds were issued for the construction and furnishing of a new Police Station. The principal amount of the bonds was \$9,900,000. In addition to debt financing a portion of the project, the City had the flexibility to contribute to the total project costs of approximately \$13,095,000 from two revenue streams designated for capital purposes; the City used debt financing for approximately 75 percent of the total project costs. Also in 2024, the City fully redeemed two general obligation bond issues: the Civic Facility Improvement, Refunded, Series 2014 and the General Purpose, Refunded, Series 2014. The redemption of the Civic Facility Improvement, Refunded, Series 2014 allowed the City to reduce its overall property tax millage by eliminating the 0.65 mills in place to service said debt.

During 2024, the City completed construction to rehabilitate one of the lakefront parks in the city, Bradstreet's Landing Park. The multi-year project costs totaled over \$7.5 million. Since a pier at the Park, is a unique lakefront feature that provides Lake Erie access to more than City residents, the City applied for and was awarded funding from Cuyahoga County from its Community Development Supplemental Grant program in the amount of \$1,200,000. In addition, the City designated its City and State Local Fiscal Recovery Fund allocation for this unique recreational infrastructure. Some remaining improvements to be made at this Park are 1) a modern restroom building and 2) a creek bank restoration. These two components have an estimated cost of \$1.59 million.

Long-term Financial Planning

Despite economic stabilization and growth in revenue, the City administration proceeds with each annual budget conservatively. In accomplishing infrastructure projects and equipment purchases, the City looks to its capital improvement property tax levy and dedicated municipal income tax revenue sources for that purpose

and, to leverage its own funds, the City has obtained zero percent interest loans for a portion of many infrastructure project costs. Also, the *Agreement between the Cities of Cleveland and Rocky River for Suburban Distribution Asset Renewal Program Project Reimbursement*, put in place in 2012, has provided ongoing resources for certain infrastructure projects to support City resident needs.

In 2019, the City established a Budget Stabilization Fund, pursuant to Ohio Revised Code Section 5705.13. Such a fund structure is an indicator of the intent of the administration and City Council to keep a stable long-term financial position. The Fund was established with \$688,290 in 2019; and \$300,000 was added in 2024. In 2021, City Council appropriated over 80% of the fund balance; however, since experiencing revenue growth of the municipal income tax, no expenses were charged to the fund and it continues to provide longer-term stability to the City's budget. Ohio Revised Code Section 5705.13 limits the fund accumulation to five percent of General Fund revenue in the prior fiscal year. As of January 1, 2025, that measurement was 3.87%.

The City uses on-going analysis of revenue sources and appropriations as a basis for its annual budget while balancing the need for reserves. Also, the City monitors cash flow in comparison to budget expectations throughout the year and attempts to be in a position to react to unexpected outside influences.

The Municipal Income Tax revenue source is perceived to be economically sensitive in the short-term. In the long-term, this revenue source has proved durable and the City buffers the economic sensitivity factor by conservative budgeting. And also, where actual revenue exceeds estimated revenue, such excess is generally not appropriated and carries over to the next year. During the five year period 2020 to 2024, the City spent an average of about 85 percent of the total appropriated amount.

The five year trend of funding data relevant in long term financial planning is as follows:

Source	Percent
Income Tax	45
Property Tax	24
Sewer Charges User Charges	9
Recreation Center User Charges	4
Other Revenue	6
Grants/Loans	6
Gas & License Fees	3
Ambulance Fees	1
Local Government Fund	1
Senior Center User Fees	1

Mutual agreements with other governments to provide services to City residents are always a consideration for any projects undertaken. Currently, wastewater treatment, judicial services, income tax collection, certain safety services, park management and air traffic monitoring are provided by mutual arrangement with other governments or managed by multi-jurisdictional related entities. For the organizations whereby the City joined as a member, an opportunity to participate in governance exists and there is a means to monitor the affiliated organizations' resources and reserves.

Awards and Acknowledgements

Certificate of Achievement The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement of Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report for the year ending December 31, 2023. This was the thirty fifth year that the City has received this prestigious award. A "Certificate of Achievement" is awarded to the City when its publication is issued with easily readable language; is efficiently organized and comprehensive; and conforms to the programs standards for an annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a one year period only. The City believes the current ACFR continues to meet the award program requirements, and will submit it to determine its eligibility for another certificate.

Acknowledgements The publication of the ACFR is a significant step in the ongoing effort toward superior financial reporting. City Council's commitment to excellence of the City in general and support for this project in particular are sincerely appreciated.

The ACFR represents a coordinated effort among departments of the City; each department takes pride and care managing the assets of the public that are under its control. This report is meant to demonstrate and to document such effort.

Respectfully submitted,

s/Michael A. Thomas

Michael A. Thomas, CPA
Director of Finance



Government Finance Officers Association

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

Presented to

**City of Rocky River
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Monell

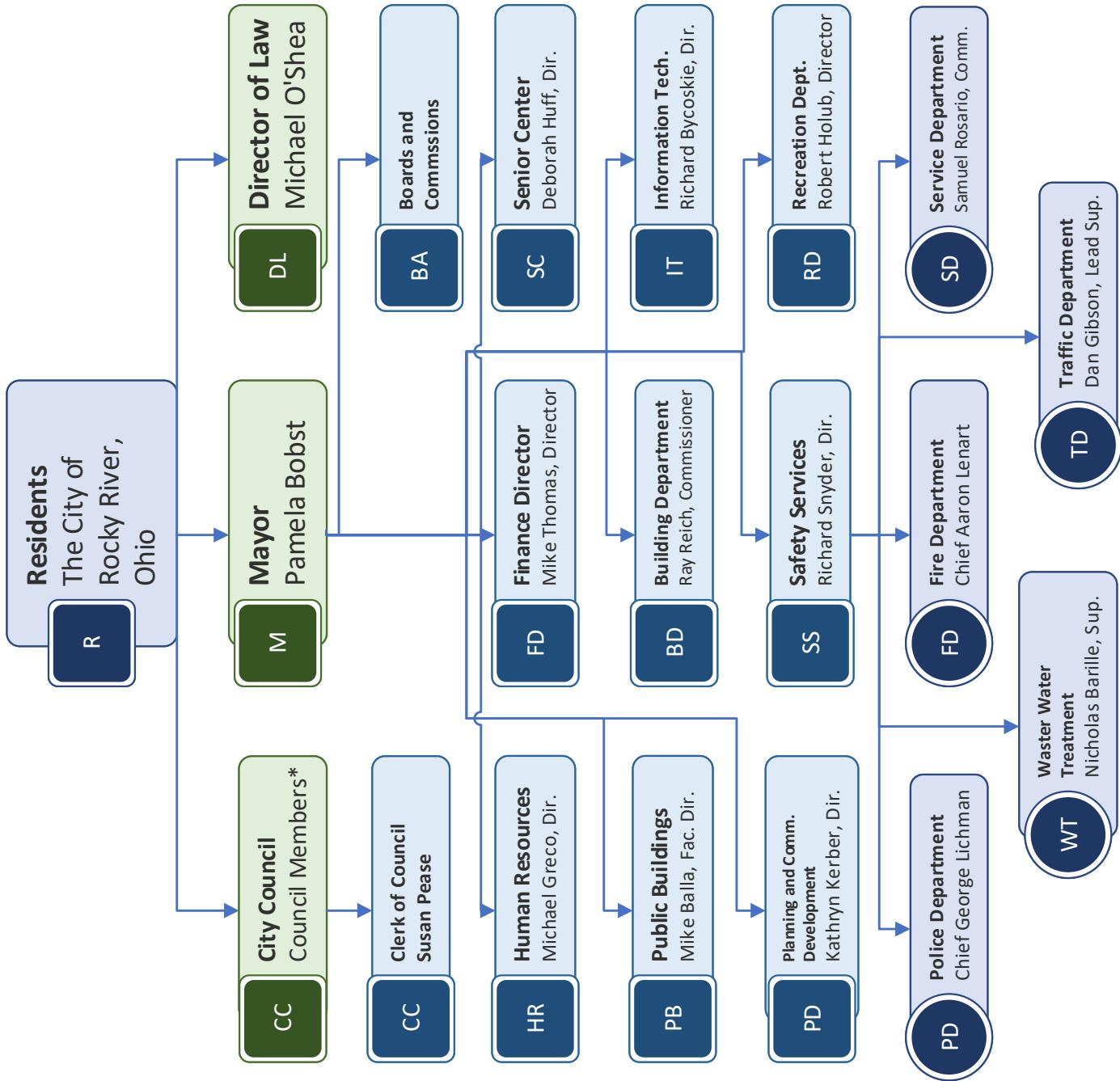
Executive Director/CEO

City of Rocky River, Ohio

List of Elected Officials

December 31, 2024

<u>Title</u>	<u>Name</u>
Mayor	Pamela E. Bobst
Law Director	Michael J. O'Shea
Council Member – At-Large	David W. Furry
Council Member – At-Large	Helen C. Morris
Council Member – At-Large	Brian J. Sindelar
Council Member – Ward 1	Thomas J. Hunt
Council President – Ward 2	Michael J. O'Boyle
Council Member – Ward 3	Jeanne P. Gallagher
Council Member – Ward 4	Paul M. Shipp



*City Council: 3 At-Large, Ward 1, Ward 2, Ward 3, & Ward 4

Financial Section



INDEPENDENT AUDITOR'S REPORT

City of Rocky River
Cuyahoga County
21012 Hilliard Boulevard
Rocky River, Ohio 44116

To the Members of City Council:

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rocky River, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2024, 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, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rocky River as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof 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.

Emphasis of Matter

As discussed in Note 3 to the basic financial statements, the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

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 August 28, 2025, 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

August 28, 2025

City of Rocky River, Ohio
Management's Discussion and Analysis (Unaudited)
For the Year Ended December 31, 2024

The administration of the City of Rocky River, Ohio (the “City”) offers this Management’s Discussion and Analysis to provide a narrative overview and analysis of the City’s financial activities for the year ended December 31, 2024. The intent of the Management’s Discussion and Analysis is to look at the City’s financial performance as a whole; readers should also review the Transmittal Letter and the basic financial statements to enhance their understanding of the City’s financial performance.

Financial Highlights

Key financial highlights for 2024 are:

- During 2024, the City implemented GASB Statement No. 101, *Compensated Absences*. As result of this new accounting standard, the City restated its net position as of December 31, 2023. See note 3 for additional information regarding the restatement.
- The total assets and deferred outflows of resources of the City exceeded total liabilities and deferred inflows of resources at the close of 2024 by \$115,839,364. This is an increase of \$7,599,649 from the restated 2023 net position. Net position of the City’s governmental activities increased \$11,057,140 from 2023, while net position of the business-type activities decreased \$3,457,491 as of a result of capital distributions to governmental activities and the Cleveland Division of Water.
- Total assets increased while total deferred outflows decreased during 2024. The main factors affecting total assets were a significant intergovernmental receivable related to the wastewater treatment facility project and capital assets additions outpacing depreciation and deletions. The main fluctuation in deferred outflows of resources is related to the pension systems.
- Total liabilities and deferred inflows of resources increased from 2023. The main factor affecting total liabilities was the significant OWDA loans. The main fluctuation in deferred inflows of resources is related to deferred inflows for property taxes.

Using This Annual Comprehensive Financial Report

The Annual Comprehensive Financial 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 as a financial whole or as an entire operating entity. The financial statements proceed to provide an increasingly detailed look at the City’s specific financial condition.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole City, presenting both an aggregate view of the City’s finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City’s most significant funds with all other non-major funds presented in total in one column.

City of Rocky River, Ohio
Management's Discussion and Analysis (Unaudited)
For the Year Ended December 31, 2024

Reporting the City of Rocky River as a Whole

Statement of Net Position and Statement of Activities

While this document contains information about the funds used by the City to provide services to citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did the City do financially during 2024?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting method used by the private sector. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's *net position* and changes therein. The City's net position, the difference between assets and deferred outflows of resources, what the City owns, and liabilities and deferred inflows of resources, what the City owes, is one way to measure the City's financial health, or financial position. Over time, *increases or decreases* in the City's net position is an indicator of whether its *financial health* is improving or deteriorating. Also other nonfinancial factors such as changes in the City's property tax base, municipal income tax base, and the condition of the City's capital assets (roads, buildings, and sewer lines) should be considered to assess the *overall health* of the City. In the Statement of Net Position and the Statement of Activities, the City is divided into two kinds of activities:

- Governmental activities – Most of the City's basic services are reported here, including police, fire, streets, refuse collection, parks, recreation, and general administration. Property taxes, municipal income taxes, state shared revenues, court fines, and recreation fees finance most of these activities.
- Business-type activities – The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's sanitary sewer and the wastewater treatment plant activities are reported here.

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's End

City of Rocky River, Ohio
Management's Discussion and Analysis (Unaudited)
For the Year Ended December 31, 2024

Reporting the Most Significant Funds of the City of Rocky River

Fund Financial Statements

Fund financial statements provide detailed information about the City's major funds based on the restrictions on the use of monies. The City has established many funds that account for the multitude of services, facilities and infrastructure provided to City residents. However, these fund financial statements focus on the City's most significant funds. The City's major funds are the General Fund, Capital Improvement Capital Projects Fund, Wastewater Treatment Plant Enterprise Fund, and the Sanitary Sewer Enterprise Fund.

Governmental Funds

Most of the City's activities are reported in the governmental funds that focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. Governmental funds are reported using an 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 general operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future on services provided to residents. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds

The City maintains two different types of proprietary funds. The first, enterprise funds, are used to report the same functions presented as business-type activities. The City uses an enterprise fund to account for the operations of its Wastewater Treatment Plant and Sanitary Sewer Funds. The second, internal service funds, are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains this type of fund to account for health, prescription, and dental related employee benefits. Because this activity predominantly affects governmental rather than business functions, it has been included within the governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail.

Fiduciary Funds

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

City of Rocky River, Ohio
Management's Discussion and Analysis (Unaudited)
For the Year Ended December 31, 2024

Notes to the Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found immediately following the Statement of Changes in Fiduciary Net Position.

Other Information

In addition to the basic financial statements and the accompanying notes, this report also presents certain other information that the City believes readers will find useful. After the required supplementary information, the combining statements referred to earlier in connection with non-major governmental funds are presented, as well as individual detailed budgetary comparisons for all funds.

The City of Rocky River as a Whole

The Statement of Net Position looks at the City as a whole. Table 1 provides a summary of the City's Net Position for 2024 compared to 2023 restated balances.

Table 1
 Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets:						
Current and Other Assets	\$ 58,956,468	\$ 55,361,387	\$ 22,685,205	\$ 10,205,888	\$ 81,641,673	\$ 65,567,275
Capital Assets, Net	103,967,697	94,561,584	37,553,529	36,399,714	141,521,226	130,961,298
Net Pension Asset	125,142	77,969	24,728	15,408	149,870	93,377
Net OPEB Asset	482,074	0	95,262	0	577,336	0
Total Assets	163,531,381	150,000,940	60,358,724	46,621,010	223,890,105	196,621,950
Deferred Outflows of Resources:						
Deferred Charge on Refunding	0	19,607	0	0	0	19,607
Pension	11,066,762	13,965,138	953,375	1,285,928	12,020,137	15,251,066
OPEB	1,293,107	2,191,941	84,525	192,383	1,377,632	2,384,324
Total Deferred Outflows of Resources	12,359,869	16,176,686	1,037,900	1,478,311	13,397,769	17,654,997
Liabilities:						
Current and Other Liabilities	3,119,137	2,569,379	3,568,420	2,113,105	6,687,557	4,682,484
Long-Term Liabilities						
Due Within One Year	2,375,840	3,475,509	1,959,152	1,760,400	4,334,992	5,235,909
Other Amounts Due in More than One Year	12,414,151	12,748,507	42,008,703	26,648,007	54,422,854	39,396,514
Net Pension Liability	36,230,081	38,271,428	2,837,697	3,080,337	39,067,778	41,351,765
Net OPEB Liability	1,652,731	2,023,019	0	63,803	1,652,731	2,086,822
Total Liabilities	55,791,940	59,087,842	50,373,972	33,665,652	106,165,912	92,753,494

(Continued)

City of Rocky River, Ohio
Management's Discussion and Analysis (Unaudited)
For the Year Ended December 31, 2024

Table 1
 Net Position (Continued)

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Deferred Inflows of Resources:						
Property Taxes	11,370,070	9,584,938	0	0	11,370,070	9,584,938
Pension	1,927,970	1,941,472	24,096	58,318	1,952,066	1,999,790
OPEB	1,867,019	1,971,555	58,308	22,087	1,925,327	1,993,642
Leases	<u>35,135</u>	<u>70,271</u>	<u>0</u>	<u>0</u>	<u>35,135</u>	<u>70,271</u>
Total Deferred Inflows of Resources	<u>15,200,194</u>	<u>13,568,236</u>	<u>82,404</u>	<u>80,405</u>	<u>15,282,598</u>	<u>13,648,641</u>
Net Position:						
Net Investment in Capital Assets	92,741,886	82,813,863	12,553,282	15,870,225	105,295,168	98,684,088
Restricted for:						
Pension/OPEB	607,216	688,575	119,990	136,068	727,206	824,643
Capital Projects	12,369,522	11,691,838	0	0	12,369,522	11,691,838
Debt Service	451,697	1,425,591	0	0	451,697	1,425,591
Refuse and Recycling	1,185,484	1,015,363	0	0	1,185,484	1,015,363
Office on Aging	912,761	888,928	0	0	912,761	888,928
Street Construction and Maintenance	1,773,694	2,094,108	0	0	1,773,694	2,094,108
Recreation	266,336	379,862	0	0	266,336	379,862
Law Enforcement and Education	253,433	246,511	0	0	253,433	246,511
Fire and Police Pensions	684,139	740,182	0	0	684,139	740,182
Security of Persons and Property	341,955	302,486	0	0	341,955	302,486
Donations and Bequests	350,788	355,903	0	0	350,788	355,903
Other	65,303	25,302	0	0	65,303	25,302
Unrestricted	<u>(7,105,098)</u>	<u>(9,146,964)</u>	<u>(1,733,024)</u>	<u>(1,653,029)</u>	<u>(8,838,122)</u>	<u>(10,799,993)</u>
Total Net Position	\$ <u>104,899,116</u>	\$ <u>93,521,548</u>	\$ <u>10,940,248</u>	\$ <u>14,353,264</u>	\$ <u>115,839,364</u>	\$ <u>107,874,812</u>

The City follows Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27* and GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revises accounting for costs and liabilities related to pensions and 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/OPEB, the net pension/OPEB liability to the reported net position and subtracting deferred outflows related to pension/OPEB and the net pension/OPEB asset.

GASB 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/OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension/OPEB liability. GASB 68 and GASB 75 take an earnings approach to pension/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.

City of Rocky River, Ohio
Management's Discussion and Analysis (Unaudited)
For the Year Ended December 31, 2024

GASB 68 and GASB 75 require the net pension liability/asset 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/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/OPEB. 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 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 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/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/OPEB liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension/OPEB liability is satisfied, these liabilities are separately identified within the long-term liability section of the Statement of Net Position.

Net position may serve over time as a useful indicator of a government's financial position. For the City, total assets and deferred outflows of resources exceed total liabilities and deferred inflows of resources by \$115,839,364 as of December 31, 2024, which is a \$7,599,649 increase from the prior year, as restated. At the end of the current year, the City is able to report positive balances in the net investment in capital assets and restricted net position. Unrestricted net position is negative as a result of GASB 68 and GASB 75.

In order to further understand what makes up the changes in net position for the current year, Table 2 provides further details regarding the results of activities for 2024 compared to 2023. See table on following page.

City of Rocky River, Ohio
Management's Discussion and Analysis (Unaudited)
For the Year Ended December 31, 2024

Table 2
 Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Program Revenues:						
Charges for Services	\$ 7,004,867	\$ 6,195,726	\$ 10,119,937	\$ 9,553,129	\$ 17,124,804	\$ 15,748,855
Operating Grants and Contributions	2,249,473	1,955,660	21,177	32,417	2,270,650	1,988,077
Capital Grants and Contributions	1,486,026	1,207,845	0	0	1,486,026	1,207,845
Total Program Revenues	<u>10,740,366</u>	<u>9,359,231</u>	<u>10,141,114</u>	<u>9,585,546</u>	<u>20,881,480</u>	<u>18,944,777</u>
General Revenues:						
Property Taxes	9,949,583	9,828,107	0	0	9,949,583	9,828,107
Municipal Income Taxes	22,023,700	22,321,912	454,862	0	22,478,562	22,321,912
Other Local Taxes	216,264	229,455	0	0	216,264	229,455
Grants and Entitlements not Restricted to Specific Programs	2,201,963	4,191,612	0	0	2,201,963	4,191,612
Investment Income	2,211,096	2,154,514	25,381	23,512	2,236,477	2,178,026
Other	678,185	491,853	78,000	0	756,185	491,853
Total General Revenues	<u>37,280,791</u>	<u>39,217,453</u>	<u>558,243</u>	<u>23,512</u>	<u>37,839,034</u>	<u>39,240,965</u>
Total Revenues	<u>48,021,157</u>	<u>48,576,684</u>	<u>10,699,357</u>	<u>9,609,058</u>	<u>58,720,514</u>	<u>58,185,742</u>
Program Expenses:						
General Government Security of Persons and Property	8,079,757	7,450,678	0	0	8,079,757	7,450,678
Public Health	13,283,788	13,408,515	0	0	13,283,788	13,408,515
Transportation	1,301,915	1,253,653	0	0	1,301,915	1,253,653
Leisure Time Activities	5,102,521	4,762,234	0	0	5,102,521	4,762,234
Community Development	6,385,030	5,575,544	0	0	6,385,030	5,575,544
Basic Utility Service	745,672	696,981	0	0	745,672	696,981
Interest and Fiscal Charges	2,816,587	2,596,381	0	0	2,816,587	2,596,381
WWTP Charges	435,593	449,746	0	0	435,593	449,746
Sanitary Sewer Charges	0	0	8,072,555	9,368,764	8,072,555	9,368,764
Total Program Expenses	<u>38,150,863</u>	<u>36,193,732</u>	<u>12,970,002</u>	<u>13,951,081</u>	<u>51,120,865</u>	<u>50,144,813</u>
Change in Net Position Before Transfers	9,870,294	12,382,952	(2,270,645)	(4,342,023)	7,599,649	8,040,929
Transfers, Net	<u>1,186,846</u>	<u>(908,770)</u>	<u>(1,186,846)</u>	<u>908,770</u>	<u>0</u>	<u>0</u>
Change in Net Position	11,057,140	11,474,182	(3,457,491)	(3,433,253)	7,599,649	8,040,929
Net Position, Beginning of Year, as Previously reported	93,521,548	82,047,366	14,353,264	17,786,517	107,874,812	99,833,883
Cumulative effect of Restatement, see Note 3	<u>320,428</u>	<u>0</u>	<u>44,475</u>	<u>0</u>	<u>364,903</u>	<u>0</u>
Net Position, Beginning of Year, Restated, see Note 3	<u>93,841,976</u>	<u>82,047,366</u>	<u>14,397,739</u>	<u>17,786,517</u>	<u>108,239,715</u>	<u>99,833,883</u>
Net Position, End of Year	<u>\$ 104,899,116</u>	<u>\$ 93,521,548</u>	<u>\$ 10,940,248</u>	<u>\$ 14,353,264</u>	<u>\$ 115,839,364</u>	<u>\$ 107,874,812</u>

City of Rocky River, Ohio
Management's Discussion and Analysis (Unaudited)
For the Year Ended December 31, 2024

Effects of GASB 68 and 75

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

Under GASB 68, pension expense represents additional amounts earned based on a proportionate share of the net pension liability adjusted by a corresponding proportionate share of deferred outflows and inflows. Under GASB 68, the pension expense for 2024 is \$3,940,461, while in 2023 pension expense was \$5,240,876.

Under GASB 75, OPEB expense represents additional amounts earned based on a proportionate share of the net OPEB liability adjusted by a corresponding proportionate share of deferred outflows and inflows. Under GASB 75, the OPEB expense for 2024 is \$(23,197), while in 2023 OPEB expense was \$(614,355).

Governmental Activities

Overall, total governmental activities net position increased as revenues continued to outpace expenses in 2024. General revenues were mostly consistent from year-to-year except for the grants not restricted to specific programs. Grants not restricted to specific programs decreased due to the City having \$2.1 million in Local Area Fiscal Recovery Funds grant revenue in 2023 but did not receive any similar grants during 2024. Program revenues increased primarily due to an increase in charges for services. This increase is mainly due to an increase in court fees, EMS fees, youth sports fees, pool fees, and civic center membership fees.

Total program expenses for 2024 were \$38,150,863, a 5.4% increase from 2023 levels. In the current year the most significant program categories were the security of persons and property, general government, and leisure time activities. Security of persons and property expenses decreased during 2024 due to the impact of GASB 68 and 75 being offset by an increase in payroll expenses. The increase in general government and leisure time activities was mainly due to an increase in payroll expenses caused by an increase in employees during 2024. Leisure time activities expense also increased due to expenses related to the parks master plan.

City of Rocky River, Ohio
Management's Discussion and Analysis (Unaudited)
For the Year Ended December 31, 2024

Business-Type Activities

For business-type activities of the City, charges for services are the primary source of revenue. The program expenses are comprised of charges to operate the Rocky River Wastewater Treatment Plant (the "Plant") as well as the cost to maintain the sanitary sewer collection system. The charges for services were consistent with the prior year. The decrease in expenses relating to the Plant is due a decrease in repairs and maintenance.

The City's Funds

Governmental Funds

The focus of the City's governmental funds is to provide information on a near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Information about the City's governmental funds begins on page 22. These funds are accounted for by using the modified accrual basis of accounting.

As of December 31, 2024, the City's governmental funds reported combining ending fund balance of \$38,810,274. The majority of the fund balance is shown as restricted indicating that there are constraints on how the funds can be used.

All governmental funds had total revenues of \$47,726,714 and expenditures of \$44,968,373, resulting in a \$1,407,261 current year increase in fund balance, after consideration of \$1,351,080 in net other financing uses. This increase is due primarily to revenues outpacing expenditures.

The General Fund is the most significant fund as it is the source for providing a significant portion of resources for governmental activities such as police, fire, service, legislative, and administrative functions. In 2024, the General Fund had total revenues and other financing sources of \$32,128,001 and expenditures and other financing uses, of \$30,255,756 resulting in an increase in fund balance at December 31, 2024 of \$1,872,245. General Fund revenues, including other financing sources increased \$1,765,708 from 2023, while expenditures, including other financing uses, increased by \$4,053,125. The increase in General Fund revenues was due primarily to increases in income taxes, charges for services, and investment income. Charges for services increased mainly due to increased EMS ambulance billing fees. The increase in investment income from the City's investments during the year was due to increased interest rates and improved market conditions. Expenditures increased mainly due to an increase in personnel costs, including both payroll and benefits costs, and transfers out to fund other programs within the City. The majority of the transfers were to the Refuse & Recycling fund, Equipment Purchase fund, Capital Improvement fund, and Sanitary Sewer fund. The remaining transfers were to various nonmajor governmental funds to provide additional resources for current operations and for the payment of debt.

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Management's Discussion and Analysis (Unaudited)
For the Year Ended December 31, 2024

The Capital Improvement Fund accounts for the various projects of the City financed by tax monies and General Fund transfers. In 2024, the Capital Improvement Fund had total revenues and other financing sources of \$9,180,289 and expenditures of \$8,839,676 resulting in an increase in fund balance of \$340,613 at December 31, 2024. Revenues and other financing sources increased mainly due to transfers in from the General Fund increasing \$2.4 million during 2024. Expenses were up almost \$600,000 as the City is in the midst of several capital projects.

General Fund Budgeting Highlights

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

The General Fund's actual expenditures, not including other financing uses, were \$4,017,435 under the final budgeted amount of \$23,561,795. The main reason for the fluctuation is due to lower than expected costs related to general government and security of persons and property expenses.

Actual revenues exceeded budgetary estimates as actual revenues related to municipal income tax revenues were significantly greater than budgeted amount.

For the General Fund, the original and final budgeted amounts remained relatively consistent.

All capital projects and requests for capital-type purchases are included in the annual appropriations ordinance and any supplemental appropriations ordinance(s) as necessary. Recommendations for budget changes are presented to City Council as a supplemental appropriations ordinance. The City Administration may make budget changes that modify line items within departments within the same fund.

The General Fund supports many major activities such as the police division, fire division, engineer/building, finance, Rocky River Municipal Court, and economic/community development departments as well as the legislative and most executive activities. Some major capital projects are funded with General Fund dollars. These funds are transferred from the General Fund to Capital Improvement Fund where the revenue and expenditures for the capital improvement project are tracked and monitored.

City of Rocky River, Ohio
Management's Discussion and Analysis (Unaudited)
For the Year Ended December 31, 2024

Capital Assets and Debt Administration

Capital Assets

Table 3 shows fiscal year 2024 balances of capital assets, net of any accumulated depreciation, as compared to restated 2023 balances:

Table 3
 Capital Assets, Net at December 31

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Land	\$ 2,017,826	\$ 2,017,826	\$ 39,516	\$ 39,516	\$ 2,057,342	\$ 2,057,342
Land Improvements	214,408	214,408	0	0	214,408	214,408
Right-of-Way	0	0	250,000	250,000	250,000	250,000
Construction in Progress	8,612,099	13,567,601	9,195,845	9,418,593	17,807,944	22,986,194
Land Improvements	12,876,559	4,290,804	0	0	12,876,559	4,290,804
Buildings	31,743,486	30,197,582	0	0	31,743,486	30,197,582
Equipment	3,258,405	3,188,909	298,822	227,735	3,557,227	3,416,644
Vehicles	3,006,247	2,790,347	632,456	195,648	3,638,703	2,985,995
Right-to-Use Assets	33,112	29,848	0	0	33,112	29,848
Infrastructure:						
Roads	26,659,751	23,836,301	0	0	26,659,751	23,836,301
Sidewalks	2,677,931	2,766,545	0	0	2,677,931	2,766,545
Traffic Signals	356,932	382,615	0	0	356,932	382,615
Storm Sewers	12,510,941	11,278,798	0	0	12,510,941	11,278,798
Treatment Plant	0	0	4,888,773	5,242,008	4,888,773	5,242,008
Sewer Lines	0	0	22,248,117	21,026,214	22,248,117	21,026,214
Total Capital Assets, Net	<u>\$103,967,697</u>	<u>\$ 94,561,584</u>	<u>\$ 37,553,529</u>	<u>\$ 36,399,714</u>	<u>\$141,521,226</u>	<u>\$130,961,298</u>

Total capital assets, net for the City as of December 31, 2024 were \$141,521,226, a \$10,559,928 increase from 2023. Capital asset additions of \$15,587,424 were offset by \$5,019,992 of depreciation expense.

The City seeks funding assistance for infrastructure projects as well as improving City facilities. It is through this type of financial assistance as well as grants and careful use of debt that the City proved able to improve upon capital assets and at the same time maintain revenue at a level that enables debt service loads at comfortable margins.

See Note 10 for additional information on capital assets.

City of Rocky River, Ohio
Management's Discussion and Analysis (Unaudited)
For the Year Ended December 31, 2024

Debt

On December 31, 2024, the City had \$53,722,453 in bonds and loans outstanding. Table 4 summarizes bonds and loans outstanding.

Table 4
 Outstanding Debt at Year-End

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
General Obligation Bonds	\$ 9,898,026	\$ 11,099,815	\$ 0	\$ 0	\$ 9,898,026	\$ 11,099,815
Special Assessment Bonds	15,000	30,000	0	0	15,000	30,000
OPWC Loans	198,050	205,522	19,461,307	20,269,901	19,659,357	20,475,423
OWDA Loans	0	0	24,150,070	7,730,555	24,150,070	7,730,555
Total Outstanding Debt	\$ <u>10,111,076</u>	\$ <u>11,335,337</u>	\$ <u>43,611,377</u>	\$ <u>28,000,456</u>	\$ <u>53,722,453</u>	\$ <u>39,335,793</u>

The outstanding general obligation bonds at December 31, 2024 are composed of the Police Station, Series 2022 of \$9,840,000. There remains unamortized premiums related to these issues of \$58,026.

The special assessment bonds outstanding at December 31, 2024 consist of the Erosion Control B Bond of \$15,000 (Series 2000). The principal and interest for these bonds are paid from the Special Assessment Bond Retirement Fund with monies collected through the Cuyahoga County Fiscal Officer from the affected taxpayers.

Principal of the Ohio Public Works Commission (OPWC) loans are paid semi-annually from the Wastewater Treatment Plant Fund, the Sanitary Sewer Fund and the Capital Improvement Fund. Principal and interest of the Ohio Water Development Authority (OWDA) loans are paid semi-annually from the Wastewater Treatment Plant Fund.

The City's overall legal debt margin was \$129,563,393 on December 31, 2024.

See Note 18 of the basic financial statements for additional information on the City's debt.

City of Rocky River, Ohio
Management's Discussion and Analysis (Unaudited)
For the Year Ended December 31, 2024

Current Financial Related Activities

Current financial related activities are viewed through a lens of the mix of the City's largest revenue sources: 1) the economically sensitive and durable income tax and 2) the more foundational property tax. The City's income tax revenue base is supported meaningfully by employment in financial services/retail banking and investment management/insurance; senior services and education (public and private). The employers in these sectors have remained stable in the recent past. Home improvement and food retailers also contribute favorably to commercial activity in the City. While the City income tax provides the larger percentage of operating revenue, conservative revenue projections create confidence in a stable budget plan each year. Property tax revenue is influenced by assessed values and the governing Ohio Revised Code. The Cuyahoga County Fiscal Officer is tax assessor. Assessed values have gained and grown contributing to growth in property tax revenue of the City. The most recent reassessment by the Fiscal Officer was completed in 2024. Which resulted in an average increase in property values in the City of approximately 26%.

The City's commitment to its residents has always been one of full disclosure of financial matters of the City. This annual report is available to all residents who wish to review it. City of Rocky River, Charter, Article III, Section 19, requires that, “[t]he Annual Comprehensive Financial Report, made to the City shall be filed with the Clerk of Council, who shall retain the then current report for public inspection. Within thirty days after the report is filed with the Clerk of Council, the Director of Finance shall submit a copy of the same report to the Rocky River Public Library.” (Amended 11-6-90).

Contacting the City's Finance Department

This annual report is designed to provide citizens, taxpayers, creditors and investors with a general overview of the City's finances and show the City's accountability for all money it receives, spends, or invests. Any questions about the annual report or for additional financial information contact the Director of Finance, City of Rocky River, 21012 Hilliard Boulevard, Rocky River, Ohio 44116, (440) 331-0600. Certain information regarding the City is available through the website: www.rockyriverohio.gov.

City of Rocky River, Ohio

Statement of Net Position

December 31, 2024

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 38,134,153	\$ 9,743,014	\$ 47,877,167
Restricted Cash and Cash Equivalents	224,761	44,604	269,365
Accrued Interest Receivable	161,330	0	161,330
Accounts Receivable, Net	480,776	403,217	883,993
Intergovernmental Receivable	2,046,369	11,464,292	13,510,661
Internal Balances	(98,402)	98,402	0
Lease Receivable	36,486	0	36,486
Materials and Supplies Inventory	190,358	313,501	503,859
Prepaid Assets	281,915	34,476	316,391
Municipal Income Taxes Receivable	5,814,066	454,862	6,268,928
Property Taxes Receivable	11,668,357	0	11,668,357
Special Assessments Receivable	16,299	128,837	145,136
Net Pension Asset	125,142	24,728	149,870
Net OPEB Asset	482,074	95,262	577,336
Nondepreciable Capital Assets	10,844,333	9,485,361	20,329,694
Depreciable Capital Assets, Net	93,123,364	28,068,168	121,191,532
Total Assets	163,531,381	60,358,724	223,890,105
Deferred Outflows of Resources:			
Pension	11,066,762	953,375	12,020,137
OPEB	1,293,107	84,525	1,377,632
Total Deferred Outflows of Resources	12,359,869	1,037,900	13,397,769
Liabilities:			
Accounts Payable	1,477,343	3,058,467	4,535,810
Payables from Restricted Assets	224,761	44,604	269,365
Accrued Wages and Benefits	483,966	67,567	551,533
Intergovernmental Payable	343,140	34,804	377,944
Unearned Revenue	320,791	0	320,791
Retainage Payable	25,064	346,500	371,564
Accrued Interest Payable	35,587	16,478	52,065
Claims Payable	208,485	0	208,485
Long-Term Liabilities:			
Due within One Year	2,375,840	1,959,152	4,334,992
Due in More than One Year:			
Other Amounts	12,414,151	42,008,703	54,422,854
Net Pension Liability	36,230,081	2,837,697	39,067,778
Net OPEB Liability	1,652,731	0	1,652,731
Total Liabilities	55,791,940	50,373,972	106,165,912
Deferred Inflows of Resources:			
Property Taxes	11,370,070	0	11,370,070
Pension	1,927,970	24,096	1,952,066
OPEB	1,867,019	58,308	1,925,327
Lease	35,135	0	35,135
Total Deferred Inflows of Resources	15,200,194	82,404	15,282,598

(Continued)

The accompanying notes are an integral part of these financial statements

City of Rocky River, Ohio

Statement of Net Position (Continued)

December 31, 2024

	Governmental Activities	Business-Type Activities	Total
Net Position:			
Net Investment in Capital Assets	92,741,886	12,553,282	105,295,168
Restricted for:			
Pension/OPEB	607,216	119,990	727,206
Capital Projects	12,369,522	0	12,369,522
Debt Service	451,697	0	451,697
Refuse and Recycling	1,185,484	0	1,185,484
Office on Aging	912,761	0	912,761
Street Construction and Maintenance	1,773,694	0	1,773,694
Recreation	266,336	0	266,336
Law Enforcement and Education	253,433	0	253,433
Fire and Police Pensions	684,139	0	684,139
Security of Persons and Property	341,955	0	341,955
Donations and Bequests	350,788	0	350,788
Other	65,303	0	65,303
Unrestricted (Deficit)	(7,105,098)	(1,733,024)	(8,838,122)
Total Net Position	\$ 104,899,116	\$ 10,940,248	\$ 115,839,364

The accompanying notes are an integral part of these financial statements

City of Rocky River, Ohio

Statement of Activities

For the Year Ended December 31, 2024

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contribution
Government Activities:				
General Government	\$ 8,079,757	\$ 2,343,955	\$ 536,567	\$ 728,894
Security of Persons and Property	13,283,788	1,558,939	125,514	0
Public Health	1,301,915	376,808	94,082	0
Transportation	5,102,521	99,974	1,303,818	757,132
Leisure Time Activities	6,385,030	2,620,213	61,162	0
Community Development	745,672	4,978	0	0
Basic Utility Service	2,816,587	0	128,330	0
Interest Charges	435,593	0	0	0
Total Governmental Activities	38,150,863	7,004,867	2,249,473	1,486,026
Business-Type Activities:				
Wastewater Treatment Plant Charges	8,072,555	6,894,411	21,177	0
Sanitary Sewer Charges	4,897,447	3,225,526	0	0
Total Business-type Activities	12,970,002	10,119,937	21,177	0
Total	\$ 51,120,865	\$ 17,124,804	\$ 2,270,650	\$ 1,486,026

General Revenues and Expenses:

Property and Other Taxes Levied for:

General Purpose

Recreation

Office on Aging

Refuse and Recycling

Fire Levy

Police Levy

Capital Improvements

General Obligation Bond Retirement

Municipal Income Taxes Levied for:

General Purpose

Other Local Taxes

Grants and Entitlements not Restricted to

Specific Programs

Investment Income

Gain on sale of Capital Assets

Other

Total General Revenues and Expenses

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year as Previously Reported

Change in Accounting Principal (GASB 101) - see Note 3

Net Position Beginning of Year, Restated

Net Position End of Year

The accompanying notes are an integral part of these financial statements

Primary Government				
Governmental Activities		Business Type Activities		Total
\$ (4,470,341)		\$ 0	\$ (4,470,341)	
(11,599,335)		0	(11,599,335)	
(831,025)		0	(831,025)	
(2,941,597)		0	(2,941,597)	
(3,703,655)		0	(3,703,655)	
(740,694)		0	(740,694)	
(2,688,257)		0	(2,688,257)	
(435,593)		0	(435,593)	
<u>(27,410,497)</u>		<u>0</u>	<u>(27,410,497)</u>	
0		(1,156,967)	(1,156,967)	
0		(1,671,921)	(1,671,921)	
<u>0</u>		<u>(2,828,888)</u>	<u>(2,828,888)</u>	
<u>(27,410,497)</u>		<u>(2,828,888)</u>	<u>(30,239,385)</u>	
5,953,196		0	5,953,196	
472,456		0	472,456	
472,456		0	472,456	
944,959		0	944,959	
283,465		0	283,465	
283,465		0	283,465	
944,959		0	944,959	
594,627		0	594,627	
22,023,700		454,862	22,478,562	
216,264		0	216,264	
2,201,963		0	2,201,963	
2,211,096		25,381	2,236,477	
47,972		0	47,972	
<u>630,213</u>		<u>78,000</u>	<u>708,213</u>	
<u>37,280,791</u>		<u>558,243</u>	<u>37,839,034</u>	
<u>1,186,846</u>		<u>(1,186,846)</u>	<u>0</u>	
<u>38,467,637</u>		<u>(628,603)</u>	<u>37,839,034</u>	
11,057,140		(3,457,491)	7,599,649	
93,521,548		14,353,264	107,874,812	
320,428		44,475	364,903	
<u>93,841,976</u>		<u>14,397,739</u>	<u>108,239,715</u>	
<u>\$ 104,899,116</u>	<u>\$</u>	<u>10,940,248</u>	<u>\$ 115,839,364</u>	

The accompanying notes are an integral part of these financial statements

City of Rocky River, Ohio

Balance Sheet – Governmental Funds

December 31, 2024

	<u>General</u>	<u>Capital Improvement</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 19,415,482	\$ 6,431,277	\$ 10,909,438	\$ 36,756,197
Restricted Cash and Cash Equivalents	0	69,426	155,335	224,761
Accrued Interest Receivable	161,330	0	0	161,330
Accounts Receivable, Net	425,706	41,677	13,393	480,776
Intergovernmental Receivable	967,790	228,232	850,347	2,046,369
Interfund Receivable	6,700	0	0	6,700
Lease Receivable	0	0	36,486	36,486
Materials and Supplies Inventory	77,452	0	112,906	190,358
Prepaid Assets	195,622	0	86,293	281,915
Municipal Income Taxes Receivable	4,904,614	454,726	454,726	5,814,066
Property Taxes Receivable	7,425,317	1,178,622	3,064,418	11,668,357
Special Assessments Receivable	0	0	16,299	16,299
Total Assets	\$ 33,580,013	\$ 8,403,960	\$ 15,699,641	\$ 57,683,614
Liabilities, Deferred Inflows of Resources and Fund Balances:				
Liabilities:				
Accounts Payable	\$ 373,971	\$ 781,060	\$ 286,383	\$ 1,441,414
Accrued Wages and Benefits	348,561	0	135,405	483,966
Intergovernmental Payable	103,103	0	240,037	343,140
Retainage Payable	0	25,064	0	25,064
Unearned Revenue	0	0	320,791	320,791
Payables from Restricted Assets	0	69,426	155,335	224,761
Total Liabilities	\$ 825,635	\$ 875,550	\$ 1,137,951	\$ 2,839,136
Deferred Inflows of Resources:				
Property Taxes	7,235,498	1,148,492	2,986,080	11,370,070
Unavailable Revenue	3,364,924	406,489	857,586	4,628,999
Leases	0	0	35,135	35,135
Total Deferred Inflows of Resources	\$ 10,600,422	\$ 1,554,981	\$ 3,878,801	\$ 16,034,204
Fund Balances:				
Nonspendable	273,074	0	199,199	472,273
Restricted	0	5,973,429	10,483,690	16,457,119
Assigned	9,979,484	0	0	9,979,484
Unassigned (Deficit)	11,901,398	0	0	11,901,398
Total Fund Balances	\$ 22,153,956	\$ 5,973,429	\$ 10,682,889	\$ 38,810,274
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 33,580,013	\$ 8,403,960	\$ 15,699,641	\$ 57,683,614

The accompanying notes are an integral part of these financial statements

City of Rocky River, Ohio

Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities

December 31, 2024

Total Governmental Funds Balances	\$ 38,810,274
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Amounts Reported for Governmental Activities in the Statement of Net Position are different because:

Capital assets, net used in governmental activities are not financial resources and therefore are not reported in the funds.	103,967,697
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Other long-term assets are not available to pay for current-period expenditures and therefore are unearned in the funds.	
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Delinquent Property Taxes	\$ 298,287
Municipal Income Taxes	2,405,362
Investment Income	161,330
Special Assessments	16,299
Charges for Services	304,706
Intergovernmental	<u>1,443,015</u>
 Total	 4,628,999

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in Governmental Funds, an interest expenditure is reported when due.	(35,587)
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Internal Service Funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The assets and liabilities of the Internal Service Funds are included in Governmental Activities in the Statement of Net Position.

Net Position	1,133,542
Internal Balance	<u>(105,102)</u>
 Total	 1,028,440

Long-term liabilities are not due and payable in the current period and are, therefore, not reported in the funds.

General Obligation Bonds	(9,898,026)
Special Assessments	(15,000)
OPWC Loans	(198,050)
Compensated Absences	(4,246,145)
Asset retirement obligations	(88,343)
Finance purchase	<u>(344,427)</u>
 Total	 (14,789,991)

(Continued)

The accompanying notes are an integral part of these financial statements

City of Rocky River, Ohio

Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities (Continued)

December 31, 2024

The net pension liability is not due and payable in the current period and the net pension asset is not available for spending in the current period; therefore, the asset/liability and related deferred outflows/inflows are not reported in the governmental funds.

Net Pension Asset	125,142
Deferred Outflows of Resources - Pension	11,066,762
Net Pension Liability	(36,230,081)
Deferred Inflows of Resources - Pension	<u>(1,927,970)</u>
Total	(26,966,147)

The net OPEB liability is not due and payable in the current period; therefore, the liability and related deferred outflows/inflows are not reported in the governmental funds.

Net OPEB Asset	482,074
Deferred Outflows of Resources - OPEB	1,293,107
Net OPEB Liability	(1,652,731)
Deferred Inflows of Resources - OPEB	<u>(1,867,019)</u>
	<u>(1,744,569)</u>
Net Position of Governmental Activities	\$ <u>104,899,116</u>

The accompanying notes are an integral part of these financial statements

City of Rocky River, Ohio

Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds

For the Year Ended December 31, 2024

	General	Capital Improvement	Total Nonmajor Funds	Total Governmental Funds
Revenues:				
Property Taxes	\$ 5,989,177	\$ 950,670	\$ 3,089,574	\$ 10,029,421
Municipal Income Taxes	18,250,874	2,947,525	1,287,991	22,486,390
Other Local Taxes	50,445	167,740	0	218,185
Intergovernmental	1,379,355	1,012,594	2,558,157	4,950,106
Charges for Services	1,077,142	0	2,652,368	3,729,510
Fees, Licenses and Permits	2,429,783	0	224,985	2,654,768
Special Assessments	2,803	0	18,411	21,214
Investment Income	2,347,917	0	143	2,348,060
Rentals	165,895	0	353,544	519,439
Contributions	0	0	32,920	32,920
Other	395,788	201,760	139,153	736,701
Total Revenues	32,089,179	5,280,289	10,357,246	47,726,714
Expenditures:				
Current:				
General Government	6,287,865	18,996	875,024	7,181,885
Security of Persons and Property	10,667,340	0	1,519,490	12,186,830
Public Health	0	0	1,206,518	1,206,518
Transportation	971,879	0	2,413,490	3,385,369
Leisure Time Activities	779,988	0	3,825,395	4,605,383
Community Development	733,684	0	5,294	738,978
Basic Utility Service	0	0	2,287,912	2,287,912
Capital Outlay	0	8,813,208	2,799,108	11,612,316
Debt Service:				
Principal Retirement	0	7,472	1,275,639	1,283,111
Interest and Fiscal Charges	0	0	480,071	480,071
Total Expenditures	19,440,756	8,839,676	16,687,941	44,968,373
Excess of Revenues Over (Under) Expenditures	12,648,423	(3,559,387)	(6,330,695)	2,758,341
Other Financing Sources (Uses):				
Sale of Capital Assets	38,822	0	9,150	47,972
Financed Purchase	0	0	418,931	418,931
Subscription	0	0	32,017	32,017
Transfers - In	0	3,900,000	5,065,000	8,965,000
Transfers - Out	(10,815,000)	0	0	(10,815,000)
Total Other Financing Sources (Uses)	(10,776,178)	3,900,000	5,525,098	(1,351,080)
Net Change in Fund Balances	1,872,245	340,613	(805,597)	1,407,261
Fund Balances at Beginning of Year	20,281,711	5,632,816	11,488,486	37,403,013
Fund Balances at End of Year	\$ 22,153,956	\$ 5,973,429	\$ 10,682,889	\$ 38,810,274

The accompanying notes are an integral part of these financial statements

City of Rocky River, 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, 2024

Net Change in Fund Balances - Total Governmental Funds	\$ 1,407,261
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Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental Funds report Capital Outlay as expenditures. However in the Statement of Activities, the cost of those assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which depreciation differed from capital outlay in the current period.

Capital Outlay	\$ 8,642,061
Contributed Capital	757,132
Capital Transferred from Business-type Activities	4,033,008
Depreciation	<u>(4,026,088)</u>
Total	9,406,113

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

Property and Other Local Taxes	(79,838)
Municipal Income Taxes	(462,690)
Special Assessments	(20,332)
Investment Income	(136,964)
Charges for Services	(43,937)
Intergovernmental	<u>233,100</u>
Total	(510,661)

Repayment of bond principal is an expenditure in the Governmental Funds, but these expenditures reduce long-term liabilities in the Statement of Net Position.

General Obligation Bonds	1,140,000
Special Assessment Bonds	15,000
Ohio Public Works Commission Loans	7,472
Finance Purchase	74,504
Lease	14,118
SBITA	<u>32,017</u>
Total	1,283,111

(Continued)

The accompanying notes are an integral part of these financial statements

City of Rocky River, Ohio

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities (Continued)

For the Year Ended December 31, 2024

Other financing sources in the governmental funds that increase long-term liabilities in the Statement of Net Position.

Finance Purchase	(32,017)
SBITA	<u>(418,931)</u>
	(450,948)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in Governmental Funds.

Accrued Interest on Bonds	2,296
Amortization of Bond Premium	61,789
Loss on Refunding	(19,607)
Asset Retirement Obligations	(12,481)
Compensated Absences	<u>232,126</u>
Total	264,123

The Internal Service Fund used by management to charge the costs of insurance to individual funds is not reported in the entity-wide Statement of Activities. Governmental expenditures and related Internal Service Fund revenues are eliminated. The net income of the Internal Service Fund is allocated amongst the Governmental Activities.

Change in Net Position	454,673
Change in Internal Balance	<u>(58,242)</u>
Total	396,431

Contractually required contributions are reported as expenditures in Governmental Funds; however, the Statement of Net Position reports these amounts as deferred outflows.

Except for amounts reported as deferred outflows/inflows, changes in the net pension/OPEB liability/asset are reported as pension/OPEB contra-expense in the Statement of Activities.	<u>(3,575,931)</u>
Change in Net Position of Governmental Activities	\$ <u>11,057,140</u>

The accompanying notes are an integral part of these financial statements

City of Rocky River, Ohio

Statement of Revenues, Expenditures and Changes in Fund Balances – Budget (Non-GAAP Budgetary Basis) and Actual

General Fund

For the Fiscal Year Ended December 31, 2024

	Budget			Variance with Final Budget	
	Original	Final	Actual	Positive	(Negative)
Revenues:					
Property Taxes	\$ 5,736,266	\$ 5,736,266	\$ 5,989,177	\$ 252,911	
Municipal Income Taxes	15,727,500	15,727,500	17,883,649	2,156,149	
Other Local Taxes	10,000	10,000	48,353	38,353	
Intergovernmental	1,288,832	1,288,832	1,328,815	39,983	
Charges for Services	840,000	840,000	1,058,764	218,764	
Fees, Licenses and Permits	2,207,800	2,207,800	2,392,619	184,819	
Special Assessments	0	0	2,803	2,803	
Investment Income	825,000	825,000	1,376,289	551,289	
Rentals	175,000	175,000	165,895	(9,105)	
Other	315,300	315,300	398,692	83,392	
Total Revenues	27,125,698	27,125,698	30,645,056	3,519,358	
Expenditures:					
Current:					
General Government	8,335,462	8,385,463	6,263,132	2,122,331	
Security of Persons and Property	12,091,191	12,127,191	10,761,342	1,365,849	
Transportation	1,093,913	1,128,913	991,561	137,352	
Leisure Time Activities	913,222	913,222	789,653	123,569	
Community Development	1,015,006	1,007,006	738,672	268,334	
Total Expenditures	23,448,794	23,561,795	19,544,360	4,017,435	
Excess of Revenues (Under) Over Expenditures	3,676,904	3,563,903	11,100,696	7,536,793	
Other Financing Sources (Uses):					
Sale of Capital Assets	12,000	12,000	38,822	26,822	
Transfers - Out	(15,575,000)	(15,575,000)	(11,115,000)	4,460,000	
Total Other Financing Sources (Uses)	(15,563,000)	(15,563,000)	(11,076,178)	4,486,822	
Net Change in Fund Balance	(11,886,096)	(11,999,097)	24,518	12,023,615	
Fund Balance at Beginning of Year	15,638,322	15,638,322	15,638,322	0	
Prior Year Encumbrances Appropriated	305,038	305,038	305,038	0	
Fund Balance at End of Year	\$ 4,057,264	\$ 3,944,263	\$ 15,967,878	\$ 12,023,615	

The accompanying notes are an integral part of these financial statements

City of Rocky River, Ohio

Statement of Fund Net Position Proprietary Funds

December 31, 2024

	Business Type Activities - Enterprise Funds			Governmental Activities				
	Wastewater		Total	Internal Service Fund				
	Treatment Plant	Sanitary Sewer						
Assets:								
Current Assets:								
Equity in Pooled Cash and Cash Equivalents	\$ 5,881,087	\$ 3,861,927	\$ 9,743,014	\$ 1,377,956				
Restricted Cash and Cash Equivalents	0	44,604	44,604	0				
Accounts Receivable	0	403,217	403,217	0				
Municipal Income Taxes Receivable	0	454,862	454,862	0				
Materials and Supplies Inventory	302,928	10,573	313,501	0				
Prepaid	24,639	9,837	34,476	0				
Special Assessments Receivable	0	128,837	128,837	0				
Total Current Assets	6,208,654	4,913,857	11,122,511	1,377,956				
Noncurrent Assets:								
Intergovernmental Receivable	11,464,292	0	11,464,292	0				
Net Pension Asset	17,984	6,744	24,728	0				
Net OPEB Asset	69,281	25,981	95,262	0				
Nondepreciable Capital Assets	6,570,352	2,915,009	9,485,361	0				
Depreciable Capital Assets, Net	4,973,487	23,094,681	28,068,168	0				
Total Noncurrent Assets	23,095,396	26,042,415	49,137,811	0				
Total Assets	29,304,050	30,956,272	60,260,322	1,377,956				
Deferred Outflows of Resources:								
Pension	693,363	260,012	953,375	0				
OPEB	61,473	23,052	84,525	0				
Total Deferred Outflows of Resources	754,836	283,064	1,037,900	0				
Liabilities:								
Current Liabilities:								
Accounts Payable	2,508,878	549,589	3,058,467	35,929				
Accrued Wages and Benefits	43,314	24,253	67,567	0				
Intergovernmental Payable	22,966	11,838	34,804	0				
Retainage Payable	283,421	63,079	346,500	0				
Accrued Interest Payable	16,478	0	16,478	0				
Interfund payable	6,700	0	6,700	0				
Claims Payable	0	0	0	208,485				
Payables from Restricted Assets	0	44,604	44,604	0				
Compensated Absences Payable	133,925	60,415	194,340	0				
OPWC Loans Payable	250,802	690,796	941,598	0				
OWDA Loans Payable	823,214	0	823,214	0				
Total Current Liabilities	4,089,698	1,444,574	5,534,272	244,414				
Long-term Liabilities:								
Accrued Compensated Absences	108,092	54,046	162,138	0				
OPWC Loans Payable	2,598,484	15,921,225	18,519,709	0				
OWDA Loans Payable	23,326,856	0	23,326,856	0				
Net Pension Liability	2,063,780	773,917	2,837,697	0				
Total Long-Term Liabilities	28,097,212	16,749,188	44,846,400	0				
Total Liabilities	32,186,910	18,193,762	50,380,672	244,414				

(Continued)

The accompanying notes are an integral part of these financial statements

City of Rocky River, Ohio

Statement of Fund Net Position (Continued) Proprietary Funds

December 31, 2024

	Business Type Activities - Enterprise Funds			Governmental Activities Internal Service Fund	
	Wastewater		Total		
	Treatment Plant	Sanitary Sewer			
Deferred Inflows of Resources:					
Pension	17,524	6,572	24,096	0	
OPEB	42,406	15,902	58,308	0	
Total Deferred Inflows of Resources	59,930	22,474	82,404	0	
Net Position:					
Net Investment in Capital Assets	3,742,597	8,810,685	12,553,282	0	
Restricted for Pension / OPEB	87,265	32,725	119,990	0	
Unrestricted	(6,017,816)	4,179,690	(1,838,126)	1,133,542	
Total Net Position	\$ (2,187,954)	\$ 13,023,100	\$ 10,835,146	\$ 1,133,542	
Net Position reported for Business-Type Activities in the Statement of Net Position are different because they include accumulated overpayments to the Internal Service Fund:					
			105,102		
Net Position of Business-Type Activities			\$ 10,940,248		

The accompanying notes are an integral part of these financial statements

City of Rocky River, Ohio

Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds

For the Year Ended December 31, 2024

	Business Type Activities - Enterprise Funds			Governmental Activities Internal Service Fund
	Wastewater Treatment Plant	Sanitary Sewer	Total	
Operating Revenues:				
Charges for Service	\$ 6,705,044	\$ 3,225,451	\$ 9,930,495	\$ 4,031,930
Other	267,367	75	267,442	0
Total Operating Revenues	<u>6,972,411</u>	<u>3,225,526</u>	<u>10,197,937</u>	<u>4,031,930</u>
Operating Expenses:				
Personal Service	2,015,096	876,043	2,891,139	0
Materials and Supplies	962,519	96,713	1,059,232	0
Contractual Services	3,046,127	2,274,565	5,320,692	805,657
Heat, Light and Power	525,901	21,293	547,194	0
Landfill	333,047	0	333,047	0
Depreciation	429,992	563,912	993,904	0
Claims	0	0	0	2,771,600
Other	0	14,166	14,166	0
Total Operating Expenses	<u>7,312,682</u>	<u>3,846,692</u>	<u>11,159,374</u>	<u>3,577,257</u>
Operating (Loss) Income	(340,271)	(621,166)	(961,437)	454,673
Non-Operating Revenues and (Expenses):				
Intergovernmental	21,177	0	21,177	0
Municipal Income Taxes	0	454,862	454,862	0
Investment Income	25,381	0	25,381	0
Loss on Disposal of Capital Assets	(7,504)	0	(7,504)	0
Capital Distributions	(341,289)	(5,142,005)	(5,483,294)	0
Interest and Fiscal Charges	(411,080)	0	(411,080)	0
Total Non-Operating Expenses	<u>(713,315)</u>	<u>(4,687,143)</u>	<u>(5,400,458)</u>	<u>0</u>
(Loss) Income before Capital Contributions and Transfers	(1,053,586)	(5,308,309)	(6,361,895)	454,673
Capital Contributions	0	996,162	996,162	0
Transfers - In	0	1,850,000	1,850,000	0
Change in Net Position	(1,053,586)	(2,462,147)	(3,515,733)	454,673
Net Position at Beginning of Year as Previously Reported	(1,181,019)	15,487,423	14,306,404	678,869
Change in Accounting Principal (GASB 101) - see Note 3	46,651	(2,176)	44,475	-
Net Position at Beginning of Year, Restated	<u>(1,134,368)</u>	<u>15,485,247</u>	<u>14,350,879</u>	<u>678,869</u>
Net Position at End of Year	<u>\$ (2,187,954)</u>	<u>\$ 13,023,100</u>	<u>\$ 10,835,146</u>	<u>\$ 1,133,542</u>
Amount reported for Business-Type Activities in the Statement of Activities are different because of a portion of the Change in Net Position of the Internal Service Fund is reported with Business-Type Activities:			58,242	
Change in Net Position of Business-Type Activities			<u>\$ (3,457,491)</u>	

The accompanying notes are an integral part of these financial statements

City of Rocky River, Ohio

Statement of Cash Flows Proprietary Funds

For the Year Ended December 31, 2024

	Business Type Activities - Enterprise Funds			Governmental Activities
	Wastewater Treatment Plant	Sanitary Sewer	Total	Internal Service Fund
Cash Flows from Operating Activities:				
Cash Received from Customers	\$ 6,705,044	\$ 3,269,251	\$ 9,974,295	\$ 4,031,930
Cash Received from Other Operating Activities	267,367	75	267,442	0
Cash Payments for Goods and Services	(4,042,955)	(2,521,250)	(6,564,205)	(803,354)
Cash Payments to Employees for Services and Benefits	(1,978,241)	(857,959)	(2,836,200)	0
Cash Payments for Claims	0	0	0	(2,777,505)
Cash Payments for Other Operating Expenses	0	(14,166)	(14,166)	0
Net Cash (Used) Provided by Operating Activities	<u>951,215</u>	<u>(124,049)</u>	<u>827,166</u>	<u>451,071</u>
Cash Flows from Noncapital Financing Activities:				
Transfers - In	0	1,850,000	1,850,000	0
Net Cash Provided by Noncapital Financing Activities	0	1,850,000	1,850,000	0
Cash Flows from Capital and Related Financing Activities:				
Capital Acquisitions	(4,273,703)	(1,265,279)	(5,538,982)	0
Capital Acquisitions on Behalf of Members	(11,805,581)	0	(11,805,581)	0
Loan Proceeds	16,850,852	23,325	16,874,177	0
Principal Paid on Loans	(1,031,176)	(581,117)	(1,612,293)	0
Interest Paid on Loans	(56,473)	0	(56,473)	0
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(316,081)</u>	<u>(1,823,071)</u>	<u>(2,139,152)</u>	<u>0</u>
Cash Flows from Investing Activities:				
Interest Received	25,381	0	25,381	0
Net Cash Provided by Investing Activities	<u>25,381</u>	<u>0</u>	<u>25,381</u>	<u>0</u>
Net Change in Cash and Cash Equivalents	660,515	(97,120)	563,395	451,071
Cash and Cash Equivalents at				
Beginning of Year	<u>5,220,572</u>	<u>4,003,651</u>	<u>9,224,223</u>	<u>926,885</u>
Cash and Cash Equivalents at End of Year	<u>\$ 5,881,087</u>	<u>\$ 3,906,531</u>	<u>\$ 9,787,618</u>	<u>\$ 1,377,956</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position				
Equity in Pooled Cash and Cash Equivalents	\$ 5,881,087	\$ 3,861,927	\$ 9,743,014	\$ 1,377,956
Restricted Cash and Cash Equivalents	0	44,604	44,604	0
Total Cash and Cash Equivalents	<u>\$ 5,881,087</u>	<u>\$ 3,906,531</u>	<u>\$ 9,787,618</u>	<u>\$ 1,377,956</u>

(Continued)

The accompanying notes are an integral part of these financial statements

City of Rocky River, Ohio

Statement of Cash Flows (Continued) Proprietary Funds

For the Year Ended December 31, 2024

	Business Type Activities - Enterprise Funds			Governmental Activities	
	Wastewater		Total	Internal Service Fund	
	Treatment Plant	Sanitary Sewer			
Reconciliation of Operating (Loss) Income to Net Cash Used by Operating Activities:					
Operating (Loss) Income	\$ (340,271)	\$ (621,166)	\$ (961,437)	\$ 454,673	
Adjustments:					
Depreciation	429,992	563,912	993,904		0
Change in Operating Assets and Liabilities:					
Accounts Receivable	0	32,666	32,666		0
Materials and Supplies Inventory	3,454	15,593	19,047		0
Prepaid	(1,727)	354	(1,373)		2,303
Special Assessments Receivable	0	11,134	11,134		0
Net Pension Asset	(6,778)	(2,542)	(9,320)		0
Net OPEB Asset	(69,281)	(25,981)	(95,262)		0
Deferred Outflows of Resources – Pension	241,859	90,694	332,553		0
Deferred Outflows of Resources – OPEB	78,442	29,416	107,858		0
Accounts Payable	917,061	(138,786)	778,275		(11,663)
Retainage Payable	(92,107)	(49,792)	(141,899)		0
Accrued Wages and Benefits	12,406	11,621	24,027		0
Compensated Absences Payable	(1,906)	(5,092)	(6,998)		0
Intergovernmental Payable	1,467	2,364	3,831		0
Claims Payable	0	0	0		5,758
Payables from Restricted Assets	0	44,604	44,604		0
Net Pension Liability	(176,465)	(66,175)	(242,640)		0
Net OPEB Liability	(46,403)	(17,400)	(63,803)		0
Deferred Inflows of Resources – Pension	(24,871)	(9,351)	(34,222)		0
Deferred Inflows of Resources – OPEB	26,343	9,878	36,221		0
Total Adjustments	<u>1,291,486</u>	<u>497,117</u>	<u>1,788,603</u>		<u>(3,602)</u>
Net Cash (Used) Provided by Operating Activities	\$ <u>951,215</u>	\$ <u>(124,049)</u>	\$ <u>827,166</u>	\$ <u>451,071</u>	
Noncash Transactions from Capital and Related Financing Activities:					
Capital Assets Contributed from Governmental Activities	\$ 0	\$ 996,162	\$ 996,162	\$ 0	
Capital Assets from Accounts Payable and Retainage Payable	2,562,674	587,344	3,150,018		0
Capital Assets Transferred to Governmental Activities	0	(4,033,008)	(4,033,008)		0
Capital Assets Transferred to City of Cleveland	0	(1,108,997)	(1,108,997)		0
OWDA Interest paid with intergovernmental subsidy	21,177	0	21,177		0

The accompanying notes are an integral part of these financial statements

City of Rocky River, Ohio

Statement of Fiduciary Net Position Fiduciary Funds

December 31, 2024

	Total Custodial Funds
Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 203,482
Cash and Cash Equivalents:	
In Segregated Accounts	<u>395,811</u>
Total Assets	599,293
 Liabilities:	
Deposits Held and Amounts Due to Others	<u>395,955</u>
 Net Position:	
Restricted for Others	<u>\$ 203,338</u>

The accompanying notes are an integral part of these financial statements

City of Rocky River, Ohio

Statement of Changes in Fiduciary Net Position Fiduciary Funds

For the Year Ended December 31, 2024

	Total Custodial Funds
Additions:	
Collections for Tri-City Park	\$ 108,980
Fines and Forfeitures for Others	<u>4,615,858</u>
Total Additions	<u><u>4,724,838</u></u>
 Deductions:	
Payments on Behalf of Tri-City Park	193,829
Payments on Behalf of S.A.F.E.	86
Municipal Court Disbursements	<u>4,615,858</u>
Total Deductions	<u><u>4,809,773</u></u>
 Change in Net Position	(84,935)
 Net Position Beginning of Year	<u>288,273</u>
 Net Position End of Year	<u><u>\$ 203,338</u></u>

The accompanying notes are an integral part of these financial statements

City of Rocky River, Ohio

Notes to Basic Financial Statements

For the Year Ended December 31, 2024

Note 1: Description of City and Reporting Entity

The City of Rocky River (City) is a home rule municipal corporation, established under the laws of the State of Ohio and operated under a charter. The charter provides for a Mayor/City Council form of government whereby the Mayor is the administrative officer of the City. The Charter was originally adopted in 1960 and has been amended periodically; most recently in 2014. The Mayor, Law Director and seven-member City Council all serve two-year terms.

Reporting Entity

For financial reporting purposes, the reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements of the City are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the City.

The City provides various services including police and fire protection, health, parks and recreation, street maintenance, planning and zoning, sewer services, municipal court, senior adult, and general administrative services. The operation of these activities is directly controlled by the City Administration and City Council (through the budgetary process). None of these services are provided by a legally separate organization; therefore, these operations are included in the primary government.

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

The City participates in other organizations: jointly governed organizations and a related organization. See Notes 20 and 25 to the basic financial statements for further information. The City also participates in two Municipal Utility Districts, see Note 26 for further information.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 2: Summary of Significant Accounting Policies

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

A. Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements The Statement of Net Position and the Statement of Activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" of the related revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

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

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

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 2: Summary of Significant Accounting Policies (Continued)

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 reports three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds Governmental funds are those through which most governmental functions are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and 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 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 the State of Ohio.

Capital Improvement Fund The Capital Improvement Fund accounts for the various projects of the City financed by tax monies and General Fund subsidies.

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

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

Enterprise Fund Enterprise funds may be used for any activity for which a fee is charged to external users for goods and services. The City's enterprise funds are:

Wastewater Treatment Plant – Accounts for the Rocky River Wastewater Treatment Plant which provides wastewater treatment services for the cities of Rocky River, Fairview Park, Westlake, and Bay Village.

Sanitary Sewer – Accounts for the collection of sanitary sewer charges and the accumulation of resources to rehabilitate through acquisition, construction, or improvement, the City's sanitary sewer infrastructure.

Internal Service Fund Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service fund accounts for a self-insurance program for employee health benefits.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 2: Summary of Significant Accounting Policies (Continued)

B. Fund Accounting (Continued)

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The City's custodial funds are for deposits and fees to the Tri-City Council of Governments, Municipal Court, and the S.A.F.E. Council of Governments.

C. Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the City are included on the Statement of Net Position. The Statement of Activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

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

For the proprietary funds, the Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The Statement of Cash Flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

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

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 2: Summary of Significant Accounting Policies (Continued)

D. Basis of Accounting

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

Revenues - Exchange and Non-Exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within 60 days of year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 7). Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

Unearned Revenue Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because such amounts have not yet been earned.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 2: Summary of Significant Accounting Policies (Continued)

D. Basis of Accounting (Continued)

Deferred Outflows/Inflows of Resources In addition to assets, the financial statements may report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. At December 31, 2024, the City had deferred outflows of resources for pension and OPEB (other postemployment benefits) plans reported in the government-wide Statement of Net Position and the proprietary funds Statement of Fund Net Position.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, unavailable revenue, leases and amounts for the pension and OPEB plans. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2024, but which were levied to finance year 2025 operations. These amounts have been recorded as a deferred inflow on both the government-wide Statement of Net Position and the governmental fund financial statements. 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, investment income, charges for services and intergovernmental revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide Statement of Net Position and in the proprietary funds on the Statement of Fund Net Position. Deferred inflows of resources related to leases are explained in Note 9.

The deferred outflows and inflows of resources related to pension and OPEB plans are explained in Note 14 and Note 15.

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

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 2: Summary of Significant Accounting Policies (Continued)

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. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the financial statements.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts and nonnegotiable certificate of deposits are reported at cost. See Note 6 for specific disclosures relating to investments.

STAR Ohio, is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but the City 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 the year ended 2024, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$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.

Investment procedures are restricted by the provisions of the City Charter and the general laws of the State of Ohio. Interest revenue credited to the General Fund during 2024 amounted to \$2,347,917, which includes \$1,239.508 assigned from other City funds.

F. Restricted Assets

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other government or imposed by enabling legislation. The City's restricted cash relates to an escrow account held for retainage funds payable to contractors at the completion of the City's current projects as well as contractor deposits.

G. Inventory

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

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 2: Summary of Significant Accounting Policies (Continued)

H. Prepaid Assets

Payments made to vendors for services that will benefit periods beyond December 31, 2024 are recorded as prepaid assets using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

I. Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables." Interfund balance amounts are eliminated in the Statement of Net Position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances. On fund financial statements, long-term interfund loans, reported as "advances to/from other funds", are classified as nonspendable fund balance, which indicate that they are not in spendable form even though it is a component of net current assets. Repayment is expected to be made within a reasonable period of time.

J. Capital Assets

General capital assets are capital assets which are associated with and arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide Statement of Net Position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The City maintains a capitalization threshold of \$2,500. Improvements are capitalized with the exception of the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life.

All capital assets are depreciated except for land; certain land improvements; rights of way and construction in progress. Improvements are depreciated over the estimated remaining useful lives of the related capital assets. For 2024, the City's infrastructure consists of roads, traffic signals, sidewalks, and storm sewers. In addition, the City has recorded construction in progress for City road and sewer projects initiated in 2024. 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 estimated useful lives:

Land improvements	10 - 40 Years
Buildings	20 - 75 Years
Furniture, Fixtures and	
Equipment	5 - 75 Years
Vehicles	5 - 25 Years
Infrastructure	10 - 75 Years

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 2: Summary of Significant Accounting Policies (Continued)

J. Capital Assets (continued)

The City is reporting right to use assets related to subscriptions and leased property and equipment. These assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

K. Compensated Absences

The City recognizes liabilities for compensated absences, including compensatory, vacation and sick leave, based on the estimated amount of leave that is more likely than not to be used or otherwise settled. It is the City's policy to permit employees to accumulate earned but unused pay benefits. Compensatory and vacation pay is accrued and reported as a liability when earned by the City's employees. The City allows accumulation of hours of sick leave, which can only be used in the event of an illness or paid out upon termination up to 960 hours, except for the fire division where a maximum of 1,384 hours may be paid out. Compensated absences generally do not have a set payment schedule. The City does not offer noncash settlements.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. When applicable, amounts are recorded in the account "matured compensated absences" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported. In the proprietary funds, the entire amount of compensated absences is reported as a fund liability.

L. Payables, Accrued Liabilities and Long-term Obligations

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

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

M. 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 receipted in the year the bonds are issued.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 2: Summary of Significant Accounting Policies (Continued)

N. Fund Balance

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

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

Restricted: Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions 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 (resolution) of City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. 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 the 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. These amounts are assigned by City Council. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 2: Summary of Significant Accounting Policies (Continued)

N. Fund Balance (Continued)

In the General Fund, assigned amounts represent intended uses established by the City Council or a City official delegated that authority by the City Council or ordinance or State statute. State statute authorized the Finance Director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. City Council assigned fund balance to cover a gap between estimated revenue and appropriations in the 2025 appropriated budget.

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

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

The City, through Council resolution, has established a reserve balance account for the purpose of budget stabilization in accordance with Ohio Revised Code Section 5705.13. The amount reserved may not exceed 5% of the General Fund's revenues in the prior year. Council may appropriate expenditures out of the reserve account to stabilize the City's budget. As the required circumstances determining when the balance can be appropriated are not sufficiently detailed, the balance of \$1,188,290 is reported as unassigned fund balance.

O. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any 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 constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The government-wide Statement of Net Position reports \$19,382,318 of restricted net position. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

P. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for wastewater treatment plant services, sanitary sewer services, and self-insurance programs. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as non-operating.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 2: Summary of Significant Accounting Policies (Continued)

Q. Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

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 Data

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the alternative tax budget information, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The alternative tax budget information 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 sets 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 through the appropriation ordinance at the object level within each department for the General Fund and at the object level for all other funds. Budgetary modifications may only be made by ordinance of the City Council at the legal level of control.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Director of Finance. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time the 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 encumbered amounts 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 Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 2: Summary of Significant Accounting Policies (Continued)

T. Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liabilities and 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 systems. 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 systems report investments at fair value.

U. Capital Contributions and Capital Distributions

Capital contributions in the proprietary fund financial statements arise from contributions of capital assets or resources restricted to capital acquisition and construction. These are shown as transfers on the Statement of Activities if they are from the governmental activities. Capital distributions in the proprietary fund financial statements arise from transfers of capital assets from the enterprise funds to the governmental activities or another entity and capital assets acquired on behalf of others. These are shown as transfers on the Statement of Activities if they are to the governmental activities.

V. Rocky River Wastewater Treatment Plant Capital Assets

An agreement among the Ohio cities of Bay Village, Fairview Park, Westlake and the City (WWTP Member Cities) provides that legal title to the Rocky River Wastewater Treatment Plant is held jointly by the WWTP Member Cities as measured by a proportional allocation. The City's undivided interest in the capital assets of the plant are reported in the City's Wastewater Treatment Plant Enterprise Fund. See Note 12 for additional information on the Plant.

W. Leases

As lessee, the City recognizes lease contracts or equivalents that have a term exceeding one year and the cumulative future payments on the contract exceed \$5,000 that meet the definition of an other than short-term lease. Short-term lease payments are expensed when incurred. At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. The City uses a discount rate that is explicitly stated or implicit in the contract. When a readily determinable discount rate is not available, the discount rate is determined using the City's incremental borrowing rate at start of the lease for a similar asset type and term length to the contract. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 2: Summary of Significant Accounting Policies (Continued)

W. Leases (Continued)

As lessor, the City recognizes lease contracts or equivalents that have a term exceeding one year and the cumulative future payments on the contract exceed \$5,000 that meet the definition of an other than short-term lease. At the commencement of the lease, the City records a receivable and deferred inflow of the net present value of future expected payments using a discount rate explicitly stated or implicit in the contract. Short-term lease receipts and variable lease receipts not included in the measurement of the lease receivable are recognized as income when earned

X. Subscriptions

The City recognizes subscription-based information technology arrangements that have a term exceeding one year and future payments on the contract exceed \$6,000. Short-term subscriptions are expensed as incurred. At the commencement of the subscription arrangement, the City initially measures the subscription liability at the present value of payments expected to be made during the term. The City uses a discount rate that is determined using the City's incremental borrowing rate at start of the subscription arrangement for a similar asset type and term length to the contract. Subsequently, the subscription liability is reduced by the principal portion of payments made. The subscription asset is initially measured as the initial amount of the subscription liability. Subsequently, the subscription asset is amortized on a straight-line basis over its term.

Note 3: Changes in Accounting Principles and Restatement of Fund Balance/Net Position

Newly Adopted Accounting Pronouncements

GASB Statement No. 100, *Accounting Changes and Error Corrections—an Amendment of GASB Statement No. 62*, was issued in June 2022. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The effective date of this standard applies to reporting periods beginning after June 15, 2023. These changes were incorporated in the City's 2024 financial statements.

GASB Statement No. 101, *Compensated Absences*, was issued in June 2022. The primary objective of this Statement is to update the recognition and measurement guidance for compensated absences by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this statement are effective for fiscal years beginning after December 15, 2023. For the City, GASB 101 decreased the liability and the cumulative effects of compensated absence related expense on net position as shown on the table below.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 3: Changes in Accounting Principles and Restatement of Fund Balance/Net Position (Continued)

Restatement of Fund Balance/Net Position

	Change in Accounting Principles		
	12/31/2023 As Previously Reported	GASB Statement 101	12/31/2023 As Restated
Government-Wide			
Governmental Activities	\$ 93,521,548	\$ 320,428	\$ 93,841,976
Business-Type Activities	\$ <u>14,353,264</u>	\$ <u>44,475</u>	\$ <u>14,397,739</u>
Total Government-Wide	\$ <u>107,874,812</u>	\$ <u>364,903</u>	\$ <u>108,239,715</u>
Governmental Funds			
Major Funds:			
General	\$ 20,281,711	\$ -	\$ 20,281,711
Capital Improvement	\$ 5,632,816	\$ -	\$ 5,632,816
Nonmajor Governmental	\$ <u>11,488,486</u>	\$ <u>-</u>	\$ <u>11,488,486</u>
Total Governmental Funds	\$ <u>37,403,013</u>	\$ <u>-</u>	\$ <u>37,403,013</u>
Enterprise Funds			
Major Funds:			
WWTP	\$ (1,181,019)	\$ 46,651	\$ (1,134,368)
Sewer	\$ <u>15,487,423</u>	\$ <u>(2,176)</u>	\$ <u>15,485,247</u>
Total Enterprise Funds	\$ <u>14,306,404</u>	\$ <u>44,475</u>	\$ <u>14,350,879</u>
Internal Service Funds			
Nonmajor Internal Service	\$ <u>678,869</u>	\$ <u>-</u>	\$ <u>678,869</u>
Total Internal Service Funds	\$ <u>678,869</u>	\$ <u>-</u>	\$ <u>678,869</u>

Newly Issued Accounting Pronouncements, Not Yet Adopted

GASB Statement No. 102, *Certain Risk Disclosures*, was issued in December 2023. The primary objective of this Statement is to require governments to disclose essential information about risks related to vulnerabilities due to certain concentrations or constraints. The requirements of this statement are effective for fiscal years beginning after June 15, 2024. The City has not yet determined the impact that this GASB pronouncements will have on its financial statements and disclosures.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 4: 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 the general laws of the State of Ohio 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 budget basis and the GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as restricted, committed, or assigned fund balance (GAAP).
4. Advances-in and advances- out for governmental funds are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
5. Investments are reported at fair value (GAAP) rather than cost (budget).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statement for the General Fund.

Net Change in Fund Balance

	<u>General</u>
GAAP basis	\$ 1,872,245
Net adjustment for revenue accruals	(467,002)
Net adjustment for expenditure accruals	56,229
Fair value adjustment for investments	(977,121)
Encumbrances	<u>(459,833)</u>
Budget basis	<u>\$ 24,518</u>

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 5: 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 a fund for the major governmental funds and non-major governmental funds are presented below:

	General Fund	Capital Improvement	Total Nonmajor Funds	Total Governmental Funds
Nonspendable:				
Inventory	\$ 77,452	\$ 0	\$ 112,906	\$ 190,358
Prepaid Assets	<u>195,622</u>	<u>0</u>	<u>86,293</u>	<u>281,915</u>
Total Nonspendable	<u>273,074</u>	<u>0</u>	<u>199,199</u>	<u>472,273</u>
Restricted for:				
Building Standards	0	0	1,083	1,083
Capital Improvements	0	5,973,429	5,031,537	11,004,966
Debt Service	0	0	469,876	469,876
Donations and Bequests	0	0	350,788	350,788
Law Enforcement and Education	0	0	253,433	253,433
Marine Patrol	0	0	53,600	53,600
Office on Aging	0	0	809,315	809,315
Refuse and Recycling	0	0	1,058,707	1,058,707
Recreation Center	0	0	171,672	171,672
Security of Persons and Property	0	0	907,826	907,826
OneOhio	0	0	64,220	64,220
Street Construction and Maintenance	0	0	1,311,633	1,311,633
Total Restricted	<u>0</u>	<u>5,973,429</u>	<u>10,483,690</u>	<u>16,457,119</u>
Assigned to:				
Purchases on Order	352,708	0	0	352,708
Subsequent Year's Budget: Appropriation of Fund Balance	<u>9,626,776</u>	<u>0</u>	<u>0</u>	<u>9,626,776</u>
Total Assigned	<u>9,979,484</u>	<u>0</u>	<u>0</u>	<u>9,979,484</u>
Unassigned (Deficit)	<u>11,901,398</u>	<u>0</u>	<u>0</u>	<u>11,901,398</u>
Total Fund Balance	<u>\$ 22,153,956</u>	<u>\$ 5,973,429</u>	<u>\$ 10,682,889</u>	<u>\$ 38,810,274</u>

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 6: Deposits and Investments

The City follows the guidelines for deposit of funds set forth by the City Charter as well as certain provisions of Ohio Revised Code Chapter 135: Uniform Depository Act.

City of Rocky River, Charter, Article VII, Section 3. provides “The Director of Finance may invest moneys of the City in any or all of the following: Investments consistent with the general laws of the State of Ohio in accordance with the Ohio Uniform Depository Act and any amendments thereto, bonds or notes of this City, bonds or other obligations of the United States or other obligations of any political subdivision or taxing district of the State as to which there is no default of principal or interest, in such manner as is now or hereafter provided by ordinance of City Council or by the laws of the State of Ohio, and the State Treasury Asset Reserve (STAR), an investment pool managed by the Ohio Treasurer of State, as defined in Section 135.45(F)(2)(a) of the Ohio Revised Code.”

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

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

Inactive deposits are monies 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 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 may be deposited or invested in the following securities:

1. United States Treasury notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, 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. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 6: Deposits and Investments (Continued)

4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and with certain limitations bonds and other obligations of political subdivisions of the State of Ohio;
6. The State Treasurer's investment pool (STAR Ohio).
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 40% of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2% and be marked to market daily, and the term of the agreement must not exceed thirty days.

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

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

Deposits

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it.

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

Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105% 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 Ohio 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% of the deposits being secured or a rate set by the Treasurer of State.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 6: Deposits and Investments (Continued)

Deposits (Continued)

At year-end, the bank balance of the City's deposits were \$16,420,492. At year-end \$82,483 of the City's total bank balance was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. One of the City's financial institutions participate in the Ohio Pooled Collateral System (OPCS) and was approved by the Ohio Treasurer of State for a reduced collateral floor of 85% resulting in the uninsured and uncollateralized balance.

Investments

Investments are reported at fair value. As of December 31, 2024, the City had the following investments:

Amortized Cost:	Measurement <u>Value</u>	Maturities (in years)	
		<u>Less than 1</u>	<u>More than 1</u>
Money Market	\$ 20,429,416	\$ 20,429,416	\$ 0
STAR Ohio	12,342,307	12,342,307	0
Total	\$ 32,771,723	\$ 32,771,723	\$ 0

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City's investments in a money market account and STAR Ohio are valued at amortized cost (Level 1).

Interest Rate Risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City Charter addresses interest rate risk requiring that the City's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding that need to sell securities on the open market prior to maturity and by investing operating funds primarily in short-term investments. The Ohio Revised Code Chapter 135 also limits security purchases to those that mature within five years unless specifically matched to a specific cash flow. At December 31, 2024, the average days to maturity for STAR Ohio was 27.20 days.

Custodial Risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. All financial institutions and broker/dealers who desire to become qualified for investment transactions with the City must meet a set of standards prescribed by Ohio Revised Code Chapter 135 and be periodically reviewed.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 6: Deposits and Investments (Continued)

Investments (Continued)

Credit Risk is addressed by the City's Charter by the requirements that all investments are authorized by Ohio Revised Code and that the portfolio be diversified both by types of investment and issuer. The City's investments in Star Ohio and the money market both carry an "AAAm" money market rating by Standard & Poor's.

Concentration of Credit Risk is defined by the Governmental Accounting Standards Board as five percent or more in the securities of a single issuer. The City's investment policy requires diversification of the portfolio but does not indicate specific percentage allocations. The following is the City's allocation as of December 31, 2024:

<u>Investment Issuer</u>	<u>Percentage of Investments</u>
Money Market	62 %
STAR Ohio	38 %
	<u>100 %</u>

Note 7: Property Taxes

Property taxes include amounts levied against real and public utility properties located in the City. Property tax revenue received during 2024 represents collections of the 2023 taxes.

2024 real property taxes were levied after October 1, 2024, on the assessed value as of January 1, 2024, the lien date. Assessed values are established by Ohio Revised Code at 35% of appraised value. 2024 real property taxes are collected in and intended to finance 2025.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35% of true value. 2024 public utility property taxes which became a lien December 31, 2023, were levied after October 1, 2024, and were collected in 2025 with real property taxes

The full tax rate for all City operations for the year ended December 31, 2024, was \$10.55 per \$1,000 of assessed value. The full rate for the City is the same as the effective rate. The assessed values of real and public utility properties upon which 2024 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Property	\$ 1,044,594,890
Public Utility	14,078,760
Total	<u>\$ 1,058,673,650</u>

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 7: Property Taxes (Continued)

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, the Ohio Revised Code permits later payment dates to be established.

The Cuyahoga County Fiscal Officer collects property taxes on behalf of all taxing districts in the county, including the City. The County Fiscal Officer periodically remits to the City its portion of the taxes.

Property taxes receivable represents real property taxes, public utility taxes, and outstanding delinquencies which are measurable as of December 31, 2024 and for which there is an enforceable legal claim.

In the governmental funds, a portion of the receivable has been offset by deferred inflows of resources – property taxes, since current taxes were not levied to finance 2024 operations and the collection 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 a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

Note 8: Income Taxes

The City utilizes the Regional Income Tax Agency (RITA) to collect and administer its local income tax. The tax is collected by RITA and remitted to the City on the 1st and 10th business days of each month.

The City levies a municipal income tax of 2% on substantially all income earned within the City. In addition, residents of the City are required to pay the City municipal income tax on income earned outside the City; however, a credit of 1.5% is allowed for income taxes paid to other municipalities, which reduces the effective tax rate to 0.5% for such earnings.

Corporations and other individual taxpayers are required to pay their estimated tax at least quarterly and file a final return annually. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly.

All income tax monies are credited to the General Fund, Equipment Replacement Fund, Capital Improvements Fund, and Sanitary Sewer Fund.

Enabling legislation provides income tax monies may be credited to the General Fund, Equipment Replacement Fund, Capital Improvements Fund, and Sanitary Sewer Fund.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 9: Receivables

Receivables at December 31, 2024, consisted of taxes, accounts (billings for user charged services), special assessments, interest, lease, and intergovernmental receivables. Receivables are recorded net of an allowance for estimated uncollectible amounts. The allowance is based on a historical percentage of collections of amounts billed. The City has estimated \$778,467 in uncollectible billings for user charged services.

A summary of Intergovernmental Receivables follows:

Governmental Activities:

Homestead and Rollback	\$ 764,083
Local Government	299,783
Rocky River Municipal Court	134,870
Grant Reimbursements	234,011
Miscellaneous	39,723
Auto Registration and Gasoline Tax	562,850
Permissive Tax	<u>11,049</u>
Total governmental activities	2,046,369

Business-type activities:

WWTP Capital Acquisitions on Behalf of Members	\$ 11,464,292
Total business-type activities	<u>11,464,292</u>
Total Intergovernmental Receivable	\$ <u>13,510,661</u>

Special assessments are expected to be collected within one-year. The amount of delinquent special assessments outstanding is \$128,837 at December 31, 2024.

Lease Receivable

On December 21, 2020, the City entered into a lease agreement with the Cleveland Clinic to lease space within the Don Umerley Civic Center. The lease was for three years with two one-year renewal periods. The City recognized lease revenue of \$35,136 and interest revenue of \$143 in 2024 related to lease payments received. A summary of future lease receipts is as follows:

Governmental activities:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 36,486	\$ 72	\$ 36,558

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 10: Capital Assets

A summary of changes in capital assets during 2024 follows:

	Balance 12/31/23	Additions	Deletions	Balance 12/31/24
Governmental Activities				
<i>Non-Depreciable Capital Assets</i>				
Land	\$ 2,017,826	\$ 0	\$ 0	\$ 2,017,826
Land Improvements	214,408	0	0	214,408
Construction in Progress	<u>13,567,601</u>	<u>5,781,830</u>	<u>(10,737,332)</u>	<u>8,612,099</u>
<i>Total Non-Depreciable Capital Assets</i>	<u>15,799,835</u>	<u>5,781,830</u>	<u>(10,737,332)</u>	<u>10,844,333</u>
<i>Depreciable Capital Assets</i>				
Land Improvements	7,296,637	8,904,483	0	16,201,120
Buildings	48,463,088	2,421,955	0	50,885,043
Furniture, Fixtures and Equipment	11,013,570	627,894	0	11,641,464
Vehicles	11,993,224	885,172	(745,112)	12,133,284
Infrastructure:				
Roads	48,333,596	4,088,782	(2,627)	52,419,751
Sidewalks	3,544,259	0	0	3,544,259
Traffic Signals	3,184,358	0	0	3,184,358
Storm Sewers	14,346,079	1,427,400	0	15,773,479
Intangible assets:				
Lease assets – equipment	51,168	0	0	51,168
Subscription asset	0	32,017	0	32,017
<i>Total Depreciable Capital Assets</i>	<u>148,225,979</u>	<u>18,387,703</u>	<u>(747,739)</u>	<u>165,865,943</u>
<i>Less Accumulated Depreciation / Amortization:</i>				
Land Improvements	(3,005,833)	(318,728)	0	(3,324,561)
Building	(18,265,506)	(876,051)	0	(19,141,557)
Furniture, Fixtures and Equipment	(7,824,661)	(558,398)	0	(8,383,059)
Vehicles	(9,202,877)	(669,272)	745,112	(9,127,037)
Infrastructure:				
Roads	(24,497,295)	(1,265,332)	2,627	(25,760,000)
Sidewalks	(777,714)	(88,614)	0	(866,328)
Traffic Signals	(2,801,743)	(25,683)	0	(2,827,426)
Storm Sewers	(3,067,281)	(195,257)	0	(3,262,538)
Intangible assets:				
Lease assets – equipment	(21,320)	(25,584)	0	(46,904)
Subscription asset	0	(3,169)	0	(3,169)
<i>Total Accumulated Depreciation / Amortization</i>	<u>(69,464,230)</u>	<u>(4,026,088)</u>	<u>747,739</u>	<u>(72,742,579)</u>
<i>Total Depreciable Capital Assets, Net</i>	<u>78,761,749</u>	<u>14,361,615</u>	<u>0</u>	<u>93,123,364</u>
<i>Total Governmental Activities</i>				
<i>Capital Assets, Net</i>	<u>\$ 94,561,584</u>	<u>\$ 20,143,445</u>	<u>\$ (10,737,332)</u>	<u>\$ 103,967,697</u>

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 10: Capital Assets (Continued)

	Balance 12/31/23	Additions	Deletions	Balance 12/31/24
Business-Type Activities				
<i>Non-Depreciable Capital Assets</i>				
Land	\$ 39,516	\$ 0	\$ 0	\$ 39,516
Right-of-Way	250,000	0	0	250,000
Construction in Progress	9,418,593	6,631,678	(6,854,426)	9,195,845
<i>Total Non-Depreciable Capital Assets</i>	<u>9,708,109</u>	<u>6,631,678</u>	<u>(6,854,426)</u>	<u>9,485,361</u>
<i>Depreciable Capital Assets</i>				
Furniture, Fixtures and Equipment	774,383	118,054	(17,366)	875,071
Vehicles	917,155	553,884	0	1,471,039
Sewer Lines	31,174,879	1,645,991	0	32,820,870
Treatment Plant	16,974,020	60,042	(12,507)	17,021,555
<i>Total Depreciable Capital Assets</i>	<u>49,840,437</u>	<u>2,377,971</u>	<u>(29,873)</u>	<u>52,188,535</u>
<i>Less Accumulated Depreciation:</i>				
Furniture, Fixtures and Equipment	(546,648)	(46,967)	17,366	(576,249)
Vehicles	(721,507)	(117,076)	0	(838,583)
Sewer Lines	(10,148,665)	(424,088)	0	(10,572,753)
Treatment Plant	(11,732,012)	(405,773)	5,003	(12,132,782)
<i>Total Accumulated Depreciation</i>	<u>(23,148,832)</u>	<u>(993,904)</u>	<u>22,369</u>	<u>(24,120,367)</u>
<i>Total Depreciable Capital Assets, Net</i>	<u>26,691,605</u>	<u>1,384,067</u>	<u>(7,504)</u>	<u>28,068,168</u>
<i>Total Business-Type Activities</i>				
Capital Assets, Net	\$ <u>36,399,714</u>	\$ <u>8,015,745</u>	\$ <u>(6,861,930)</u>	\$ <u>37,553,529</u>

Depreciation and amortization expense was charged to governmental functions as follows:

General Government	\$ 380,111
Security of Persons and Property	574,157
Public Health	92,188
Transportation	1,463,132
Community Development	13,627
Basic Utility Service	530,181
Leisure Time Activities	<u>972,692</u>
<i>Total</i>	<u>\$ 4,026,088</u>

During 2024, \$405,864 of the construction in progress additions, \$542,801 of vehicles, and \$47,497 of equipment additions on the business-type activities were funded with governmental fund resources. This activity is also reported as contributed capital on the proprietary funds financial statements and as a transfer in the statement of activities.

Also during 2024, \$2,605,608 of the roads additions and \$1,427,400 of storm sewer additions on the governmental activities were funded with business-type fund resources. On the statement of activities, the transaction between governmental activities and business-type activities is reported as a transfer.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 10: Capital Assets (Continued)

In addition, during 2024, the City determined that \$1,108,997 of one of the construction in progress projects related to a water main replacement, which is maintained by another entity. As such, these costs were expensed during 2024. This activity is reported as capital distributions on the proprietary funds financial statements.

During 2024, the WWTP made \$341,289 of capital acquisitions on behalf of the other Member Cities. As such, these costs were expensed during 2024. This activity is reported as capital distributions on the proprietary funds financial statements.

Note 11: SBITA Obligation

The City entered into noncancelable SBITA agreements for email filters and firewall protection. These contract meets the definition of a SBITA under GASB Statement No. 96. The agreements required a payment of \$9,150 and \$22,898, respectively, at the inception of the agreements. These agreements expire in March 2027 and December 2027, respectively.

Note 12: Rocky River Wastewater Treatment Plant

The Plant is located at 22303 Lake Road in Rocky River on land owned by that Member City.

The Plant supplies participating residents of the WWTP Member Cities, with a combined population of approximately 83,373, with wastewater treatment services. The Plant is designed to treat an average daily flow of 22.5 million gallons per day (MGD) and has a primary treatment capacity of 128 MGD and a secondary treatment capacity of 45 MGD.

Pursuant to an organizing agreement, as amended from time to time, an operational structure and certain managerial guidelines for the Plant are stipulated. In addition, the organizing agreement provides that legal title to the Rocky River Wastewater Treatment Plant is held jointly by the WWTP Member Cities.

Permitting and Compliance

The Plant operates under authority of Ohio Environmental Protection Agency (Ohio EPA) National Pollution Discharge Elimination System (NPDES) Permit No. 3PE00009*ND that was issued January 6, 2023 effective for the period February 1, 2023 to January 31, 2028.

In addition, the Plant is regulated by the Ohio EPA to limit air contaminants generated by the anaerobic digestion process and associated control equipment. On July 27, 2021, the Ohio EPA issued Air Pollution Permit-to-Install and Operate Permit Number P0130237 effective for the period July 21, 2021 through July 27, 2031.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 12: Rocky River Wastewater Treatment Plant (Continued)

In 2024, the Plant received preliminary notices of non-compliance for seven issues. All violations and corrective actions were timely reported to the Ohio EPA. As of the date of this report, no fines or penalties have been either proposed or imposed. Further, Plant management is of the opinion no fines or penalties will result from these issues.

Note 13: Risk Management

The City is exposed to various risks related to damage to, theft of and destruction of assets; torts; errors and omissions; natural disasters; and injuries to employees. During 2024, the City obtained insurance coverage with private insurance carriers to address exposure to certain of these risks.

There has not been a significant reduction in coverage from the prior year and settled claims have not exceeded coverage in any of the past three years.

Protection for employees injured while at work is provided through the two agencies of the State of Ohio: the Bureau of Workers' Compensation (BWC) and the Industrial Commission of Ohio (IC). The BWC has the administrative and insurance function, collecting workers' compensation insurance premiums from employers, and overseeing compensable claims of injured workers. The IC is the claims adjudicative branch that resolves disputes arising from a workers' compensation claim. Also, the City has contracted with a third-party administrator and a managed care organization to provide case management, consulting, and administrative services.

Since May 2002, the City has provided employees (and eligible dependents) medical and prescription drug benefits on a partially self-insured basis; dental benefits are provided on a fully-insured basis.

The City contracts with a third-party administrator to process and pay claims and has obtained stop-loss coverage for claims individually and stop-loss coverage for aggregate per year claims. The City pays a monthly premium into the Self-Insurance Fund for each employee that varies according to coverage elected. The monthly premium charge is paid by the fund from which the employees' salary is paid. Incurred but not reported claims of \$208,485 have been accrued as a liability at December 31, 2024 based on an estimate by the third-party administrator.

Changes in the fund's claims liability amount were:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2024	\$ 202,727	\$ 2,783,263	\$ 2,777,505	\$ 208,485
2023	161,794	2,347,032	2,306,099	202,727

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 14: Defined Benefit Pension Plans

A. Net Pension/OPEB Liability (Asset)

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

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

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

GASB 68 and 75 assumes the liability (asset) is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for OPEB benefits including primarily health care. In most cases, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium.

State statute requires the retirement systems to amortize unfunded pension/OPEB liabilities within 30 years. If the pension/OPEB amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension/OPEB liability (asset)* on the accrual basis of accounting. Any liability for the contractually-required contribution outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 15 for the required OPEB disclosures.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 14: Defined Benefit Pension Plans (Continued)

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

Plan Description – City employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer public employee retirement system comprised of three separate pension plans: the traditional pension plan, a defined benefit plan; the combined plan, a hybrid defined benefit/defined contribution plan; and the member-directed plan, a defined contribution plan. Effective January 1, 2022, new members may no longer select the combined plan, and current members may no longer make a plan change to this plan. In October 2023, the legislature approved House Bill (HB) 33 which allows for the consolidation at the discretion of OPERS. As of December 31, 2023, the consolidation has not been executed (the latest information available).

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 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 and combined plans 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 Age and Service Requirements: Age 60 with 5 years of service credit or Age 55 with 25 years of service credit	State and Local Age and Service Requirements: Age 60 with 5 years of service credit or Age 55 with 25 years of service credit	State and Local Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1.0% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1.0% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1.0% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

Final average salary 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.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 14: Defined Benefit Pension Plans (Continued)

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

Traditional plan members who retire before meeting the age and years of service requirements for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests at retirement. Combined plan member retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the member's original base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3%. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3%.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans.

Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20% each year.

At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of their benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14% of covered payroll for state and local employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 10% of covered payroll for members in the state and local classifications.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 14: Defined Benefit Pension Plans (Continued)

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

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 for 2024 was 0% for the traditional plan, 2% for the combined plan, and 4% for members in the member-directed plan. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution for the traditional plan, net of postemployment health care benefits, for 2024 was \$1,642,690. The contractually required contribution for the combined plan, net of postemployment health care benefits, for 2024 was \$25,011. For the 2024 amounts, \$188,764 is reported as intergovernmental payable at December 31, 2024.

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

Plan Description - the City's full-time police and fire participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer public employee retirement system 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.

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

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

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 14: Defined Benefit Pension Plans (Continued)

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

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3% of the member's base pension benefit.

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3% or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

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

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 19.5% of covered payroll for police employer units and 24.0% for fire employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 12.25% of covered payroll for police and fire. Actual contribution rates match the current limits. 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 0.5% for 2024 for police and fire employer units. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

In 2024, the City's contractually required contribution, net of postemployment health care benefits, was \$1,398,049. Of this amount, \$164,028 is reported as intergovernmental payable at December 31, 2024.

D. Pension Liabilities (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability (asset) for OPERS was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2023, and was determined by rolling forward the total pension liability as of January 1, 2023 to December 31, 2023. The City's proportion of the net pension liability (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 14: Defined Benefit Pension Plans (Continued)

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

Following is information related to the proportionate share and pension expense:

	OPERS Traditional	OPERS Combined	OP&F	Total
Proportion of the Net Pension Liability/Asset Prior Measurement Date	0.063198%	0.039619%	0.238793%	
Proportion of the Net Pension Liability/Asset Current Measurement Date	<u>0.065691%</u>	<u>0.048758%</u>	<u>0.226361%</u>	
Change in Proportionate Share	0.002493%	0.009139%	(0.012432%)	
Proportionate Share of the Net Pension Liability	\$ 17,198,172	\$ 0	\$ 21,869,606	\$ 39,067,778
Proportionate Share of the Net Pension (Asset)	\$ 0	\$ (149,870)	\$ 0	\$ (149,870)
Pension Expense	\$ 1,946,604	\$ 2,123	\$ 1,959,748	\$ 3,908,475

Pension expense for the member-directed defined contribution plan was \$31,986 in 2024. For 2024, the aggregate pension expense for all pension plans was \$3,940,461.

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS Traditional	OPERS Combined	OP&F	Total
Deferred Outflows of Resources				
City Contributions Subsequent to the Measurement Date	\$ 1,642,690	\$ 25,011	\$ 1,398,049	\$ 3,065,750
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,471,324	24,376	2,478,286	5,973,986
Differences in Employer Contributions and Change in Proportionate Share	290,550	31,362	281,550	603,462
Difference Between Expected and Actual Experience	281,090	6,073	702,079	989,242
Change in Assumptions	<u>0</u>	<u>5,562</u>	<u>1,382,135</u>	<u>1,387,697</u>
Total Deferred Outflows of Resources	<u>\$ 5,685,654</u>	<u>\$ 92,384</u>	<u>\$ 6,242,099</u>	<u>\$ 12,020,137</u>
Deferred Inflows of Resources				
Differences in Employer Contributions and Change in Proportionate Share	\$ 105,912	\$ 25,301	\$ 1,229,326	\$ 1,360,539
Difference Between Expected and Actual Experience	0	14,824	244,587	259,411
Change in Assumptions	<u>0</u>	<u>0</u>	<u>332,116</u>	<u>332,116</u>
Total Deferred Inflows of Resources	<u>\$ 105,912</u>	<u>\$ 40,125</u>	<u>\$ 1,806,029</u>	<u>\$ 1,952,066</u>

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 14: Defined Benefit Pension Plans (Continued)

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

The \$3,065,750 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending December 31:	OPERS Traditional	OPERS Combined	OP&F	Total
2025	\$ 963,905	\$ 5,070	\$ 814,903	\$ 1,783,878
2026	1,252,249	8,055	918,549	2,178,853
2027	2,215,204	15,396	1,543,097	3,773,697
2028	(494,306)	(2,684)	(181,982)	(678,972)
2029	0	1,758	(54,900)	(53,142)
2030-2031	0	(347)	(1,646)	(1,993)
	<u>\$ 3,937,052</u>	<u>\$ 27,248</u>	<u>\$ 3,038,021</u>	<u>\$ 7,002,321</u>

E. Actuarial Assumptions – OPERS

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

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The active member population which consists of members in the Traditional and Combined plans is assumed to remain constant. For purposes of financing the unfunded actuarial accrued liabilities, total payroll is assumed to grow at the wage inflation rate indicated below.

Key methods and assumptions used in valuation of total pension liability/asset - 2023

	OPERS Traditional Plan	OPERS Combined Plan
Valuation date	December 31, 2023	December 31, 2023
Experience study	5-year period ended	5-year period ended
	December 31, 2020	December 31, 2020
Actuarial cost method	Individual entry age	Individual entry age
Actuarial assumptions:		
Investment rate of return	6.90%	6.90%
Wage inflation	2.75%	2.75%

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 14: Defined Benefit Pension Plans (Continued)

E. Actuarial Assumptions – OPERS (Continued)

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>
Projected salary increases, including 2.75% wage inflation	2.75 to 10.75%	2.75 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 retirees	3.00% Simple	3.00% Simple
Post-Jan 7, 2013 retirees	2.30% Simple through 2024 then 2.05% Simple	2.30% Simple though 2024 then 2.05% Simple

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females). Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females). Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females). 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.

OPERS conducts an experience study every five years in accordance with Ohio Revised Code Section 145.22. The study for the five-year period ended December 31, 2020, and methods and assumptions were approved and adopted by the OPERS Board of Trustees.

OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the traditional plan, the defined benefit component of the combined plan and the annuitized accounts of the member-directed plan. The money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for changing amounts actually invested for the Defined Benefit portfolio was a gain of 11.2% for 2023.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board 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 arithmetic real rates of return were provided by the Board's investment consultant.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 14: Defined Benefit Pension Plans (Continued)

E. Actuarial Assumptions – OPERS (Continued)

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

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed income	24.00%	2.85%
Domestic equities	21.00	4.27
Real estate	13.00	4.46
Private equity	15.00	7.52
International equities	20.00	5.16
Risky parity	2.00	4.38
Other investments	5.00	3.46
Total	<u>100.00%</u>	

Discount Rate The discount rate used to measure the total pension liability for measurement year 2023 was 6.9%. 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 statutorily 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 (Asset) to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 6.9%, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (5.9%) or one-percentage-point higher (7.9%) than the current rate:

	1% Decrease (5.9%)	Discount Rate (6.9%)	1% Increase (7.9%)
City's Proportionate Share of the Net Pension Liability – Traditional	\$ 27,074,546	\$ 17,198,172	\$ 8,983,301
City's Proportionate Share of the Net Pension (Asset) – Combined	\$ (90,688)	\$ (149,870)	\$ (196,491)

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 14: Defined Benefit Pension Plans (Continued)

F. Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2023 is based on the results of an actuarial valuation date of January 1, 2023, and rolled-forward using generally accepted actuarial procedures. Actuarial valuations of an ongoing retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements, and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth. The changes in assumptions are being amortized over the estimated remaining useful life of the participants which was 6.03 years at December 31, 2023.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2023, are presented below:

Actuarial cost method	Entry age normal
Investment rate of return	7.50%
Projected salary increases	3.75% - 10.50%
Payroll growth	3.25% per annum, compounded annually, consisting of inflation rate of 2.75% plus productivity increase rate of 0.50%
Cost of living adjustments	2.20% simple per year

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.

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. All rates are projected using the MP-2021 Improvement Scale.

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.

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

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 14: Defined Benefit Pension Plans (Continued)

F. Actuarial Assumptions – OP&F (Continued)

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years.

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, 2023 are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic equity	18.6%	4.1%
International equity	12.4	4.9
Private markets	10.0	7.3
Core fixed income*	25.0	2.4
High yield fixed income	7.0	4.1
Private credit	5.0	6.8
U.S. inflation linked bonds*	15.0	2.1
Midstream energy infrastructure	5.0	5.8
Real assets	8.0	6.0
Gold	5.0	3.5
Private real estate	12.0	5.4
Commodities	2.0	3.5
Total	<u>125.0%</u>	

Note: Assumptions are geometric.

*Levered 2.5x

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.

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

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 14: Defined Benefit Pension Plans (Continued)

F. 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%, 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%), or one percentage point higher (8.50%) than the current rate.

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
City's Proportionate Share of the Net Pension Liability	\$ 28,967,922	\$ 21,869,606	\$ 15,966,666

Note 15: Postemployment Benefits

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

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the traditional pension, combined and member-directed plans. The Ohio Revised Code (ORC) 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 ORC. Retirees in the traditional pension and combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice and other eligible expenses. An OPERS vendor is available to assist with the selection of a health care program.

With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 15: Postemployment Benefits (Continued)

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

OPERS members enrolled in the traditional 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:

Age 65 or older Retirees Minimum of 20 years of qualifying service credit

Age 60 to 64 Retirees Based on the following age-and-service criteria:

Group A 30 years of total service with at least 20 years of qualified health care service credit;

Group B 31 years of total service credit with at least 20 years of qualified health care service credit; or

Group C 32 years of total service credit with at least 20 years of qualified health care service credit.

Age 59 or Younger Based on the following age-and-service criteria:

Group A 30 years of qualified health care service credit;

Group B 32 years of qualified health care service credit at any age or 31 years of qualified health care service credit and at least age 52; or

Group C 32 years of qualified health care service credit and at least age 55

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.

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

The base allowance is determined by OPERS and is currently \$1,200 per month for non-Medicare retirees and \$350 per month for Medicare retirees. The retiree receives a percentage of the base allowance, calculated based on years of qualifying service credit and age when the retiree first enrolls in OPERS healthcare. Monthly allowances range between 51% and 90% of the base allowance for both non-Medicare and Medicare retirees.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 15: Postemployment Benefits (Continued)

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

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50% of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

Participants in the Member-Directed Plan have access to the Connector and have a separate health care funding mechanism. A portion of employer contributions for these participants is allocated to a retiree medical account (RMA). Members who elect the Member-Directed Plan after July 1, 2015, will vest in the RMA over 15 years at a rate of 10% each year starting with the sixth year of participation. Members who elected the Member-Directed Plan prior to July 1, 2015, vest in the RMA over a five-year period at a rate of 20% per year. Upon separation or retirement, participants may use vested RMA funds for reimbursement of qualified medical expenses.

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2024, state and local employers contributed at a rate of 14% of earnable salary. This is 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 2024, the portion of the employer's contribution allocated to health care was 0% for the traditional plan, 2% for the combined plan, and 4% for members in the member-directed 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.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. In 2024, the City's contractually required contribution for postemployment health care benefits was \$16,920. Of this amount, \$1,915 is reported as intergovernmental payable at December 31, 2024.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 15: Postemployment Benefits (Continued)

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

Plan Description – the City's full-time police participate in the OP&F sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

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

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

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

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

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

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5% of covered payroll for police and 24.0% of covered payroll for fire. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police and 24.0% for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2024, the portion of employer contributions allocated to health care was 0.5% 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.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 15: Postemployment Benefits (Continued)

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

The City's contractually required contribution to OP&F was \$32,934 for 2024. Of this amount, \$3,862 is reported as intergovernmental payable at December 31, 2024.

C. OPEB Liability (Asset), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB asset for OPERS as of December 31, 2024 was measured as of December 31, 2023. The total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2022 and rolled forward to the measurement date of December 31, 2023, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The City's proportion of the net OPEB asset was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating entities.

OP&F's net OPEB liability was measured as of December 31, 2023, and was determined by rolling forward the total OPEB liability as of January 1, 2023, to December 31, 2023. 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:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the Net OPEB Liability/Asset Prior Measurement Date	0.061328%	0.238793%	
Proportion of the Net OPEB Liability/Asset Current Measurement Date	<u>0.063969%</u>	<u>0.226361%</u>	
Change in Proportionate Share	0.002641%	(0.012432%)	
Proportionate Share of the Net OPEB (Asset)	\$ (577,336)	\$ 0	\$ (577,336)
Proportionate Share of the Net OPEB Liability	\$ 0	\$ 1,652,731	\$ 1,652,731
(Reduction of) OPEB Expense	\$ (73,914)	\$ 50,717	\$ (23,197)

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 15: Postemployment Benefits (Continued)

C. OPEB Liability (Asset), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS	OP&F	Total
Deferred Outflows of Resources			
City Contributions Subsequent to the Measurement Date	\$ 16,920	\$ 32,934	\$ 49,854
Differences in Employer Contributions and Change in Proportionate Share	0	62,181	62,181
Difference Between Expected and Actual Experience	0	79,475	79,475
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	346,723	122,044	468,767
Change in Assumptions	<u>148,634</u>	<u>568,721</u>	<u>717,355</u>
Total Deferred Outflows of Resources	<u><u>\$ 512,277</u></u>	<u><u>\$ 865,355</u></u>	<u><u>\$ 1,377,632</u></u>
 Deferred Inflows of Resources			
Difference Between Expected and Actual Experience	\$ 82,170	\$ 303,724	\$ 385,894
Change in Assumptions	248,179	1,064,321	1,312,500
Differences in Employer Contributions and Change in Proportionate Share	<u>23,028</u>	<u>203,905</u>	<u>226,933</u>
Total Deferred Inflows of Resources	<u><u>\$ 353,377</u></u>	<u><u>\$ 1,571,950</u></u>	<u><u>\$ 1,925,327</u></u>

The \$49,854 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 for the year ended December 31, 2025. 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
Fiscal Year Ending December 31:			
2025	\$ (30,303)	\$ (44,496)	\$ (74,799)
2026	19,467	(98,843)	(79,376)
2027	269,893	(64,270)	205,623
2028	(117,077)	(160,319)	(277,396)
2029	0	(168,339)	(168,339)
2030-2032	<u>0</u>	<u>(203,262)</u>	<u>(203,262)</u>
	<u><u>\$ 141,980</u></u>	<u><u>\$ (739,529)</u></u>	<u><u>\$ (597,549)</u></u>

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 15: Postemployment Benefits (Continued)

D. Actuarial Assumptions – OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. 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:

	<u>Assumptions</u>
Valuation date	December 31, 2022
Rolled-forward measurement date	December 31, 2023
Experience study	5-year period ended December 31, 2020
Actuarial cost method	Individual entry age normal
Projected salary increases, including 2.75% wage inflation	2.75 to 10.75%
Investment rate of return	6.00%
Municipal bond rate	3.77%
Single discount rate of return	5.70%
Health care cost trend	Initial 5.50% to 3.50% ultimate in 2038

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality Tables (males and females). Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females). Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females). 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.

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 gain of 14.0% for 2023.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 15: Postemployment Benefits (Continued)

D. Actuarial Assumptions – OPERS (Continued)

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future 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 and the long-term expected real rates of return:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed income	37.00%	2.82%
Domestic equities	25.00	4.27
Real estate	5.00	4.68
International equities	25.00	5.16
Risk parity	3.00	4.38
Other investments	5.00	2.43
Total	<u>100.00%</u>	

Discount Rate A single discount rate of 5.70% was used to measure the total OPEB liability on the measurement date of December 31, 2023. 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% and a municipal bond rate of 3.77% for the measurement date of December 31, 2023. 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 the year 2070. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2070, and the municipal bond rate was applied to all health care costs after that date.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 15: Postemployment Benefits (Continued)

D. Actuarial Assumptions – OPERS (Continued)

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 5.70%, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.70%) or one-percentage-point higher (6.70%) than the current rate:

	<u>1% Decrease</u> (4.22%)	<u>Discount Rate</u> (5.22%)	<u>1% Increase</u> (6.22%)
City's Proportionate Share of the Net OPEB Liability (Asset)	\$ 317,286	\$ (577,336)	\$ (1,318,401)

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability (asset). The following table presents the net OPEB liability (asset) calculated using the assumed trend rates, and the expected net OPEB liability (asset) if it were calculated using a health care cost trend rate that is 1.0% lower or 1.0% 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 2024 is 5.50%. 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% in the most recent valuation.

	<u>Cost Trend</u>		
	<u>1% Decrease</u>	<u>Rate</u>	<u>1% Increase</u>
City's Proportionate Share of the Net OPEB (Asset)	\$ (601,309)	\$ (577,336)	\$ (550,133)

Assumption Changes Since the Prior Measurement Date Municipal bond rate decreased from 4.05% to 3.77%. The single discount rate increased from 5.22% to 5.70%. The health care cost trend rate changed from 5.50% initial, 3.50% ultimate in 2036 to 5.50% initial, 3.50% ultimate in 2038.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 15: Postemployment Benefits (Continued)

E. Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2023, is based on the results of an actuarial valuation date of January 1, 2023, 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 retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements, and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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:

Actuarial cost method	Entry age normal
Investment rate of return	7.50%
Salary increases	3.75% – 10.50%
Payroll growth	3.25%
Blended discount rate	
Prior measurement date	4.27%
Current measurement date	4.07%
Cost of living adjustments	2.20% simple per year
Projected depletion year of OPEB assets	2038

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.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 15: Postemployment Benefits (Continued)

E. Actuarial Assumptions – OP&F (Continued)

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. All rates are projected using the MP-2021 Improvement Scale.

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.

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 OP&F's Statement of Investment Policy. A forecasted rate of inflation serves as a 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 average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2023, are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic equity	18.6%	4.1%
International equity	12.4	4.9
Private markets	10.0	7.3
Core fixed income*	25.0	2.4
High yield fixed income	7.0	4.1
Private credit	5.0	6.8
U.S. inflation linked bonds*	15.0	2.1
Midstream energy infrastructure	5.0	5.8
Real assets	8.0	6.0
Gold	5.0	3.5
Private real estate	12.0	5.4
Commodities	2.0	3.5
Total	125.0%	

Note: Assumptions are geometric.

*Levered 2x

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

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 15: Postemployment Benefits (Continued)

E. Actuarial Assumptions – OP&F (Continued)

Discount Rate For 2023, the total OPEB liability was calculated using the discount rate of 4.07%. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 7.5%. 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% was applied to periods before December 31, 2037, and the Municipal Bond Index Rate of 3.38% was applied to periods on and after December 31, 2037, resulting in a discount rate of 4.07%.

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 4.07%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.07%), or one percentage point higher (5.07%) than the current rate.

	1% Decrease (3.07%)	Discount Rate (4.07%)	1% Increase (5.07%)
City's Proportionate Share of the Net OPEB Liability	\$ 2,035,707	\$ 1,652,731	\$ 1,330,192

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

Note 16: Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements, the Ohio Revised Code, City ordinances and employment policy. Vacation leave is earned at rates which vary depending upon length of service and standard work week. Vacation accumulation is limited to ten weeks. Vacation leave not used within two years is eliminated from the employee's leave balance. All accumulated unused vacation time is paid upon termination of employment.

Employees earn sick leave at the rate of 2.3 hours for every 40 hours worked, except for the fire division where employees earn 9.60 hours for every 168 hours worked. Sick leave accumulation is limited to 960 hours, except for the fire division where a maximum of 1,384 hours may be accumulated. City employees with five or more years of service are paid for their accumulated sick leave upon termination or retirement.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 17: Conduit Debt

West Shore Unitarian Universalist Church

In October 2005, the City issued \$1,350,000 Economic Development Revenue Bonds, Series 2005 (Bonds) pursuant to a Loan Agreement dated October 3, 2005 between the City and the West Shore Unitarian Universalist Church (the “Borrower”). The Bonds were issued for the purpose of making a loan to the Borrower, an Ohio nonprofit corporation to acquire, construct, renovate, furnish, and equip an approximately 12,000 square foot area of the Borrower’s facility at 20401 Hilliard Boulevard, Rocky River, which will be used by the Borrower, acting as the “West Shore Child Care Center” in its operation of day care and pre-school facilities. The properties financed are pledged as collateral, and the bonds are payable solely from payments received from the private-sector entities on the underlying loan. In addition, no commitments beyond the collateral, the payments from the private-sector entities, and maintenance of the tax-exempt status of the conduit debt obligation were extended by the City for any of those bonds.

The Bond Service Charges payable from revenue assigned to secure such payment are not payable from other funds of the City whether raised by taxation or otherwise received. Accordingly, the Bonds are not reported as a liability of the City in the accompanying financial statements. The Bonds are payable in 240 monthly payments from November 1, 2005 through October 1, 2025 inclusive.

<u>Description</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Outstanding 12/31/24</u>	<u>Date of Maturity</u>
Economic Development Revenue Bonds, Series 2005	\$ 1,350,000	2.51%	\$ 23,518	October 1, 2025

The loan agreement provides for interest rate adjustments at five-year increments. The rate shown became effective October 1, 2020 and is effective until the loan matures on October 1, 2025.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 18: Long-Term Obligations

The original issue date, interest rate, issue amount and date of maturity of each of the City's bonds and loans follows:

<u>Debt Issue</u>	<u>Interest Rate (%)</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
<i>Governmental Activities</i>			
General Obligation Bonds			
2014 Civic Facility Improvements Refunded	3.50	\$ 4,640,000	December 1, 2024
2014 General Purpose Refunded	3.50	4,540,000	December 1, 2024
2022 Police Station	4.00-5.00	9,890,000	December 1, 2047
Special Assessment Bonds			
2000 Erosion Control (B)	5.25-5.50	360,000	December 1, 2025
OPWC Loans			
Hampton Road and Lakeview Avenue Sewer	0.00	4,438,507	July 1, 2051
<i>Business –Type Activities</i>			
OPWC Loans			
Hampton Road Storm and Sanitary Sewer Improvement	0.00	3,268,413	July 1, 2045
Valley View Storm and Sanitary Sewer Improvement	0.00	2,541,718	January 1, 2045
Frazier Drive Sewer Improvement	0.00	2,891,803	July 1, 2046
Avalon Drive Sewer Improvement	0.00	4,196,825	July 1, 2048
Hampton Road and Lakeview Avenue Sewer Improvement	0.00	4,438,507	January 1, 2051
WWTP Trickling Filter Recycling Pump Replacement	0.00	274,272	January 1, 2028
WWTP Improvements	0.00	2,315,682	July 1, 2029
WWTP Improvements 2008-2009	0.00	368,524	January 1, 2031
WWTP Improvements 2013-2016	0.00	700,634	January 1, 2044
WWTP Improvements 2014-2017	0.00	795,641	July 1, 2037
WWTP Improvements 2017-2020	0.00	1,080,619	January 1, 2053
2020 Rocky River Sewer Improvement	0.00	2,970,014	July 1, 2054
Spencer Road Sewer and Pavement Improvements	0.00	427,212	January 1, 2044
OWDA Loans			
WWTP Expansion and Improvement	5.50	11,582,102	July 1, 2025
WWTP CEPT and Final Clarifier Improvements	0.00	NA	Pending

NA – Amortized loan balance has not been determined.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 18: Long-Term Obligations (Continued)

The changes in long-term obligations during the year were as follows:

	Restated Outstanding 12/31/23	Additions	Reductions	Outstanding 12/31/24	Amount Due in One Year
Governmental Activities					
General Obligation Bonds					
2014 Civic Facility Improvements					
Refunded	\$ 580,000	\$ 0	\$ 580,000	\$ 0	\$ 0
2014 General Purpose Refunded	535,000	0	535,000	0	0
2022 Police Station	9,865,000	0	25,000	9,840,000	260,000
Unamortized Premium	119,815	0	61,789	58,026	0
Total General Obligation Bonds	<u>11,099,815</u>	<u>0</u>	<u>1,201,789</u>	<u>9,898,026</u>	<u>260,000</u>
Special Assessment Bonds					
2000 Erosion Control (B)	<u>30,000</u>	<u>0</u>	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>
Ohio Public Works Commission (OPWC) Loans*					
Hampton Road and Lakeview					
Avenue Sewer Improvement	<u>205,522</u>	<u>0</u>	<u>7,472</u>	<u>198,050</u>	<u>7,472</u>
Other Long-Term Obligations					
Compensated Absences Payable^	4,478,271	0	232,126	4,246,145	2,014,488
Lease Payable*	14,118	0	14,118	0	0
Asset Retirement Obligations	75,862	12,481	0	88,343	0
SBITA*	0	32,017	32,017	0	0
Financed Purchase*	0	418,931	74,504	344,427	78,880
Net Pension Liability	38,271,428	0	2,041,347	36,230,081	0
OPEB Liability	2,023,019	0	370,288	1,652,731	0
Total Other Long-Term Obligations	<u>44,862,698</u>	<u>463,429</u>	<u>2,764,400</u>	<u>42,561,727</u>	<u>2,093,368</u>
<i>Total Governmental Activities</i>	<i>\$ 56,198,035</i>	<i>\$ 463,429</i>	<i>\$ 3,988,661</i>	<i>\$ 52,672,803</i>	<i>\$ 2,375,840</i>

Business-Type Activities

Ohio Public Works Commission (OPWC) Loans*

Valley View Storm and Sanitary					
Sewer Improvement	\$ 1,821,564	\$ 0	\$ 84,724	\$ 1,736,840	\$ 84,724
Hampton Road Storm and Sanitary					
Sewer Improvement	2,396,836	0	108,947	2,287,889	108,947
Frazier Drive Sewer Improvement	2,217,050	0	96,393	2,120,657	96,393
Avalon Drive Sewer Improvement	3,497,350	0	139,894	3,357,456	139,894
Hampton Road and Lakeview					
Avenue Sewer Improvement	3,863,111	0	140,478	3,722,633	140,478
WWTP Trickling Filter Recycle					
Pump Improvement	61,708	0	13,714	47,994	13,714
WWTP Improvement	694,705	0	115,784	578,921	115,784
WWTP Improvement 2008-2009	138,199	0	18,426	119,773	18,426
WWTP Improvement 2013-2016	490,442	0	35,032	455,410	35,032
WWTP Improvement 2014-2017	652,425	0	31,826	620,599	31,826
WWTP Improvement 2017-2020	1,062,609	0	36,020	1,026,589	36,020

(Continued)

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 18: Long-Term Obligations (Continued)

	Restated Outstanding 12/31/23	Additions	Reductions	Outstanding 12/31/24	Amount Due in One Year
<i>Business-Type Activities (Continued)</i>					
Ohio Public Works Commission (OPWC) Loans* (Continued)					
2020 Rocky River Sewer Improvement	2,968,047	1,967	0	2,970,014	99,000
Spencer Road Sewer and Pavement Improvement	405,855	21,358	10,681	416,532	21,360
Total OPWC Loans	<u>20,269,901</u>	<u>23,325</u>	<u>831,919</u>	<u>19,461,307</u>	<u>941,598</u>
Ohio Water Development Authority (OWDA) Loans*					
WWTP Expansion and Improvement	1,603,588	0	780,374	823,214	823,214
WWTP CEPT and Final Clarifier Improvements	6,126,967	17,199,889	0	23,326,856	0
Total OWDA Loans	<u>7,730,555</u>	<u>17,199,889</u>	<u>780,374</u>	<u>24,150,070</u>	<u>823,214</u>
Other Long-Term Obligations					
Compensated Absences Payable^	363,476	0	6,998	356,478	194,340
Net Pension Liability	3,080,337	0	242,640	2,837,697	0
OPEB Liability	63,803	0	63,803	0	0
Total Other Long-Term Obligations	<u>3,507,616</u>	<u>0</u>	<u>313,441</u>	<u>3,194,175</u>	<u>194,340</u>
<i>Total Business-Type Activities</i>	<i>\$ 31,508,072</i>	<i>\$ 17,223,214</i>	<i>\$ 1,925,734</i>	<i>\$ 46,805,552</i>	<i>\$ 1,959,152</i>

*- Long-term obligation is a direct borrowings

^net compensated absences

The General Obligation Bonds will be paid from property taxes and money transferred to the Debt Service Fund.

The special assessment bonds will be paid from the proceeds of special assessments levied against benefited property owners. In the event that property owners fail to make their special assessment payments, the City is responsible for providing the resources to meet the annual principal and interest payments.

Net pension and OPEB liabilities will generally be paid from the General Fund, the Recreation Center, Office on Aging, Refuse and Recycling, Fire Levy, Police Levy, Motor Vehicle License Tax, and Street Construction and Repair Special Revenue Funds, Wastewater Treatment Plant and the Sanitary Sewer Enterprise Funds.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 18: Long-Term Obligations (Continued)

During 2009, the City obtained an OPWC interest-free loan for the Valley View Storm and Sanitary Sewer Improvements to be repaid in semi-annual principal payments of \$42,362 for 30 years beginning January 1, 2015. Also during 2009, the City obtained an OPWC interest-free loan for the Hampton Road Storm and Sanitary Sewer Improvements to be repaid in semi-annual principal payments of \$54,474 for 30 years beginning July 1, 2015.

During 2010, the City obtained an OPWC interest-free loan for the Frazier Drive Storm and Sanitary Sewer Improvements. This loan is to be repaid in semi-annual principal payments of \$48,197 for 30 years beginning July 1, 2016.

During 2016, the City obtained an OPWC interest-free loan for the Avalon Drive Sewer Improvements. This loan is to be repaid in semi-annual principal payments of \$69,946 for 30 years beginning July 1, 2018.

During 2016, the City obtained an OPWC interest-free loan for the Hampton Road and Lakeview Avenue Sewer Improvements. This loan is to be repaid in semi-annual principal payments of \$73,975 for 30 years beginning July 1, 2021. The loan is split between the governmental activities and the business-type activities.

In September 2007, the OPWC finalized an interest-free loan to the City for the Trickling Filter Recycle Pump Replacement project totaling \$274,272. The loan will be repaid in semi-annual installments of \$6,857 over 21 years, ending in 2028.

In January 2009, the OPWC finalized an interest-free loan to the City for the plant improvements project totaling \$2,315,681. The loan will be repaid in semi-annual installments of \$57,892 beginning in 2009 over 20 years, ending in 2029.

In May 2010, the OPWC finalized an interest-free loan for the WWTP Improvements 2008 – 2009 projects totaling \$368,524. The loan will be repaid in semi-annual installments of \$9,213 beginning in 2011 over 20 years, ending in 2031.

In November 2016, the OPWC finalized an interest-free loan for the WWTP Improvements 2013 – 2016 projects totaling \$700,634. The loan will be repaid in semi-annual installments of \$17,516 beginning in the second half of 2017 over 20 years, ending in 2037.

In 2018, the OPWC finalized an interest-free loan for the WWTP Improvements 2014 – 2017 projects totaling \$795,641. The loan will be repaid in semi-annual installments of \$15,913 beginning in 2019 over 26 years, ending in 2044.

In 2022, the OPWC finalized an interest-free loan for the WWTP Improvements 2017 – 2020 projects totaling \$1,080,619. The loan will be repaid in semi-annual installments of \$18,010 beginning in 2023 over 30 years, ending in 2053.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 18: Long-Term Obligations (Continued)

In 2024, the OPWC finalized an interest-free loan for the 2020 Rocky River Sewer Improvements project totaling \$2,970,014. The loan will be repaid in semi-annual installments of \$49,500 beginning in 2025 over 30 years, ending in 2054.

In 2024, the OPWC finalized an interest-free loan for the Spencer Road Sewer and Pavement Improvements project totaling \$427,212. The loan will be repaid in semi-annual installments of \$10,680 beginning in 2024 over 20 years, ending in 2044.

The City's outstanding OPWC loans from direct borrowings contain provisions that in the event of default (1) OPWC may apply late fees of 8% per year, (2) loans more than 60 days late will be turned over to the Attorney General's office for collection, and as provided by law, OPWC may require that such payment be taken from the City's share of the county undivided local government fund, and (3) the outstanding amounts shall, at OPWC's option, become immediately due and payable.

In July 2001, the OWDA finalized a loan to the City for plant expansion totaling \$11,582,103. The initial loan was for 25 years at 5.5% interest. In 2016, OWDA provided the City with an interest buy-down, which reduces the interest rate by 1.50%. This also adjusted the semi-annual installments to an amount to retire the principal over 24 years plus the adjusted interest amount.

The City has entered into contractual agreements for a construction loan from the Ohio Water Development Authority (OWDA) under the project name WWTP CEPT & Final Clarified Improvements. Under the terms of the agreement, the OWDA will reimburse, advance, or directly pay the construction costs of the approved project in the amount of \$29,088,891. The OWDA will also capitalize interest throughout the project period and add it to the total amount of the final loan. During 2024, the City drew \$17,199,889 against the loan, including capitalized interest, resulting in a balance of \$23,326,856 as of December 31, 2024. As a result of the loan still being in progress, the debt maturity schedule below does not reflect any amount for principal. When the loan is finalized, the principal will be included below.

The City's overall legal debt margin was \$129,563,393 at December 31, 2024. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2024, are shown on the next page:

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 18: Long-Term Obligations (Continued)

	Governmental Activities									
	General Obligation Bonds		Special Assessment Bonds		OPWC		Total		Principal	Interest
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest		
2025	\$ 260,000	\$ 412,913	\$ 15,000	\$ 825	\$ 7,472	\$ 282,472	\$ 413,738			
2026	270,000	402,513	0	0	7,472	277,472	402,513			
2027	280,000	391,713	0	0	7,472	287,472	391,713			
2028	295,000	380,513	0	0	7,472	302,472	380,513			
2029	310,000	365,763	0	0	7,472	317,472	365,763			
2030-2034	1,775,000	1,602,315	0	0	37,360	1,812,360	1,602,315			
2035-2039	2,160,000	1,213,865	0	0	37,360	2,197,360	1,213,865			
2040-2044	2,630,000	738,289	0	0	37,360	2,667,360	738,289			
2045-2049	1,860,000	160,226	0	0	37,360	1,897,360	160,226			
2050-2054	0	0	0	0	11,250	11,250	0			
Total	\$ 9,840,000	\$ 5,668,110	\$ 15,000	\$ 825	\$ 198,050	\$ 10,053,050	\$ 5,668,935			

	Business-Type Activities					
	OWDA		OPWC		Total	
	Principal	Interest	Principal	Principal	Interest	
2025	\$ 823,214	\$ 24,829	\$ 941,598	\$ 1,764,812	\$ 24,829	
2026	0	0	941,599	941,599	0	
2027	0	0	941,599	941,599	0	
2028	0	0	934,737	934,737	0	
2029	0	0	927,886	927,886	0	
2030-2034	0	0	3,996,018	3,996,018	0	
2035-2039	0	0	3,898,305	3,898,305	0	
2040-2044	0	0	3,766,626	3,766,626	0	
2045-2049	0	0	2,281,177	2,281,177	0	
2050-2054	0	0	831,762	831,762	0	
Total	\$ 823,214	\$ 24,829	\$ 19,461,307	\$ 20,284,521	\$ 24,829	

Note 19: Lease

The City entered into a contract for the use of police equipment. The lease required an annual payment. The contract met the definition of a lease under GASB Statement No. 87. The lease matured in 2024.

Note 20: Jointly Governed Organizations

A. West Shore Council of Governments

The West Shore Council of Governments (the “West Shore Council”) was organized pursuant to the Ohio Revised Code Section 167.01 by the Ohio cities of Rocky River, Bay Village, Fairview Park, Lakewood, North Olmsted, and Westlake. The West Shore Council was formed to foster cooperation between members in the areas of public health, welfare, police protection, fire protection, and regional development.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 20: Jointly Governed Organizations (Continued)

A. West Shore Council of Governments (Continued)

The West Shore Council oversees both the West Shore Hazardous Materials Committee which provides hazardous material handling training, protection, and assistance and the West Shore Enforcement Bureau which provides SWAT Team training, protection, and assistance.

The West Shore Council is governed by a board comprised of one member from each member city. The board exercises control over the operation of the West Shore Council including budgeting, appropriating, contracting, and administration. The West Shore Council board adopts an annual budget governing its activities for that year. Each city's degree of control is limited to its representation on the board. In 2024, the City contributed \$110,828 to the West Shore Council.

Financial information for the West Shore Council may be obtained from the Fiscal Officer, West Shore Council of Governments, in care of City of Lakewood 12650 Detroit Avenue Lakewood, Ohio 44107.

B. Tri-City Park Council of Governments

The Tri-City Park Council of Governments (the "Tri-City Park") was organized pursuant to the Ohio Revised Code Section 167.01 by the Ohio cities of Rocky River, Fairview Park, and Westlake. Tri-City Park was formed to operate a public park to which residents of all member cities have access and which is bordered by all member cities. Tri-City Park is governed by a board comprised of one member from each member city. The board exercises control over the operation of Tri-City Park including budgeting, appropriating, contracting, and administration. The Tri-City Park board adopts an annual budget governing its activities for that year. Each City's degree of control is limited to its representation on the board. In 2024, the City made contributions of \$36,000 to the Tri-City Park.

Financial information for Tri-City Park may be obtained from the Director of Finance, City of Rocky River, 21012 Hilliard Boulevard, Rocky River, Ohio 44116, who serves as fiscal agent.

C. S.A.F.E. Council of Governments

The Safe Air for the Environment Council of Governments (the "S.A.F.E. Council") was organized pursuant to the Ohio Revised Code Section 167.01 by the Ohio cities of Rocky River, Bay Village, Fairview Park, and Westlake. The S.A.F.E. Council was formed to oppose and to monitor changes to air traffic patterns of flights from nearby Cleveland Hopkins International Airport.

The S.A.F.E. Council is governed by a board comprised of one member from each member city. The board exercises control over the operation of the S.A.F.E. Council including budgeting, appropriating, contracting, and administration. The S.A.F.E. Council board adopts an annual budget governing its activities for that year. Each city's degree of control is limited to its representation on the board. In 2024, the City made no contributions to the S.A.F.E. Council.

Financial information for the S.A.F.E. Council may be obtained from the Director of Finance, City of Rocky River, 21012 Hilliard Boulevard, Rocky River, Ohio 44116, who serves as fiscal agent.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 20: Jointly Governed Organizations (Continued)

D. Suburban Water Regional Council of Governments

The Suburban Water Regional Council of Governments (the “Water Council”) was organized in 2003 pursuant to the Ohio Revised Code Section 167.01 by the political subdivisions to which the City of Cleveland, Ohio sells water, either by direct service to residents or on a bulk basis. The Water Council was formed to represent such political subdivisions in communications, understandings, uniform approaches, and exchange of information between the members of the Water Council and the City of Cleveland, Ohio.

The Water Council is governed by a Board of Trustees elected from each of nine member groups defined in the organizing agreement. The Mayor represents the City and is eligible to be elected to the Board of Trustees of the Water Council. The City made no contributions to the Water Council in 2024. The organizing agreement provides for the assessment of dues to members; however, no dues have been assessed since the inception of the Water Council.

The fiscal information of the Water Council may be obtained through the office of the Executive Secretary of the Cuyahoga County Mayors and Managers Association located at 10107 Brecksville Road, Brecksville, Ohio 44141, who serves as the fiscal agent.

E. Regional Council of Governments

The Regional Council of Governments (the “Regional Council”) was organized in 1971 pursuant to Ohio Revised Code Section 167.01 by 38 municipalities. At that time, the Regional Council formed the Regional Income Tax Agency (RITA) whose purpose is to administer municipal income tax collection and enforcement for member communities. The City joined the Regional Council to obtain the services of RITA effective January 1, 2016.

The Regional Council is governed by officers elected to annual terms by designated delegates of its member communities. In addition, RITA is governed by a Board of Trustees elected to staggered and varied terms by designated delegates of the Regional Council. The Director of Finance is the City’s appointed delegate to the Regional Council. During 2024, the City contributed \$244,348 to the Regional Council for RITA services. Financial information for the Regional Council may be obtained from the Executive Director of RITA at 10107 Brecksville Road, Brecksville, Ohio 44141 or www.ritaohio.com.

F. Northeast Ohio Public Energy Council

The City is a member of the Northeast Ohio Public Energy Council (NOPEC). Organized in 2000 pursuant to Ohio Revised Code Section 167.01, NOPEC was formed to serve as a vehicle for member communities to proceed jointly with aggregation programs for the purchase of electricity and natural gas on behalf of member communities residents. NOPEC has approximately 240 member communities (including municipal corporations, townships, and counties, all of which are political subdivisions of the State of Ohio).

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 20: Jointly Governed Organizations (Continued)

F. Northeast Ohio Public Energy Council (Continued)

NOPEC is governed by a General Assembly, made up of one representative from each member community. The representatives from each county elect persons to serve on the 13 member NOPEC Board of Directors. The Board oversees and manages both NOPEC and 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. During 2024, the City made no contributions to NOPEC.

Financial information can be obtained by contacting NOPEC, 31360 Solon Road, Suite 33, Solon, Ohio 44139.

Note 21: Contingent Liabilities

Grants

The City has 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 is 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, 2024.

Litigation

During the normal course of business, the City is subject to occasional legal proceedings, claims, and contract disputes. In the opinion of management, the eventual outcome of any current proceedings and claims against the City will not materially affect its financial condition or operations.

Note 22: Interfund Activity

A. Transfers

The transfers among City funds were made to provide additional resources for current operations and for the payment of debt. The General Fund made the following transfers during the year ended December 31, 2024:

<u>Transfer to</u>	
Capital Improvement	\$ 3,900,000
Non-Major Governmental Funds	5,065,000
Sanitary Sewer	<u>1,850,000</u>
Total Transfers	<u>\$ 10,815,000</u>

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 22: Interfund Activity (Continued)

A. Transfers (Continued)

In addition to the transfers noted above, the City had a net transfer of \$3,036,846 from business-type activities to governmental activities related to construction in progress, infrastructure, equipment, and vehicles. See Note 10 for additional information.

B. Interfund Balances

As of December 31, 2024, interfund balances were as follows:

Governmental Activities:	<u>Receivable</u>	<u>Payable</u>
	<u>Interfund</u>	<u>Interfund</u>
General Fund	\$ 6,700	\$ 0
Wastewater Treatment Plant Fund	0	6,700
Total	<u>\$ 6,700</u>	<u>\$ 6,700</u>

Interfund balances are expected to be repaid within one year. During 2024, the Wastewater Treatment Plant Enterprise Fund did not make a payment to the General Fund for use of City resources. This payment is expected to be made in 2025.

Note 23: Accountability and Compliance

B. Compliance

The following funds had expenditures plus encumbrances in excess of appropriations, contrary to Ohio Revised Code Section 5705.41.

<u>Fund</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
	<u>Plus Prior Year</u>	<u>Plus</u>	
	<u>Encumbrances</u>	<u>Encumbrances</u>	
General Fund			
General Government			
Mayor			
Personal Service	\$ 171,700	\$ 175,061	\$ (3,361)

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 23: Accountability and Compliance (continued)

B. Compliance (continued)

<u>Fund</u>	<u>Appropriations Plus Prior Year Encumbrances</u>	<u>Expenditures Plus Encumbrances</u>	<u>Excess</u>
Municipal Probation Services Fund			
General Government			
Fringe Benefits	0	28	(28)
Recreation Center Fund			
Leisure Time Activities			
Personal Service	1,957,900	2,067,573	(109,673)
Fringe Benefits	568,704	570,738	(2,034)
Street Repair and Maintenance Fund			
Transportation			
Fringe Benefits	431,540	443,117	(11,577)
Municipal Court Capital Improvement Fund			
General Government			
Personal Service	214,800	411,528	(196,728)
Fringe Benefits	0	34	(34)

Note 24: Significant Commitments

A. Contracts

At December 31, 2024, the City's significant contractual commitments consisted of:

<u>Project</u>	<u>Contract Amount</u>	<u>Amount Paid</u>	<u>Remaining on Contract</u>
Building Construction, Maintenance and Repair	\$ 3,269,283	\$ 1,343,100	\$ 1,926,183
Professional Services	3,044,995	1,937,432	1,107,563
Equipment, Vehicle, Computer Purchases and Repair	2,658,270	2,265,748	392,522
Wastewater Treatment Plant	1,978,453	1,842,302	136,151
Sanitary and Storm Sewer Projects	2,466,234	1,181,497	1,284,737
Road and Sidewalk Improvement	2,795,199	487,501	2,307,698
Parks, Recreation Equipment and Facilities	1,978,453	1,348,020	630,433
Total	\$ 18,190,887	\$ 10,405,600	\$ 7,785,287

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 24: Significant Commitments (Continued)

B. Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control.

At year-end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General Fund	\$ 352,708
Capital Improvement Fund	4,053,784
Other Governmental Funds	<u>2,505,560</u>
Total Governmental	<u>\$ 6,912,052</u>

Note 25: Related Organization

The Rocky River Community Improvement Corporation (CIC) was organized pursuant to the Ohio Revised Code Chapter 1724 in October 2002. The CIC was formed to advance, encourage and promote development of the City by acting as the designated agency of the City for such purposes in accordance with the Ohio Revised Code Section 1724.10.

The CIC is a body politic, separate from the City, which may act as an individual entity to carry out the powers conferred upon it by the general laws of the State of Ohio. The corporate code of regulations provides for a Board of Directors comprised of the Mayor; the members of City Council and the Directors of Community and Economic Development and Finance of the City. The Director of Finance serves as CIC Treasurer and the Clerk of Council serves as CIC secretary. The CIC has neither applied nor qualified for a tax-exemption pursuant to any section of the Internal Revenue Code.

At December 31, 2024, the CIC has no assets or liabilities. The CIC has had no financial activity since 2005.

Note 26: Municipal Utility Districts

In 2008, the City entered into a 30-year agreement with 13 other cities in Cuyahoga and Lorain Counties to create and provide for the operation of a Municipal Utility District (District) for the purpose of facilitating new or expanded growth for commercial or economic development. The District is known as the Nagel-Interstate 90 Municipal Utility District and consists of about 791 acres in the City of Avon, Lorain County, Ohio.

The agreement provides that for any business relocating to the District from the City, the City of Avon will 1) limit real estate tax abatements; 2) not provide any income tax abatements; and 3) with certain limitations, share income taxes. The agreement does not provide for a financial contribution by the City.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 26: Municipal Utility Districts (Continued)

In 2012, the City entered into a 20-year agreement with the City of Cleveland to create a Municipal Utility District (District) to facilitate new or expanded growth for commercial or economic development for the residents of each city and the State of Ohio. The District is known as the Cleveland – Rocky River Municipal Utility District, the territorial boundaries of which are the combined total area of the two cities.

The agreement provides that for any business relocating to the District from the City of Cleveland and the City will 1) limit new industrial or commercial real estate tax abatement; 2) not provide any income tax abatement; and 3) with certain limitations, share income taxes. The agreement does not provide for a financial contribution by the City.

Note 27: Solid Waste Transfer Station

The City operates a solid waste transfer station at 22401 Lake Road. The transfer station has been in operation since 1995 and is used by residents and businesses to dispose of solid waste which is then transported to a commercial landfill outside the City.

In accordance Ohio Environmental Protection Agency regulations promulgated in the Ohio Administrative Code, the City annually provides the required financial assurance through the local government financial test for final closure of the transfer station. Since the initiation of said regulations, the City completed the local government financial test and met the required financial assurances.

As of December 31, 2024, management's estimate of the final closure cost of the transfer station is \$13,056, the most current information available.

When using the local government financial test mechanism, the Ohio Environmental Protection Agency does not require a liability to be recognized provided the City meets the requirements of the financial test. Further, the City has no plans to close or move the facility. Therefore, no liability is recognized (actual or contingent) in the accompanying financial statements, for the cost to perform and complete transfer station closure activities.

Note 28: Asset Retirement Obligations

Ohio Administrative Code Section 1301-7-9 requires a City classified as an "owner" or "operator," to remove from the ground any underground storage tank (UST) that is not in use for a year or more. A permit must first be obtained for that year it is not being used. Once the UST is removed, the soil in the UST cavity and excavated material must be tested for contamination. This asset retirement obligation (ARO) of \$88,343 associated with the City's underground storage tanks was estimated by the City engineer. The remaining useful lives of the USTs is 0 years. The City maintains insurance coverage to address its exposure to the risks related to the operation of the underground storage tanks which protects the City according to the terms and definitions of the policy.

City of Rocky River, Ohio

Notes to Basic Financial Statements (Continued)

For the Year Ended December 31, 2024

Note 28: Asset Retirement Obligations (Continued)

Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewer system to the Ohio Environmental Protection Agency (the “Ohio EPA”) for approval. Any changes to the sewer system would be approved through a permit for a new plan that would take the place of the retired asset and would include a plan for the proper abandonment of the current sanitary sewer pump stations. Through this review process, the City would be responsible to address any public safety issues associated with their sanitary sewer pump stations. At this time, the City is unable to reasonably estimate the liability to abandon the current sanitary sewer pump stations without the required permit from the Ohio EPA.

Note 29: Subsequent Event

On February 27, 2025, the City issued \$4,600,000 in senior center bonds, for the purposes of improving the Senior Center. The final maturity is December 1, 2045, and the bonds carry interest rates of 4.125% - 5.000%.

City of Rocky River, Ohio

Required Supplementary Information

Schedule of the City's Proportionate Share of the Net Pension Liability Ohio Public Employee Retirement System – Traditional Plan

For the Last Ten Years

	2024	2023	2022	2021	2020
City's Proportion of the Net Pension Liability	0.065691%	0.063198%	0.066396%	0.065500%	0.067947%
City's Proportionate Share of the Net Pension Liability	\$ 17,198,172	\$ 18,668,717	\$ 5,776,720	\$ 9,699,122	\$ 13,430,187
City's Covered Payroll	\$ 10,823,693	\$ 9,930,322	\$ 9,509,786	\$ 9,271,586	\$ 9,606,736
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	158.89%	188.00%	60.75%	104.61%	139.80%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.01%	75.74%	92.62%	86.88%	82.17%
	2019	2018	2017	2016	2015
City's Proportion of the Net Pension Liability	0.070438%	0.068020%	0.065852%	0.066504%	0.039826%
City's Proportionate Share of the Net Pension Liability	\$ 19,291,539	\$ 10,671,021	\$ 14,953,871	\$ 11,519,332	\$ 8,165,136
City's Covered Payroll	\$ 9,356,623	\$ 9,022,986	\$ 8,838,664	\$ 8,268,559	\$ 7,893,372
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	206.18%	118.26%	169.19%	139.31%	103.44%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	84.66%	77.25%	81.08%	86.45%

Note: Amounts presented for each year were determined as of the City's measurement date which is December 31 of the prior year.

The accompanying notes are an integral part of the required supplementary information

City of Rocky River, Ohio

Required Supplementary Information Schedule of the City's Proportionate Share of the Net Pension Asset Ohio Public Employee Retirement System – Combined Plan

For the Last Ten Years

	2024	2023	2022	2021	2020
City's Proportion of the Net Pension Asset	0.048758%	0.039619%	0.054070%	0.055829%	0.048637%
City's Proportionate Share of the Net Pension Asset	\$ 149,870	\$ 93,377	\$ 213,038	\$ 161,159	\$ 101,421
City's Covered Payroll	\$ 226,194	\$ 186,194	\$ 238,494	\$ 250,322	\$ 218,786
City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	66.26%	50.15%	89.33%	64.38%	46.36%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	144.55%	137.14%	169.88%	157.67%	145.28%
	2019	2018	2017	2016	2015
City's Proportion of the Net Pension Asset	0.445010%	0.039515%	0.036326%	0.035760%	0.040975%
City's Proportionate Share of the Net Pension Asset	\$ 50,914	\$ 53,925	\$ 20,094	\$ 17,402	\$ 15,776
City's Covered Payroll	\$ 191,583	\$ 162,735	\$ 146,063	\$ 129,367	\$ 138,364
City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	26.58%	33.14%	13.76%	13.45%	11.40%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	126.64%	137.28%	116.55%	116.90%	114.83%

Note: Amounts presented for each year were determined as of the City's measurement date which is December 31 of the prior year.

The accompanying notes are an integral part of the required supplementary information

City of Rocky River, Ohio

Required Supplementary Information Schedule of the City's Proportionate Share of the Net Pension Liability Ohio Police and Fire Pension Fund

For the Last Ten Years

	2024	2023	2022	2021	2020
City's Proportion of the Net Pension Liability	0.226361%	0.238793%	0.234194%	0.246675%	0.243605%
City's Proportionate Share of the Net Pension Liability	\$ 21,869,606	\$ 22,683,048	\$ 14,631,093	\$ 16,816,028	\$ 16,410,547
City's Covered Payroll	\$ 6,468,628	\$ 6,514,646	\$ 5,720,951	\$ 6,194,930	\$ 5,822,994
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	338.09%	348.19%	255.75%	271.45%	281.82%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.63%	62.90%	75.03%	70.65%	69.89%
	2019	2018	2017	2016	2015
City's Proportion of the Net Pension Liability	0.248847%	0.251282%	0.247857%	0.253444%	0.256817%
City's Proportionate Share of the Net Pension Liability	\$ 20,312,491	\$ 15,422,311	\$ 15,699,015	\$ 16,304,230	\$ 13,304,187
City's Covered Payroll	\$ 5,678,025	\$ 5,496,825	\$ 5,454,476	\$ 5,123,147	\$ 5,095,764
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	357.74%	280.57%	287.82%	318.25%	261.08%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.07%	70.91%	68.36%	66.77%	71.71%

Note: Amounts presented for each year were determined as of the City's measurement date which is December 31 of the prior year.

The accompanying notes are an integral part of the required supplementary information

City of Rocky River, Ohio

Required Supplementary Information Schedule of the City Pension Contributions Ohio Public Employee Retirement System – Traditional Plan

For the Last Ten Years

	2024	2023	2022	2021	2020
Contractually-Required Contribution	\$ 1,642,690	\$ 1,515,317	\$ 1,390,245	\$ 1,331,370	\$ 1,298,022
Contributions in Relation to the Contractually-Required Contribution	<u>(1,642,690)</u>	<u>(1,515,317)</u>	<u>(1,390,245)</u>	<u>(1,331,370)</u>	<u>(1,298,022)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>				
City Covered Payroll	\$ 11,733,500	\$ 10,823,693	\$ 9,930,322	\$ 9,509,786	\$ 9,271,586
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	14.00%
	2019	2018	2017	2016	2015
Contractually-Required Contribution	\$ 1,344,943	\$ 1,309,927	\$ 1,172,988	\$ 1,060,640	\$ 992,227
Contributions in Relation to the Contractually-Required Contribution	<u>(1,344,943)</u>	<u>(1,309,927)</u>	<u>(1,172,988)</u>	<u>(1,060,640)</u>	<u>(992,227)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>				
City Covered Payroll	\$ 9,606,736	\$ 9,356,623	\$ 9,022,986	\$ 8,838,664	\$ 8,268,559
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	13.00%	12.00%	12.00%

The accompanying notes are an integral part of the required supplementary information

City of Rocky River, Ohio

Required Supplementary Information Schedule of the City Pension Contributions Ohio Public Employee Retirement System – Combined Plan

For the Last Ten Years

	2024	2023	2022	2021	2020
Contractually-Required Contribution	\$ 25,011	\$ 27,143	\$ 23,719	\$ 33,390	\$ 35,045
Contributions in Relation to the Contractually-Required Contribution	<u>(25,011)</u>	<u>(27,143)</u>	<u>(23,719)</u>	<u>(33,390)</u>	<u>(35,045)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>				
City Covered Payroll	\$ 208,436	\$ 226,194	\$ 186,194	\$ 238,494	\$ 250,322
Contributions as a Percentage of Covered Payroll	12.00%	12.00%	12.74%	14.00%	14.00%
	2019	2018	2017	2016	2015
Contractually-Required Contribution	\$ 30,630	\$ 26,822	\$ 21,155	\$ 17,527	\$ 15,524
Contributions in Relation to the Contractually-Required Contribution	<u>(30,630)</u>	<u>(26,822)</u>	<u>(21,155)</u>	<u>(17,527)</u>	<u>(15,524)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>				
City Covered Payroll	\$ 218,786	\$ 191,583	\$ 162,735	\$ 146,063	\$ 129,367
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	13.00%	12.00%	12.00%

The accompanying notes are an integral part of the required supplementary information

City of Rocky River, Ohio

Required Supplementary Information Schedule of the City Pension Contributions Ohio Police and Fire Pension Fund

For the Last Ten Years

	2024	2023	2022	2021	2020
Contractually-Required Contribution	\$ 1,398,049	\$ 1,379,112	\$ 1,384,633	\$ 1,213,088	\$ 1,309,786
Contributions in Relation to the Contractually-Required Contribution	<u>(1,398,049)</u>	<u>(1,379,112)</u>	<u>(1,384,633)</u>	<u>(1,213,088)</u>	<u>(1,309,786)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>				
City Covered Payroll	\$ 6,586,809	\$ 6,468,628	\$ 6,514,646	\$ 5,720,951	\$ 6,194,930
Contributions as a Percentage of Covered Payroll	21.22%	21.32%	21.25%	21.20%	21.14%
	2019	2018	2017	2016	2015
Contractually-Required Contribution	\$ 1,229,189	\$ 1,199,543	\$ 1,161,998	\$ 1,151,686	\$ 1,083,474
Contributions in Relation to the Contractually-Required Contribution	<u>(1,229,189)</u>	<u>(1,199,543)</u>	<u>(1,161,998)</u>	<u>(1,151,686)</u>	<u>(1,083,474)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>				
City Covered Payroll	\$ 5,822,994	\$ 5,678,025	\$ 5,496,825	\$ 5,454,476	\$ 5,123,147
Contributions as a Percentage of Covered Payroll	21.11%	21.13%	21.14%	21.11%	21.15%

The accompanying notes are an integral part of the required supplementary information

City of Rocky River, Ohio

Required Supplementary Information

Schedule of the City Proportionate Share of the Net OPEB Liability/Asset Ohio Public Employee Retirement System

For the Last Eight Years (1)

	2024	2023	2022		
City's Proportion of the Net OPEB Liability/Asset	0.063969%	0.061328%	0.064589%		
City's Proportionate Share of the Net OPEB Liability (Asset)	\$ (577,336)	\$ 386,684	\$ (2,023,027)		
City's Covered Payroll	\$ 11,310,021	\$ 10,344,086	\$ 9,937,079		
City's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	(5.10%)	3.74%	(20.36%)		
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	107.76%	94.79%	128.23%		
	2021	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability/Asset	0.063339%	0.065509%	0.067832%	0.065400%	0.063617%
City's Proportionate Share of the Net OPEB Liability (Asset)	\$ (1,128,437)	\$ 9,048,493	\$ 8,843,694	\$ 7,101,959	\$ 6,425,493
City's Covered Payroll	\$ 9,627,815	\$ 9,944,872	\$ 9,675,928	\$ 9,299,172	\$ 9,128,965
City's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	(11.72%)	90.99%	91.40%	76.37%	70.39%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	115.57%	47.80%	46.33%	54.14%	54.04%

(1) Information prior to 2017 is not available. Amounts presented for each year were determined as of the City's measurement date which is December 31 of the prior year.

The accompanying notes are an integral part of the required supplementary information

City of Rocky River, Ohio

Required Supplementary Information Schedule of the City Proportionate Share of the Net OPEB Liability Ohio Police and Fire Pension Fund

For the Last Eight Years (1)

	2024	2023	2022		
City's Proportion of the Net OPEB Liability	0.226361%	0.238793%	0.234194%		
City's Proportionate Share of the Net OPEB Liability	\$ 1,652,731	\$ 1,700,138	\$ 2,566,969		
City's Covered Payroll	\$ 6,468,628	\$ 6,514,646	\$ 5,720,951		
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	25.55%	26.10%	44.87%		
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	51.89%	52.60%	46.90%		
	2021	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.246675%	0.243605%	0.248847%	0.251282%	0.247857%
City's Proportionate Share of the Net OPEB Liability	\$ 2,613,557	\$ 2,406,266	\$ 2,266,133	\$ 14,237,285	\$ 11,765,214
City's Covered Payroll	\$ 6,194,930	\$ 5,822,994	\$ 5,678,025	\$ 5,496,825	\$ 5,454,476
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	42.19%	41.32%	39.91%	259.01%	215.70%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	45.40%	47.10%	46.57%	14.13%	15.96%

(1) Information prior to 2017 is not available. Amounts presented for each year were determined as of the City's measurement date which is December 31 of the prior year.

The accompanying notes are an integral part of the required supplementary information

City of Rocky River, Ohio

Required Supplementary Information Schedule of the City's OPEB Contributions Ohio Public Employee Retirement System

For the Last Nine Years (1)

	2024	2023	2022	2021	2020
Contractually Required Contribution	\$ 16,920	\$ 14,929	\$ 11,451	\$ 7,552	\$ 4,236
Contributions in Relation to the Contractually Required Contribution	<u>(16,920)</u>	<u>(14,929)</u>	<u>(11,451)</u>	<u>(7,552)</u>	<u>(4,236)</u>
Contribution Deficiency (Excess)	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
City Covered Payroll	\$ 12,260,707	\$ 11,310,021	\$ 10,344,086	\$ 9,937,079	\$ 9,627,815
Contributions as a Percentage of Covered Payroll	0.14%	0.13%	0.11%	0.08%	0.04%
	2019	2018	2017	2016	
Contractually Required Contribution	\$ 4,774	\$ 5,109	\$ 96,395	\$ 186,002	
Contributions in Relation to the Contractually Required Contribution	<u>(4,774)</u>	<u>(5,109)</u>	<u>(96,395)</u>	<u>(186,002)</u>	
Contribution Deficiency (Excess)	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	
City Covered Payroll	\$ 9,944,872	\$ 9,675,928	\$ 9,299,172	\$ 9,128,965	
Contributions as a Percentage of Covered Payroll	0.05%	0.05%	1.04%	2.04%	

(1) Information prior to 2016 is not available.

The accompanying notes are an integral part of the required supplementary information

City of Rocky River, Ohio

Required Supplementary Information Schedule of the City's OPEB Contributions Ohio Police and Fire Pension Fund

For the Last Ten Years

	2024	2023	2022	2021	2020
Contractually-Required Contribution	\$ 32,934	\$ 32,343	\$ 32,573	\$ 28,605	\$ 30,975
Contributions in Relation to the Contractually-Required Contribution	(32,934)	(32,343)	(32,573)	(28,605)	(30,975)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
City Covered Payroll	\$ 6,586,809	\$ 6,468,628	\$ 6,514,646	\$ 5,720,951	\$ 6,194,930
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%	0.50%
	2019	2018	2017	2016	2015
Contractually-Required Contribution	\$ 29,115	\$ 28,390	\$ 27,484	\$ 27,272	\$ 25,616
Contributions in Relation to the Contractually-Required Contribution	(29,115)	(28,390)	(27,484)	(27,272)	(25,616)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
City Covered Payroll	\$ 5,822,994	\$ 5,678,025	\$ 5,496,825	\$ 5,454,476	\$ 5,123,147
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%	0.50%

The accompanying notes are an integral part of the required supplementary information

City of Rocky River, Ohio

Notes to Required Supplementary Information

For the Year Ended December 31, 2024

Note 1: Net Pension Liability/Asset

Changes in Assumptions – OPERS

Amounts reported in the required supplementary information for OPERS Traditional and Combined Plans incorporate changes in assumptions used by OPERS in calculating the pension liability. These assumptions are presented below for the periods indicated:

Key Methods and Assumptions in Valuing Total Pension Liability – 2024

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>
Experience study	5-year period ended December 31, 2020	5-year period ended December 31, 2020
Actuarial cost method	Individual entry age	Individual entry age
Actuarial assumptions:		
Investment rate of return	6.90%	6.90%
Wage inflation	2.75%	2.75%
Projected salary increases, including 2.75% wage inflation	2.75 to 10.75%	2.75 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 retirees	3.00% Simple	3.00% Simple
Post-Jan 7, 2013 retirees	2.30% Simple through 2024 then 2.05% Simple	2.30% Simple though 2024 then 2.05% Simple

Key Methods and Assumptions in Valuing Total Pension Liability – 2023

	OPERS <u>Traditional plan</u>	OPERS <u>Combined plan</u>
Experience Study	5-year period ended December 31, 2020	5-year period ended December 31, 2020
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Actuarial Assumptions:		
Investment Rate of Return	6.90%	6.90%
Wage Inflation	2.75%	2.75%
Projected Salary Increases, including 2.75% inflation	2.75 to 10.75%	2.75 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 Retirees	3% Simple	3% Simple
Post-Jan 7, 2013 Retirees	3% Simple through 2023 then 2.05% Simple	3% Simple though 2023 then 2.05% Simple

City of Rocky River, Ohio

Notes to Required Supplementary Information (Continued)

For the Year Ended December 31, 2024

Note 1: Net Pension Liability/Asset (Continued)

Changes in Assumptions – OPERS (Continued)

Key Methods and Assumptions in Valuing Total Pension Liability – 2022

	OPERS <u>Traditional plan</u>	OPERS <u>Combined plan</u>
Experience Study	5-year period ended December 31, 2020	5-year period ended December 31, 2020
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Actuarial Assumptions:		
Investment Rate of Return	6.90%	6.90%
Wage Inflation	2.75%	2.75%
Projected Salary Increases, including 2.75% inflation	2.75 to 10.75%	2.75 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 Retirees	3% Simple	3% Simple
Post-Jan 7, 2013 Retirees	3% Simple through 2022 then 2.05% Simple	3% Simple though 2022 then 2.05% Simple

Key Methods and Assumptions in Valuing Total Pension Liability – 2021

	OPERS <u>Traditional plan</u>	OPERS <u>Combined plan</u>
Experience Study	5-year period ended December 31, 2015	5-year period ended December 31, 2015
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Actuarial Assumptions:		
Investment Rate of Return	7.20%	7.20%
Wage Inflation	3.25%	3.25%
Projected Salary Increases, including 3.25% inflation	3.25 to 10.75%	3.25 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 Retirees	3% Simple	3% Simple
Post-Jan 7, 2013 Retirees	0.50% Simple through 2021 then 2.15% Simple	0.50% Simple though 2021 then 2.15% Simple

City of Rocky River, Ohio

Notes to Required Supplementary Information (Continued)

For the Year Ended December 31, 2024

Note 1: Net Pension Liability/Asset (Continued)

Changes in Assumptions – OPERS (Continued)

Key Methods and Assumptions in Valuing Total Pension Liability – 2020

	OPERS <u>Traditional plan</u>	OPERS <u>Combined plan</u>
Experience Study	5-year period ended December 31, 2015	5-year period ended December 31, 2015
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Actuarial Assumptions:		
Investment Rate of Return	7.20%	7.20%
Wage Inflation	3.25%	3.25%
Projected Salary Increases, including 3.25% inflation	3.25 to 10.75%	3.25 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 Retirees	3% Simple	3% Simple
Post-Jan 7, 2013 Retirees	1.40% Simple through 2020 then 2.15% Simple	1.40% Simple though 2020 then 2.15% Simple

Key Methods and Assumptions in Valuing Total Pension Liability – 2019

	OPERS <u>Traditional plan</u>	OPERS <u>Combined plan</u>
Experience Study	5-year period ended December 31, 2015	5-year period ended December 31, 2015
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Actuarial Assumptions:		
Investment Rate of Return	7.20%	7.20%
Wage Inflation	3.25%	3.25%
Projected Salary Increases, including 3.25% inflation	3.25 to 10.75%	3.25 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 Retirees	3% Simple	3% Simple
Post-Jan 7, 2013 Retirees	3% Simple through 2018 then 2.15% Simple	3% Simple though 2018 then 2.15% Simple

City of Rocky River, Ohio

Notes to Required Supplementary Information (Continued)

For the Year Ended December 31, 2024

Note 1: Net Pension Liability/Asset (Continued)

Changes in Assumptions – OPERS (Continued)

Key Methods and Assumptions in Valuing Total Pension Liability – 2017-2018

	OPERS <u>Traditional plan</u>	OPERS <u>Combined plan</u>
Experience Study	5-year period ended December 31, 2015	5-year period ended December 31, 2015
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Actuarial Assumptions:		
Investment Rate of Return	7.50%	7.50%
Wage Inflation	3.25%	3.25%
Projected Salary Increases, including 3.25% inflation	3.25 to 10.75%	3.25 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 Retirees	3% Simple	3% Simple
Post-Jan 7, 2013 Retirees	3% Simple through 2018 then 2.15% Simple	3% Simple though 2018 then 2.15% Simple

Key Methods and Assumptions in Valuing Total Pension Liability – 2016 and prior

	OPERS <u>Traditional plan</u>	OPERS <u>Combined plan</u>
Experience Study	5-year period ended December 31, 2010	5-year period ended December 31, 2010
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Actuarial Assumptions:		
Investment Rate of Return	8.00%	8.00%
Wage Inflation	3.75%	3.75%
Projected Salary Increases, including 3.75% inflation	4.25 to 10.05%	4.25 to 8.05%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 Retirees	3% Simple	3% Simple
Post-Jan 7, 2013 Retirees	3% Simple through 2018 then 2.8% Simple	3% Simple though 2018 then 2.8% Simple

Mortality rates – For amounts reported beginning in 2022, the measurement uses pre-retirement mortality rates based on 130% of the Pub-2010 General Employee Mortality tables (males and females). Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females). Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females). 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.

City of Rocky River, Ohio

Notes to Required Supplementary Information (Continued)

For the Year Ended December 31, 2024

Note 1: Net Pension Liability/Asset (Continued)

Changes in Assumptions – OPERS (Continued)

Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant Mortality Table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. 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.

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

Changes in Assumptions – OP&F

Amounts reported for 2024 incorporate changes in assumptions used by OP&F in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used from 2023 and prior are presented below:

	<u>2022 to 2024</u>	
Actuarial Cost Method	Entry Age Normal	
Investment Rate of Return	7.50%	
Projected Salary Increases	3.75% to 10.50%	
Payroll Growth	Inflation rate of 2.75% plus productivity increase rate of 0.50%	
Cost of Living Adjustments	3.00% simple; 2.20% simple for increases based on the lesser of the increase in CPI and 3%	
	<u>2018 to 2021</u>	<u>2017 and Prior</u>
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.00%	8.25%
Projected Salary Increases	3.75% to 10.50%	4.25% to 11.00%
Payroll Growth	Inflation rate of 2.75% plus productivity increase rate of 0.50%	Inflation rate of 3.25% plus productivity increase rate of 0.50%
Cost of Living Adjustments	3.00% simple; 2.20% simple for increases based on the lesser of the increase in CPI and 3%	3.00% simple; 2.60% simple for increases based on the lesser of the increase in CPI and 3%

City of Rocky River, Ohio

Notes to Required Supplementary Information (Continued)

For the Year Ended December 31, 2024

Note 1: Net Pension Liability/Asset (Continued)

Changes in Assumptions – OP&F (Continued)

Beginning in 2022, 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.

Beginning in 2022, mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135.0% for males and 97.9% for females. All rates are projected using the MP-2021 Improvement Scale.

Beginning in 2022, 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 131.0% for females. All rates are projected using the MP-2021 Improvement Scale.

Beginning in 2022, 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.

For 2018-2021 actuarial valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120%.

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

For 2018-2021 actuarial valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

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

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

City of Rocky River, Ohio

Notes to Required Supplementary Information (Continued)

For the Year Ended December 31, 2024

Note 2: Net OPEB Liability/Asset

Changes in Assumptions – OPERS

For fiscal year 2024, the municipal bond rate decreased from 4.05% to 3.77%. The single discount rate increased from 5.22% to 5.70%. The health care cost trend rate changed from 5.50% initial, 3.50% ultimate in 2036 to 5.50% initial, 3.50% ultimate in 2038.

For fiscal year 2023, the municipal bond rate increased from 1.84% to 4.05%. The single discount rate decreased from 6.00% to 5.22%. The health care cost trend rate changed from 5.5% initial, 3.5% ultimate in 2034 to 5.5% initial, 3.5% ultimate in 2036.

For fiscal year 2022, the municipal bond rate decreased from 2.00% to 1.84% and wage inflation decreased from 3.25% to 2.75%. The single discount rate remained 6.00%. The health care cost trend rate decreased from 8.5% initial, 3.5% ultimate in 2035 to 5.5% initial, 3.5% ultimate in 2034.

For fiscal year 2021, the municipal bond rate decreased from 2.75% to 2.00% and the single discount rate increased from 3.16% to 6.00%. The health care cost trend rate decreased from 10.50% initial, 3.50% ultimate in 2030 to 8.50% initial, 3.50% ultimate in 2035.

For fiscal year 2020, the municipal bond rate decreased from 3.71% to 2.75% and the single discount rate decreased from 3.96% to 3.16%. The health care cost trend rate also increased from 10.00% initial, 3.25% ultimate in 2029 to 10.50% initial, 3.50% ultimate in 2030.

For fiscal year 2019, the OPERS Board voted to lower the investment return assumption for its health care investment portfolio from 6.5% to 6.0%. Municipal bond rate increased from 3.31% to 3.71% and the single discount rate increased from 3.85% to 3.96%. The health care cost trend rate also increased from 7.50% initial, 3.25% unlimited in 2028 to 10.00% initial, 3.25% ultimate in 2029.

Changes in Assumptions – OP&F

For 2024, the single discount rate changed from 4.27% to 4.07%.

For 2023 the investment return assumption was lowered from 8.00% to 7.50%. The DROP interest crediting rate was lowered from 4.00% to 3.75%. The mortality assumption, withdrawal rates, retirement rates, and disability rates were changed. The DROP participation rate was lowered from 90% to 80%. The percent married assumption was changed from assuming 75% of members are married to 80%. The percentage of members assumed to elect a joint annuity was changed from 33% to 40% for service retirees and from 10% to 15% for disabled retirees. The percentage continued to the joint annuitant assumption was changed from 40% to 45%. The single discount rate changed from 2.84% to 4.27%.

For 2022, the single discount rate changed from 2.96% to 2.84%.

For 2021, the single discount rate changed from 3.56% to 2.96%.

For 2020, the single discount rate changed from 4.66% to 3.56%.

For 2019, the single discount rate changed from 3.24% to 4.66%.

City of Rocky River, Ohio

Notes to Required Supplementary Information (Continued)

For the Year Ended December 31, 2024

Note 2: Net OPEB Liability/Asset (Continued)

Changes in Assumptions – OP&F

For 2018, the single discount rate changed from 3.79% to 3.24%.

Changes in Benefit Terms – OP&F (Continued)

Beginning January 1, 2019, OP&F changed its retiree health care model, and the self-insured health care plan was no longer offered. In its place is a stipend-based health care model. OP&F has contracted with a vendor who assists eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). A stipend funded by OP&F is placed in individual Health Reimbursement Accounts that retirees can use to be reimbursed for health care expenses.

As a result of changing from the 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. Beginning in 2020, the Board approved a change to the Deferred Retirement Option Plan. The minimum interest rate accruing will be 2.5%.

City of Rocky River, Ohio

Combining Statements
Non-Major Governmental Funds
Fund Descriptions

Non-major Special Revenue Funds

Special revenue funds are used to account for proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specific purposes.

Law Enforcement Trust Fund – Required by the Ohio Revised Code to account for monies received from various law enforcement agencies designated for law enforcement related purposes.

Community Diversion Program Fund – To account for monies received from Cuyahoga County to be used to help divert youth who are first time offenders of misdemeanor offenses from formal court action and to establish or expand community policing programs.

Indigent Driver Alcohol Treatment Fund – Required by the Ohio Revised Code to account for 50 percent of fines received by the City for convictions related to persons whose driver's license was suspended for driving under the influence of alcohol.

Enforcement and Education Fund – To account for fines imposed under Section 4511.99(A) of the Ohio Revised Code. These monies are used to pay costs incurred in enforcing Section 4511.99 of the Ohio Revised Code, and to educate the public about laws governing the operation of a motor vehicle under the influence of alcohol and the danger thereof.

Municipal Probation Services Fund – To account for specific court costs used to maintain ongoing probation services.

Federal Emergency Management Agency (FEMA) Fund – To account for federal monies received to pay for expenses incurred during emergencies. This fund did not have any budgetary activity in 2024, therefore, budgetary information is not provided.

Office on Aging Fund – To account for levied property tax revenues, charges for services, and General Fund subsidies used for the operation of the Senior Center.

OneOhio Opioid Settlement Fund – This fund is used to account for the receipt of revenues received from the State of Ohio's OneOhio Opioid Settlement.

Local Fiscal Recovery Fund – This fund is used to account for American Rescue Plan Act of 2021 funds received by the City to cover costs that are necessary expenditures incurred due to the public health emergency with respect to COVID-19. This fund did not have any budgetary activity in 2024, therefore, budgetary information is not provided.

Recreation Center Fund – To account for membership fees, program fees, General Fund subsidies and levied property tax revenue used for the operation and maintenance of the City's recreation activities.

Marine Patrol Fund – To account for monies received from the state and General Fund subsidies used for the operation of the City's police boat.

City of Rocky River, Ohio

Combining Statements

Non-Major Governmental Funds (Continued)

Fund Descriptions

Non-major Special Revenue Funds (Continued)

Refuse and Recycling Fund – To account for levied property tax revenue and General Fund subsidies used for the recycling program, as well as the collection and hauling of rubbish.

Motor Vehicle License Tax Fund – Required by the Ohio Revised Code to account for monies received from Cuyahoga County for the maintenance of public roads, highways, streets, and bridges within the City.

Street Repair and Maintenance Fund – Required by the Ohio Revised Code to account for state gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.

State Highway Fund – Required by the Ohio Revised Code to account for state gasoline tax and motor vehicle registration fees designated for the maintenance of state highways within the City.

Indigent Driver Alcohol Monitoring (IDAM) Fund – To account for mandatory minimum fine amounts established pursuant to Ohio Revised Code Section 4511.19(G)(5)(e) for operating a vehicle under the influence of alcohol or drugs.

Fire Levy Fund – This fund accounts for a voted real estate tax operating levy which pays for the current and accrued past service liability for fire disability and pension benefits.

Police Levy Fund – This fund accounts for a voted real estate tax operating levy which pays for the current and accrued past service liability for police disability and pension benefits.

Refundable Deposits Fund – This fund accounts for contractor deposits that will be refundable.

Building Standards Fee Fund – This fund accounts for the collection of the Building Standards Fee from each building permit issued. The amount collected is then paid to the State of Ohio, Board of Building Standards.

Donations and Bequests Fund – This fund accounts for donations and bequests for various City departments.

Budget Stabilization Fund – This fund accounts for resources set-aside to stabilize budgets against cyclical changes in revenues and expenditures. This fund is combined with the General Fund on the governmental fund financial statements but remains a separate fund in the budgetary schedules because it has a legally adopted budget.

City of Rocky River, Ohio

Combining Statements

Non-Major Governmental Funds (Continued)

Fund Descriptions

Non-major Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term and special assessment principal, interest, and related costs.

General Obligation Bond Retirement Fund – To account for proceeds and payment of general obligation bonds and related interest.

Special Assessment Bond Retirement Fund – To account for the collection of special assessments levied against the benefited properties for the payment of special assessment bonds and related interest.

Non-major Capital Projects Fund

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

Equipment Replacement Fund – To account for liquor permit revenues, municipal income taxes and transfers to provide for the future replacement of equipment.

Municipal Court Capital Improvement Fund – To account for specific court costs created to maintain operating and capital needs of the Municipal Court.

City of Rocky River, Ohio

Combining Balance Sheet Nonmajor Governmental Funds

December 31, 2024

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 5,696,486	\$ 469,876	\$ 4,743,076	\$ 10,909,438
Restricted Cash and Cash Equivalents	155,335	0	0	155,335
Accounts Receivable, Net	13,393	0	0	13,393
Intergovernmental Receivable	777,300	0	73,047	850,347
Lease Receivable	36,486	0	0	36,486
Materials and Supplies Inventory	112,906	0	0	112,906
Prepaid Assets	85,552	0	741	86,293
Municipal Income Taxes Receivable	0	0	454,726	454,726
Property Taxes Receivable	3,064,418	0	0	3,064,418
Special Assessments Receivable	0	16,299	0	16,299
Total Assets	\$ 9,941,876	\$ 486,175	\$ 5,271,590	\$ 15,699,641
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts Payable	\$ 235,198	\$ 0	\$ 51,185	\$ 286,383
Accrued Wages and Benefits	135,405	0	0	135,405
Intergovernmental Payable	240,037	0	0	240,037
Unearned Revenue	320,791	0	0	320,791
Payables from Restricted Assets	155,335	0	0	155,335
Total Liabilities	1,086,766	0	51,185	1,137,951
Deferred Inflows of Resources:				
Property Taxes	2,986,080	0	0	2,986,080
Unavailable Revenue	653,160	16,299	188,127	857,586
Leases	35,135	0	0	35,135
Total Deferred Inflows of Resources	3,674,375	16,299	188,127	3,878,801
Fund Balances:				
Nonspendable	198,458	0	741	199,199
Restricted	4,982,277	469,876	5,031,537	10,483,690
Total Fund Balances	5,180,735	469,876	5,032,278	10,682,889
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 9,941,876	\$ 486,175	\$ 5,271,590	\$ 15,699,641

City of Rocky River, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds

For the Year Ended December 31, 2024

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property Taxes	\$ 2,471,650	\$ 617,924	\$ 0	\$ 3,089,574
Municipal Income Taxes	0	0	1,287,991	1,287,991
Intergovernmental	1,739,225	79,513	739,419	2,558,157
Charges for Services	2,652,368	0	0	2,652,368
Fees, Fines and Permits	224,985	0	0	224,985
Special Assessments	0	18,411	0	18,411
Investment Income	143	0	0	143
Rentals	353,544	0	0	353,544
Contributions	32,920	0	0	32,920
Other	139,153	0	0	139,153
Total Revenues	7,613,988	715,848	2,027,410	10,357,246
Expenditures:				
Current:				
General Government	157,655	0	717,369	875,024
Security of Persons and Property	1,519,490	0	0	1,519,490
Public Health	1,206,518	0	0	1,206,518
Transportation	2,413,490	0	0	2,413,490
Leisure Time Activities	3,825,395	0	0	3,825,395
Community Development	5,294	0	0	5,294
Basic Utility Service	2,287,912	0	0	2,287,912
Capital Outlay	51,221	0	2,747,887	2,799,108
Debt Service:				
Principal Retirement	0	1,155,000	120,639	1,275,639
Interest and Fiscal Charges	0	454,769	25,302	480,071
Total Expenditures	11,466,975	1,609,769	3,611,197	16,687,941
Excess of Revenue (Under) Expenditures	(3,852,987)	(893,921)	(1,583,787)	(6,330,695)
Other Financing Sources:				
Sale of Capital Assets	0	0	9,150	9,150
Financed Purchase	0	0	418,931	418,931
Subscription	0	0	32,017	32,017
Transfers - Out	3,615,000	0	1,450,000	5,065,000
Total Other Financing Sources	3,615,000	0	1,910,098	5,525,098
Net Change in Fund Balances	(237,987)	(893,921)	326,311	(805,597)
Fund Balances at Beginning of Year	5,418,722	1,363,797	4,705,967	11,488,486
Fund Balances at End of Year	\$ 5,180,735	\$ 469,876	\$ 5,032,278	\$ 10,682,889

City of Rocky River, Ohio

Combining Balance Sheet Nonmajor Special Revenue Funds

December 31, 2024

	Law Enforcement Trust	Community Diversion Program	Indigent Driver Alcohol Treatment	Enforcement and Education	Municipal Probation Services
Assets:					
Equity in Pooled Cash and Cash Equivalents	\$ 221,180	\$ 497	\$ 239,852	\$ 29,520	\$ 30,390
Restricted Cash and Cash Equivalents	0	0	0	0	0
Accounts Receivable, Net	0	0	0	0	13,393
Intergovernmental Receivable	2,733	0	0	0	0
Lease Receivable	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
Prepaid Assets	0	0	0	0	0
Property Taxes Receivable	0	0	0	0	0
Total Assets	\$ 223,913	\$ 497	\$ 239,852	\$ 29,520	\$ 43,783
Liabilities, Deferred Inflows of Resources, and Fund Balances:					
Liabilities:					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0
Unearned Revenue	0	0	0	0	0
Payables from Restricted Assets	0	0	0	0	0
Total Liabilities	0	0	0	0	0
Deferred Inflows of Resources:					
Property Taxes	0	0	0	0	0
Unavailable Revenue	0	0	0	0	0
Leases	0	0	0	0	0
Total Deferred Inflows of Resources	0	0	0	0	0
Fund Balances:					
Nonspendable	0	0	0	0	0
Restricted	223,913	497	239,852	29,520	43,783
Total Fund Balances	223,913	497	239,852	29,520	43,783
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 223,913	\$ 497	\$ 239,852	\$ 29,520	\$ 43,783

Federal Emergency Management Agency	Office on Aging	OneOhio Opioid Settlement	Local Fiscal Recovery	Recreation Center	Marine Patrol	Refuse and Recycling
\$ 47	\$ 843,410	\$ 64,220	\$ 1,913	\$ 606,688	\$ 53,732	\$ 1,179,629
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	38,590	0	0	38,590	0	77,180
0	0	0	0	36,486	0	0
0	23,812	0	0	10,165	0	5,536
0	25,979	0	0	30,844	282	13,931
0	589,311	0	0	589,311	0	1,178,622
\$ 47	\$ 1,521,102	\$ 64,220	\$ 1,913	\$ 1,312,084	\$ 54,014	\$ 2,454,898
\$ 0	\$ 10,055	\$ 0	\$ 0	\$ 38,599	\$ 132	\$ 64,955
0	15,289	0	0	49,682	0	38,119
0	8,751	0	0	29,208	0	17,848
0	0	0	1,913	318,878	0	0
0	0	0	0	0	0	0
0	34,095	0	1,913	436,367	132	120,922
0	574,246	0	0	574,246	0	1,148,492
0	53,655	0	0	53,655	0	107,310
0	0	0	0	35,135	0	0
0	627,901	0	0	663,036	0	1,255,802
0	49,791	0	0	41,009	282	19,467
47	809,315	64,220	0	171,672	53,600	1,058,707
47	859,106	64,220	0	212,681	53,882	1,078,174
\$ 47	\$ 1,521,102	\$ 64,220	\$ 1,913	\$ 1,312,084	\$ 54,014	\$ 2,454,898

(Continued)

City of Rocky River, Ohio

Combining Balance Sheet (Continued) Nonmajor Special Revenue Funds

December 31, 2024

	<u>Motor Vehicle License Tax</u>	<u>Street Repair and Maintenance</u>	<u>State Highway</u>	<u>Indigent Driver Alcohol Monitoring</u>
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 246,395	\$ 806,798	\$ 228,807	\$ 3,894
Restricted Cash and Cash Equivalents	0	0	0	0
Accounts Receivable, Net	0	0	0	0
Intergovernmental Receivable	11,049	520,634	42,216	0
Lease Receivable	0	0	0	0
Materials and Supplies Inventory	0	73,393	0	0
Prepaid Assets	3,572	10,944	0	0
Property Taxes Receivable	0	0	0	0
Total Assets	\$ 261,016	\$ 1,411,769	\$ 271,023	\$ 3,894
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts Payable	\$ 104,595	\$ 16,862	\$ 0	\$ 0
Accrued Wages and Benefits	8,580	23,735	0	0
Intergovernmental Payable	4,473	11,867	0	0
Unearned Revenue	0	0	0	0
Payables from Restricted Assets	0	0	0	0
Total Liabilities	117,648	52,464	0	0
Deferred Inflows of Resources:				
Property Taxes	0	0	0	0
Unavailable Revenue	0	346,091	28,063	0
Leases	0	0	0	0
Total Deferred Inflows of Resources	0	346,091	28,063	0
Fund Balances:				
Nonspendable	3,572	84,337	0	0
Restricted	139,796	928,877	242,960	3,894
Total Fund Balances	143,368	1,013,214	242,960	3,894
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 261,016	\$ 1,411,769	\$ 271,023	\$ 3,894

	<u>Fire Levy</u>	<u>Police Levy</u>	<u>Refundable Deposits</u>	<u>Building Standards Fee</u>	<u>Donations and Bequests</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$	295,723	\$ 491,920	\$ 0	\$ 1,083	\$ 350,788	\$ 5,696,486
	0	0	155,335	0	0	155,335
	0	0	0	0	0	13,393
	23,154	23,154	0	0	0	777,300
	0	0	0	0	0	36,486
	0	0	0	0	0	112,906
	0	0	0	0	0	85,552
	<u>353,587</u>	<u>353,587</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,064,418</u>
\$	<u>672,464</u>	<u>\$ 868,661</u>	<u>\$ 155,335</u>	<u>\$ 1,083</u>	<u>\$ 350,788</u>	<u>\$ 9,941,876</u>
\$	0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 235,198
	0	0	0	0	0	135,405
	92,059	75,831	0	0	0	240,037
	0	0	0	0	0	320,791
	0	0	155,335	0	0	155,335
	<u>92,059</u>	<u>75,831</u>	<u>155,335</u>	<u>0</u>	<u>0</u>	<u>1,086,766</u>
	344,548	344,548	0	0	0	2,986,080
	32,193	32,193	0	0	0	653,160
	0	0	0	0	0	35,135
	<u>376,741</u>	<u>376,741</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,674,375</u>
	0	0	0	0	0	198,458
	<u>203,664</u>	<u>416,089</u>	<u>0</u>	<u>1,083</u>	<u>350,788</u>	<u>4,982,277</u>
	203,664	416,089	0	1,083	350,788	5,180,735
\$	<u>672,464</u>	<u>\$ 868,661</u>	<u>\$ 155,335</u>	<u>\$ 1,083</u>	<u>\$ 350,788</u>	<u>\$ 9,941,876</u>

City of Rocky River, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Special Revenue Funds

For the Year Ended December 31, 2024

	Law Enforcement Trust	Community Diversion Program	Indigent Driver Alcohol Treatment	Enforcement and Education	Municipal Probation Services
Revenues:					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental	18,825	0	0	0	0
Charges for Services	0	0	0	0	0
Fees, Fines and Permits	17,247	0	43,346	660	158,779
Investment Income	0	0	0	0	0
Rentals	0	0	0	0	0
Contributions	0	0	0	0	0
Other	0	0	0	0	0
Total Revenues	36,072	0	43,346	660	158,779
Expenditures:					
Current:					
General Government	0	0	0	0	157,655
Security of Persons and Property	29,810	116	12,756	0	0
Public Health	0	0	0	0	0
Transportation	0	0	0	0	0
Leisure Time Activities	0	0	0	0	0
Community Development	0	0	0	0	0
Basic Utility Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Total Expenditures	29,810	116	12,756	0	157,655
Excess of Revenues Over (Under) Expenditures	6,262	(116)	30,590	660	1,124
Other Financing Sources:					
Transfers - In	0	0	0	0	0
Net Change in Fund Balances	6,262	(116)	30,590	660	1,124
Fund Balances at Beginning of Year	217,651	613	209,262	28,860	42,659
Fund Balances at End of Year	\$ 223,913	\$ 497	\$ 239,852	\$ 29,520	\$ 43,783

Federal Emergency Management Agency	Office on Aging	OneOhio Opioid Settlement	Local Fiscal Recovery	Recreation Center	Marine Patrol	Refuse and Recycling
\$ 0 \$ 475,312	\$ 0 \$ 40,342	\$ 0 \$ 2,251,389	\$ 0 \$ 143	\$ 0 \$ 353,544	\$ 0 \$ 0	\$ 0 \$ 950,670
0 61,162	40,342	0	0	0	29,945	128,330
0 400,979	0	0	0	0	0	0
0 0	0	0	0	0	0	0
0 0	0	0	0	143	0	0
0 0	0	0	0	353,544	0	0
0 0	0	0	0	0	0	0
0 444	0	0	0	15,160	4,857	18,718
<hr/> 0 937,897	<hr/> 40,342	<hr/> 0	<hr/> 0	<hr/> 3,156,710	<hr/> 34,802	<hr/> 1,097,718
<hr/> 0 0	<hr/> 0	<hr/> 0	<hr/> 0	<hr/> 0	<hr/> 0	<hr/> 0
0 0	0	0	0	0	45,825	0
0 1,169,223	0	0	0	0	0	0
0 0	0	0	0	0	0	0
0 0	0	0	0	3,825,395	0	0
0 0	0	0	0	0	0	0
0 0	0	0	0	0	0	2,287,912
0 0	0	0	0	0	0	0
<hr/> 0 1,169,223	<hr/> 0	<hr/> 0	<hr/> 0	<hr/> 3,825,395	<hr/> 45,825	<hr/> 2,287,912
<hr/> 0 (231,326)	<hr/> 40,342	<hr/> 0	<hr/> 0	<hr/> (668,685)	<hr/> (11,023)	<hr/> (1,190,194)
<hr/> 0 250,000	<hr/> 0	<hr/> 0	<hr/> 0	<hr/> 550,000	<hr/> 15,000	<hr/> 1,350,000
<hr/> 0 18,674	<hr/> 40,342	<hr/> 0	<hr/> 0	<hr/> (118,685)	<hr/> 3,977	<hr/> 159,806
<hr/> 47 840,432	<hr/> 23,878	<hr/> 0	<hr/> 0	<hr/> 331,366	<hr/> 49,905	<hr/> 918,368
\$ 47 \$ 859,106	\$ 64,220	\$ 0	\$ 0	\$ 212,681	\$ 53,882	\$ 1,078,174

(Continued)

City of Rocky River, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued) Nonmajor Special Revenue Funds

For the Year Ended December 31, 2024

	Motor Vehicle License Tax	Street Repair and Maintenance	State Highway	Indigent Drive Alcohol Monitoring	Fire Levy
Revenues:					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 285,178
Intergovernmental	143,916	1,072,909	86,993	22,249	36,696
Charges for Services	0	0	0	0	0
Fees, Fines and Permits	0	0	0	0	0
Investment Income	0	0	0	0	0
Rentals	0	0	0	0	0
Contributions	0	0	0	0	0
Other	0	99,974	0	0	0
Total Revenues	143,916	1,172,883	86,993	22,249	321,874
Expenditures:					
Current:					
General Government	0	0	0	0	0
Security of Persons and Property	0	0	0	0	781,628
Public Health	0	0	0	0	0
Transportation	913,984	1,449,186	50,320	0	0
Leisure Time Activities	0	0	0	0	0
Community Development	0	0	0	0	0
Basic Utility Service	0	0	0	0	0
Capital Outlay	23,369	10,070	0	17,782	0
Total Expenditures	937,353	1,459,256	50,320	17,782	781,628
Excess of Revenues Over (Under)					
Expenditures	(793,437)	(286,373)	36,673	4,467	(459,754)
Other Financing Sources:					
Transfers - In	625,000	100,000	0	0	450,000
Net Change in Fund Balances	(168,437)	(186,373)	36,673	4,467	(9,754)
Fund Balances at					
Beginning of Year	311,805	1,199,587	206,287	(573)	213,418
Fund Balances at End of Year	\$ 143,368	\$ 1,013,214	\$ 242,960	\$ 3,894	\$ 203,664

Police Levy	Refundable Deposits	Building Standards Fee	Donations and Bequests	Total Nonmajor Special Revenue Funds
\$ 285,178	\$ 0	\$ 0	\$ 0	\$ 2,471,650
36,696	0	0	0	1,739,225
0	0	0	0	2,652,368
0	1,100	3,853	0	224,985
0	0	0	0	143
0	0	0	0	353,544
0	0	0	32,920	32,920
0	0	0	0	139,153
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
321,874	1,100	3,853	32,920	7,613,988
0	0	0	0	157,655
649,355	0	0	0	1,519,490
0	0	0	37,295	1,206,518
0	0	0	0	2,413,490
0	0	0	0	3,825,395
0	1,100	4,194	0	5,294
0	0	0	0	2,287,912
0	0	0	0	51,221
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
649,355	1,100	4,194	37,295	11,466,975
(327,481)	0	(341)	(4,375)	(3,852,987)
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
275,000	0	0	0	3,615,000
(52,481)	0	(341)	(4,375)	(237,987)
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
468,570	0	1,424	355,163	5,418,722
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ 416,089	\$ 0	\$ 1,083	\$ 350,788	\$ 5,180,735

City of Rocky River, Ohio

Combining Balance Sheet Nonmajor Debt Service Funds

December 31, 2024

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 460,337	\$ 9,539	\$ 469,876
Special Assessments Receivable	<u>0</u>	<u>16,299</u>	<u>16,299</u>
Total Assets	\$ 460,337	\$ 25,838	\$ 486,175
Liabilities and Fund Balances:			
Deferred Inflows of Resources:			
Unavailable Revenue	\$ 0	\$ 16,299	\$ 16,299
Fund Balances:			
Restricted	<u>460,337</u>	<u>9,539</u>	<u>469,876</u>
Total Fund Balances	<u>460,337</u>	<u>9,539</u>	<u>469,876</u>
Total Liabilities and Fund Balances	<u>\$ 460,337</u>	<u>\$ 25,838</u>	<u>\$ 486,175</u>

City of Rocky River, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Debt Service Funds

For the Year Ended December 31, 2024

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Revenues:			
Property Taxes	\$ 617,924	\$ 0	\$ 617,924
Intergovernmental	79,513	0	79,513
Special Assessments	0	18,411	18,411
Total Revenues	697,437	18,411	715,848
Expenditures:			
Debt Service:			
Principal Retirement	1,140,000	15,000	1,155,000
Interest and Fiscal Charges	452,937	1,832	454,769
Total Expenditures	1,592,937	16,832	1,609,769
Net Change in Fund Balances	(895,500)	1,579	(893,921)
Fund Balances at Beginning of Year	<u>1,355,837</u>	<u>7,960</u>	<u>1,363,797</u>
Fund Balances at End of Year	<u>\$ 460,337</u>	<u>\$ 9,539</u>	<u>\$ 469,876</u>

City of Rocky River, Ohio

Combining Balance Sheet Nonmajor Capital Projects Funds

December 31, 2024

	Equipment Replacement	Municipal Court Capital Improvement	Total Nonmajor Capital Projects Funds
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 4,465,368	\$ 277,708	\$ 4,743,076
Intergovernmental Receivable	0	73,047	73,047
Prepaid Assets	741	0	741
Municipal Income Taxes Receivable	<u>454,726</u>	<u>0</u>	<u>454,726</u>
 Total Assets	<u><u>\$ 4,920,835</u></u>	<u><u>\$ 350,755</u></u>	<u><u>\$ 5,271,590</u></u>
 Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	\$ 42,582	\$ 8,603	\$ 51,185
 Deferred Inflows of Resources:			
Unavailable Revenue	<u>188,127</u>	<u>0</u>	<u>188,127</u>
 Fund Balances:			
Nonspendable	741	0	741
Restricted	<u>4,689,385</u>	<u>342,152</u>	<u>5,031,537</u>
 Total Fund Balances	<u><u>4,690,126</u></u>	<u><u>342,152</u></u>	<u><u>5,032,278</u></u>
 Total Liabilities, Deferred Inflows of	<u><u>\$ 4,920,835</u></u>	<u><u>\$ 350,755</u></u>	<u><u>\$ 5,271,590</u></u>

City of Rocky River, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Capital Projects Funds

For the Year Ended December 31, 2024

	Equipment Replacement	Municipal Court Capital Improvement	Total Nonmajor Capital Projects Funds
Revenues:			
Municipal Income Taxes	\$ 1,287,991	\$ 0	\$ 1,287,991
Intergovernmental	<u>118,640</u>	<u>620,779</u>	<u>739,419</u>
Total Revenues	<u>1,406,631</u>	<u>620,779</u>	<u>2,027,410</u>
Expenditures:			
Current:			
General Government	11,382	705,987	717,369
Capital Outlay	2,726,742	21,145	2,747,887
Debt Service:			
Principal Retirement	120,639	0	120,639
Interest and Fiscal Charges	<u>25,302</u>	<u>0</u>	<u>25,302</u>
Total Expenditures	<u>2,884,065</u>	<u>727,132</u>	<u>3,611,197</u>
Excess of Revenue (Under) Expenditures	<u>(1,477,434)</u>	<u>(106,353)</u>	<u>(1,583,787)</u>
Other Financing Sources:			
Sale of Capital Assets	9,150	0	9,150
Financed Purchase	418,931	0	418,931
Subscription	32,017	0	32,017
Transfers - In	<u>1,450,000</u>	<u>0</u>	<u>1,450,000</u>
Total Other Financing Sources	<u>1,910,098</u>	<u>0</u>	<u>1,910,098</u>
Net Change in Fund Balances	432,664	(106,353)	326,311
Fund Balances at Beginning of Year	<u>4,257,462</u>	<u>448,505</u>	<u>4,705,967</u>
Fund Balances at End of Year	<u>\$ 4,690,126</u>	<u>\$ 342,152</u>	<u>\$ 5,032,278</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

General Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Property Taxes	\$ 5,736,266	\$ 5,736,266	\$ 5,989,177	\$ 252,911
Municipal Income Taxes	15,727,500	15,727,500	17,883,649	2,156,149
Other Local Taxes	10,000	10,000	48,353	38,353
Intergovernmental	1,288,832	1,288,832	1,328,815	39,983
Charges for Services	840,000	840,000	1,058,764	218,764
Fees, Licenses and Permits	2,207,800	2,207,800	2,392,619	184,819
Special Assessments	0	0	2,803	2,803
Investment Income	825,000	825,000	1,376,289	551,289
Rentals	175,000	175,000	165,895	(9,105)
Other	315,300	315,300	398,692	83,392
Total Revenues	27,125,698	27,125,698	30,645,056	3,519,358
Expenditures:				
Current:				
General Government:				
Council:				
Personal Service	135,200	135,200	133,585	1,615
Fringe Benefits	23,374	23,374	21,185	2,189
Other	8,119	8,120	4,879	3,241
Total Council	166,693	166,694	159,649	7,045
Mayor:				
Personal Service	171,700	171,700	175,061	(3,361)
Fringe Benefits	58,172	58,172	49,405	8,767
Other	21,482	21,982	17,914	4,068
Total Mayor	251,354	251,854	242,380	9,474
Finance Department:				
Personal Service	319,500	319,500	307,752	11,748
Fringe Benefits	194,778	194,778	180,901	13,877
Other	805,431	795,031	513,917	281,114
Total Finance Department	1,319,709	1,309,309	1,002,570	306,739
Law Director:				
Personal Service	151,000	151,000	141,866	9,134
Fringe Benefits	26,337	26,337	23,591	2,746
Other	149,988	199,988	69,594	130,394
Total Law Director	327,325	377,325	235,051	142,274

(Continued)

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

General Fund (Continued)

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Other Executive Administration:				
Personal Service	368,400	368,400	303,315	65,085
Fringe Benefits	163,539	163,539	114,880	48,659
Other	351,492	351,492	290,223	61,269
Total Other Executive Administration	883,431	883,431	708,418	175,013
Boards and Commissions:				
Personal Service	41,600	41,600	22,578	19,022
Fringe Benefits	6,750	6,750	3,099	3,651
Other	31,614	31,114	25,754	5,360
Total Boards and Commissions	79,964	79,464	51,431	28,033
Building Maintenance:				
Personal Service	498,900	498,900	470,597	28,303
Fringe Benefits	205,259	205,259	167,108	38,151
Other	856,385	856,385	623,783	232,602
Total Building Maintenance	1,560,544	1,560,544	1,261,488	299,056
Human Resources:				
Personal Service	93,600	93,600	92,295	1,305
Fringe Benefits	15,500	15,500	14,598	902
Other	48,159	48,159	43,869	4,290
Total Human Resources	157,259	157,259	150,762	6,497
Municipal Courts:				
Personal Service	1,017,500	1,007,500	496,363	511,137
Fringe Benefits	303,579	315,579	311,427	4,152
Other	196,700	194,700	104,698	90,002
Total Municipal Courts	1,517,779	1,517,779	912,488	605,291
Clerk of Courts:				
Personal Service	873,000	873,000	659,503	213,497
Fringe Benefits	434,494	434,494	391,262	43,232
Other	381,400	381,400	242,978	138,422
Total Clerk of Courts	1,688,894	1,688,894	1,293,743	395,151
Information Technology				
Personal Service	151,500	151,500	122,575	28,925
Fringe Benefits	55,471	55,471	51,728	3,743
Other	72,221	72,221	32,622	39,599
Total Information Technology	279,192	279,192	206,925	72,267

(Continued)

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

General Fund (Continued)

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Miscellaneous:				
Fringe Benefits	1,574	1,574	1,310	264
Other	101,744	112,144	36,917	75,227
Total Miscellaneous	103,318	113,718	38,227	75,491
Total General Government	8,335,462	8,385,463	6,263,132	2,122,331
Security of Persons and Property:				
Police Department:				
Personal Service	4,645,050	4,645,050	4,196,759	448,291
Fringe Benefits	1,178,673	1,178,173	1,063,040	115,133
Other	908,935	908,935	543,536	365,399
Total Police Department	6,732,658	6,732,158	5,803,335	928,823
Fire Department:				
Personal Service	3,510,700	3,510,700	3,402,417	108,283
Fringe Benefits	1,089,765	1,089,765	927,528	162,237
Other	743,068	779,068	627,043	152,025
Total Fire Department	5,343,533	5,379,533	4,956,988	422,545
Police on Patrol Arresting Speeders:				
Personal Service	15,000	15,000	1,004	13,996
Fringe Benefits	0	500	15	485
Total Police on Patrol Arresting Speeders	15,000	15,500	1,019	14,481
Total Security of Persons and Property				
	12,091,191	12,127,191	10,761,342	1,365,849
Transportation:				
Equipment Repair and Garage:				
Personal Service	571,700	597,600	547,035	50,565
Fringe Benefits	265,247	274,347	266,363	7,984
Other	256,966	256,966	178,163	78,803
Total Transportation	1,093,913	1,128,913	991,561	137,352

(Continued)

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

General Fund (Continued)

For the Year Ended December 31, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Leisure Time Activities:				
Parks Department:				
Personal Service	484,700	484,700	444,113	40,587
Fringe Benefits	236,325	236,325	186,027	50,298
Other	192,197	192,197	159,513	32,684
Total Leisure Time Activities	<u>913,222</u>	<u>913,222</u>	<u>789,653</u>	<u>123,569</u>
Community Development:				
Engineering:				
Other	<u>52,112</u>	<u>52,112</u>	<u>50,934</u>	<u>1,178</u>
Building:				
Personal Service	426,800	426,800	364,369	62,431
Fringe Benefits	182,441	182,441	159,873	22,568
Other	150,779	150,779	36,919	113,860
Total Building	<u>760,020</u>	<u>760,020</u>	<u>561,161</u>	<u>198,859</u>
Economic Development:				
Personal Service	88,500	88,500	87,174	1,326
Fringe Benefits	46,059	46,059	21,949	24,110
Other	68,315	60,315	17,454	42,861
Total Economic Development	<u>202,874</u>	<u>194,874</u>	<u>126,577</u>	<u>68,297</u>
Total Community Development	<u>1,015,006</u>	<u>1,007,006</u>	<u>738,672</u>	<u>268,334</u>
Total Expenditures	<u>23,448,794</u>	<u>23,561,795</u>	<u>19,544,360</u>	<u>4,017,435</u>
Excess of Revenues Over Expenditures	<u>3,676,904</u>	<u>3,563,903</u>	<u>11,100,696</u>	<u>7,536,793</u>
Other Financing Sources (Uses):				
Sale of Capital Assets	12,000	12,000	38,822	26,822
Transfers - Out	(15,575,000)	(15,575,000)	(11,115,000)	4,460,000
Total Other Financing Sources (Uses)	<u>(15,563,000)</u>	<u>(15,563,000)</u>	<u>(11,076,178)</u>	<u>4,486,822</u>
Net Change in Fund Balance	(11,886,096)	(11,999,097)	24,518	12,023,615
Fund Balance at Beginning of Year	15,638,322	15,638,322	15,638,322	0
Prior Year Encumbrances Appropriated	<u>305,038</u>	<u>305,038</u>	<u>305,038</u>	<u>0</u>
Fund Balance at End of Year	\$ <u>4,057,264</u>	\$ <u>3,944,263</u>	\$ <u>15,967,878</u>	\$ <u>12,023,615</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Budget Stabilization Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Other Financing Sources:				
Transfers - In	\$ 0	\$ 0	\$ 300,000	\$ 300,000
Net Change in Fund Balance	0	0	300,000	300,000
Fund Balance at Beginning of Year	<u>888,290</u>	<u>888,290</u>	<u>888,290</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 888,290</u>	<u>\$ 888,290</u>	<u>\$ 1,188,290</u>	<u>\$ 300,000</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Capital Improvement Fund

For the Year Ended December 31, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Property Taxes	\$ 816,442	\$ 910,519	\$ 950,670	\$ 40,151
Municipal Income Taxes	3,149,580	3,512,500	3,175,363	(337,137)
Other Local Taxes	224,169	250,000	169,706	(80,294)
Intergovernmental	704,171	785,312	1,092,507	307,195
Other	53,198	59,328	201,760	142,432
Total Revenues	4,947,560	5,517,659	5,590,006	72,347
Expenditures:				
Current:				
General Government	99,997	99,997	22,301	77,696
Capital Outlay	17,323,135	18,823,135	13,338,986	5,484,149
Debt Service:				
Principal retirement	7,473	7,473	7,472	1
Issuance Costs	40,000	40,000	0	40,000
Total Expenditures	17,470,605	18,970,605	13,368,759	5,601,846
Excess of Revenues (Under) Over Expenditures	(12,523,045)	(13,452,946)	(7,778,753)	5,674,193
Other Financing Sources:				
Note Proceeds	4,124,717	4,600,000	0	(4,600,000)
Transfers - In	3,945,381	4,400,000	3,900,000	(500,000)
Total Other Financing Sources	8,070,098	9,000,000	3,900,000	(5,100,000)
Net Change in Fund Balance	(4,452,947)	(4,452,946)	(3,878,753)	574,193
Fund Balance at Beginning of Year	2,268,030	2,268,030	2,268,030	0
Prior Year Encumbrances Appropriated	3,275,235	3,275,235	3,275,235	0
Fund Balance at End of Year	\$ 1,090,318	\$ 1,090,319	\$ 1,664,512	\$ 574,193

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Law Enforcement Trust Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ 46,200	\$ 46,200	\$ 18,326	\$ (27,874)
Fees, Fines and Permits	10,000	10,000	17,247	7,247
Total Revenues	<u>56,200</u>	<u>56,200</u>	<u>35,573</u>	<u>(20,627)</u>
Expenditures:				
Current:				
Security of Persons and Property:				
Personal Service	57,700	57,700	0	57,700
Fringe Benefits	12,272	12,272	0	12,272
Other	45,592	45,592	29,882	15,710
Total Expenditures	<u>115,564</u>	<u>115,564</u>	<u>29,882</u>	<u>85,682</u>
Net Change in Fund Balance	(59,364)	(59,364)	5,691	65,055
Fund Balance at Beginning of Year	211,072	211,072	211,072	0
Prior Year Encumbrances Appropriated	<u>3,467</u>	<u>3,467</u>	<u>3,467</u>	<u>0</u>
Fund Balance at End of Year	\$ <u>155,175</u>	\$ <u>155,175</u>	\$ <u>220,230</u>	\$ <u>65,055</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Community Diversion Program Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ 5,400	\$ 5,400	\$ 0	\$ (5,400)
Total Revenues	<u>5,400</u>	<u>5,400</u>	<u>0</u>	<u>(5,400)</u>
Expenditures:				
Current:				
Security of Persons and Property:				
Personal Service	4,200	4,200	0	4,200
Fringe Benefits	900	900	39	861
Other	300	300	0	300
Total Expenditures	<u>5,400</u>	<u>5,400</u>	<u>39</u>	<u>5,361</u>
Net Change in Fund Balance	0	0	(39)	(39)
Fund Balance at Beginning of Year	<u>536</u>	<u>536</u>	<u>536</u>	<u>0</u>
Fund Balance at End of Year	\$ <u>536</u>	\$ <u>536</u>	\$ <u>497</u>	\$ <u>(39)</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Indigent Driver Alcohol Treatment Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Fees, Fines and Permits	\$ 30,000	\$ 30,000	\$ 43,346	\$ 13,346
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>43,346</u>	<u>13,346</u>
Expenditures:				
Current:				
Security of Persons and Property:				
Other	25,000	125,000	31,887	93,113
Total Expenditures	<u>25,000</u>	<u>125,000</u>	<u>31,887</u>	<u>93,113</u>
Net Change in Fund Balance	5,000	(95,000)	11,459	106,459
Fund Balance at Beginning of Year	228,393	228,393	228,393	0
Fund Balance at End of Year	<u>\$ 233,393</u>	<u>\$ 133,393</u>	<u>\$ 239,852</u>	<u>\$ 106,459</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Enforcement and Education Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Fees, Fines and Permits	\$ 3,000	\$ 3,000	\$ 660	\$ (2,340)
Total Revenues	<u>3,000</u>	<u>3,000</u>	<u>660</u>	<u>(2,340)</u>
Expenditures:				
Current:				
Security of Persons and Property:				
Other	15,000	15,000	0	15,000
Total Expenditures	<u>15,000</u>	<u>15,000</u>	<u>0</u>	<u>15,000</u>
Net Change in Fund Balance	(12,000)	(12,000)	660	12,660
Fund Balance at Beginning of Year	<u>28,860</u>	<u>28,860</u>	<u>28,860</u>	<u>0</u>
Fund Balance at End of Year	\$ <u>16,860</u>	\$ <u>16,860</u>	\$ <u>29,520</u>	\$ <u>12,660</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Municipal Probation Services Fund

For the Year Ended December 31, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Fees, Fines and Permits	\$ 155,000	\$ 155,000	\$ 159,060	\$ 4,060
Total Revenues	<u>155,000</u>	<u>155,000</u>	<u>159,060</u>	<u>4,060</u>
Expenditures:				
Current:				
General Government:				
Personal Service	180,000	180,000	130,000	50,000
Fringe Benefits	0	0	28	(28)
Other	42,600	42,600	27,684	14,916
Total Expenditures	<u>222,600</u>	<u>222,600</u>	<u>157,712</u>	<u>64,888</u>
Net Change in Fund Balance	(67,600)	(67,600)	1,348	68,948
Fund Balance at Beginning of Year	<u>29,042</u>	<u>29,042</u>	<u>29,042</u>	<u>0</u>
Fund Balance at End of Year	\$ <u>(38,558)</u>	\$ <u>(38,558)</u>	\$ <u>30,390</u>	\$ <u>68,948</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Office on Aging Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Property Taxes	\$ 455,259	\$ 455,259	\$ 475,312	\$ 20,053
Intergovernmental	60,156	60,156	61,162	1,006
Charges for Services	400,600	400,600	400,979	379
Other	7,000	7,000	444	(6,556)
Total Revenues	<u>923,015</u>	<u>923,015</u>	<u>937,897</u>	<u>14,882</u>
Expenditures:				
Current:				
Public Health Services:				
Personal Service	731,339	731,339	551,788	179,551
Fringe Benefits	243,919	243,919	196,301	47,618
Other	616,810	616,810	454,447	162,363
Total Expenditures	<u>1,592,068</u>	<u>1,592,068</u>	<u>1,202,536</u>	<u>389,532</u>
Excess of Revenues (Under) Over Expenditures	(669,053)	(669,053)	(264,639)	404,414
Other Financing Sources:				
Transfers - In	<u>50,000</u>	<u>50,000</u>	<u>250,000</u>	<u>200,000</u>
Net Change in Fund Balance	(619,053)	(619,053)	(14,639)	604,414
Fund Balance at Beginning of Year	800,321	800,321	800,321	0
Prior Year Encumbrances Appropriated	<u>15,879</u>	<u>15,879</u>	<u>15,879</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 197,147</u>	<u>\$ 197,147</u>	<u>\$ 801,561</u>	<u>\$ 604,414</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

OneOhio Opioid Settlement Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ 4,300	\$ 4,300	\$ 40,342	\$ 36,042
Total Revenues	<u>4,300</u>	<u>4,300</u>	<u>40,342</u>	<u>36,042</u>
Expenditures:				
Current:				
General Government:				
Other	5,000	5,000	0	5,000
Total Expenditures	<u>5,000</u>	<u>5,000</u>	<u>0</u>	<u>5,000</u>
Net Change in Fund Balance	(700)	(700)	40,342	41,042
Fund Balance at Beginning of Year	23,878	23,878	23,878	0
Fund Balance at End of Year	\$ 23,178	\$ 23,178	\$ 64,220	\$ 41,042

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Recreation Center Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Property Taxes	\$ 438,066	\$ 455,259	\$ 475,312	\$ 20,053
Intergovernmental	57,884	60,156	61,162	1,006
Charges for Services	1,973,541	2,051,000	2,293,863	242,863
Rentals	301,948	313,800	353,544	39,744
Other	11,547	12,000	15,160	3,160
Total Revenues	2,782,986	2,892,215	3,199,041	306,826
Expenditures:				
Current:				
Leisure Time Activities:				
Personal Service	1,912,900	1,957,900	2,067,573	(109,673)
Fringe Benefits	561,734	568,704	570,738	(2,034)
Other	1,449,665	1,522,664	1,246,246	276,418
Total Expenditures	3,924,299	4,049,268	3,884,557	164,711
Excess of Revenues (Under) Over Expenditures	(1,141,313)	(1,157,053)	(685,516)	471,537
Other Financing Sources (Uses):				
Transfers - In	529,228	550,000	550,000	0
Net Change in Fund Balances	(612,085)	(607,053)	(135,516)	471,537
Fund Balance at Beginning of Year	586,091	586,091	586,091	0
Prior Year Encumbrances Appropriated	78,370	78,370	78,370	0
Fund Balance at End of Year	\$ 52,376	\$ 57,408	\$ 528,945	\$ 471,537

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Marine Patrol Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ 35,000	\$ 35,000	\$ 34,802	\$ (198)
Other	0	0	4,857	4,857
Total Revenues	<u>35,000</u>	<u>35,000</u>	<u>39,659</u>	<u>4,659</u>
Expenditures:				
Current:				
Security of Persons and Property:				
Personal Service	28,300	28,300	20,886	7,414
Fringe Benefits	3,915	3,915	556	3,359
Other	<u>27,551</u>	<u>27,551</u>	<u>24,772</u>	<u>2,779</u>
Total Expenditures	<u>59,766</u>	<u>59,766</u>	<u>46,214</u>	<u>13,552</u>
Excess of Revenues (Under) Over Expenditures	(24,766)	(24,766)	(6,555)	18,211
Other Financing Sources:				
Transfers - In	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>0</u>
Net Change in Fund Balance	(9,766)	(9,766)	8,445	18,211
Fund Balance at Beginning of Year	44,605	44,605	44,605	0
Prior Year Encumbrances Appropriated	<u>286</u>	<u>286</u>	<u>286</u>	<u>0</u>
Fund Balance at End of Year	\$ <u>35,125</u>	\$ <u>35,125</u>	\$ <u>53,336</u>	\$ <u>18,211</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Refuse and Recycling Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Property Taxes	\$ 910,519	\$ 910,519	\$ 950,670	\$ 40,151
Intergovernmental	125,312	125,312	128,330	3,018
Charges for Services	7,000	7,000	0	(7,000)
Other	22,000	22,000	18,718	(3,282)
Total Revenues	<u>1,064,831</u>	<u>1,064,831</u>	<u>1,097,718</u>	<u>32,887</u>
Expenditures:				
Current:				
Basic Utilities Service:				
Personal Service	1,098,100	1,098,100	963,109	134,991
Fringe Benefits	501,279	501,279	435,260	66,019
Other	1,149,762	1,149,762	944,092	205,670
Total Expenditures	<u>2,749,141</u>	<u>2,749,141</u>	<u>2,342,461</u>	<u>406,680</u>
Excess of Revenues (Under) Over Expenditures	(1,684,310)	(1,684,310)	(1,244,743)	439,567
Other Financing Sources:				
Transfers - In	<u>900,000</u>	<u>900,000</u>	<u>1,350,000</u>	<u>450,000</u>
Net Change in Fund Balance	(784,310)	(784,310)	105,257	889,567
Fund Balance at Beginning of Year	882,302	882,302	882,302	0
Prior Year Encumbrances Appropriated	<u>67,774</u>	<u>67,774</u>	<u>67,774</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 165,766</u>	<u>\$ 165,766</u>	<u>\$ 1,055,333</u>	<u>\$ 889,567</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Motor Vehicle License Tax Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ 141,000	\$ 141,000	\$ 144,354	\$ 3,354
Total Revenues	<u>141,000</u>	<u>141,000</u>	<u>144,354</u>	<u>3,354</u>
Expenditures:				
Current:				
Transportation:				
Personal Service	253,200	253,200	237,339	15,861
Fringe Benefits	131,722	131,722	128,400	3,322
Other	575,583	576,583	498,027	78,556
Total Transportation	<u>960,505</u>	<u>961,505</u>	<u>863,766</u>	<u>97,739</u>
Capital Outlay	80,000	79,000	24,268	54,732
Total Expenditures	<u>1,040,505</u>	<u>1,040,505</u>	<u>888,034</u>	<u>152,471</u>
Excess of Revenues (Under) Over Expenditures	(899,505)	(899,505)	(743,680)	155,825
Other Financing Sources:				
Transfers - In	<u>625,000</u>	<u>625,000</u>	<u>625,000</u>	<u>0</u>
Net Change in Fund Balance	(274,505)	(274,505)	(118,680)	155,825
Fund Balance at Beginning of Year	333,343	333,343	333,343	0
Prior Year Encumbrances Appropriated	<u>11,226</u>	<u>11,226</u>	<u>11,226</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 70,064</u>	<u>\$ 70,064</u>	<u>\$ 225,889</u>	<u>\$ 155,825</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Street Repair and Maintenance Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ 1,055,400	\$ 1,055,400	\$ 1,072,554	\$ 17,154
Other	0	0	99,974	99,974
Total Revenues	<u>1,055,400</u>	<u>1,055,400</u>	<u>1,172,528</u>	<u>117,128</u>
Expenditures:				
Current:				
Transportation:				
Personal Service	853,000	853,000	677,737	175,263
Fringe Benefits	431,540	431,540	443,117	(11,577)
Other	<u>652,722</u>	<u>664,722</u>	<u>400,813</u>	<u>263,909</u>
Total Transportation	<u>1,937,262</u>	<u>1,949,262</u>	<u>1,521,667</u>	<u>427,595</u>
Capital Outlay	<u>35,973</u>	<u>23,973</u>	<u>12,691</u>	<u>11,282</u>
Total Expenditures	<u>1,973,235</u>	<u>1,973,235</u>	<u>1,534,358</u>	<u>438,877</u>
Excess of Revenues (Under) Over Expenditures	(917,835)	(917,835)	(361,830)	556,005
Other Financing Sources:				
Transfers - In	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>0</u>
Net Change in Fund Balance	(817,835)	(817,835)	(261,830)	556,005
Fund Balance at Beginning of Year	943,818	943,818	943,818	0
Prior Year Encumbrances Appropriated	<u>68,926</u>	<u>68,926</u>	<u>68,926</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 194,909</u>	<u>\$ 194,909</u>	<u>\$ 750,914</u>	<u>\$ 556,005</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

State Highway Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ 84,400	\$ 84,400	\$ 86,963	\$ 2,563
Total Revenues	<u>84,400</u>	<u>84,400</u>	<u>86,963</u>	<u>2,563</u>
Expenditures:				
Current:				
Transportation:				
Other	175,000	175,000	52,619	122,381
Total Expenditures	<u>175,000</u>	<u>175,000</u>	<u>52,619</u>	<u>122,381</u>
Net Change in Fund Balance	(90,600)	(90,600)	34,344	124,944
Fund Balance at Beginning of Year	192,164	192,164	192,164	0
Fund Balance at End of Year	\$ 101,564	\$ 101,564	\$ 226,508	\$ 124,944

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Indigent Drive Alcohol Monitoring Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ 25,000	\$ 25,000	\$ 22,249	\$ (2,751)
Total Revenues	<u>25,000</u>	<u>25,000</u>	<u>22,249</u>	<u>(2,751)</u>
Expenditures:				
Capital Outlay	30,000	30,000	27,386	2,614
Total Expenditures	<u>30,000</u>	<u>30,000</u>	<u>27,386</u>	<u>2,614</u>
Net Change in Fund Balance	(5,000)	(5,000)	(5,137)	(137)
Fund Balance at Beginning of Year	<u>9,031</u>	<u>9,031</u>	<u>9,031</u>	<u>0</u>
Fund Balance at End of Year	\$ <u>4,031</u>	\$ <u>4,031</u>	\$ <u>3,894</u>	\$ <u>(137)</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Fire Levy Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Property Taxes	\$ 273,155	\$ 273,155	\$ 285,178	\$ 12,023
Intergovernmental	36,094	36,094	36,696	602
Total Revenues	<u>309,249</u>	<u>309,249</u>	<u>321,874</u>	<u>12,625</u>
Expenditures:				
Current:				
Security of Persons and Property:				
Fringe Benefits	825,800	825,800	781,702	44,098
Total Expenditures	<u>825,800</u>	<u>825,800</u>	<u>781,702</u>	<u>44,098</u>
Excess of Revenues (Under) Over Expenditures	(516,551)	(516,551)	(459,828)	56,723
Other Financing Sources:				
Transfers - In	<u>450,000</u>	<u>450,000</u>	<u>450,000</u>	<u>0</u>
Net Change in Fund Balance	(66,551)	(66,551)	(9,828)	56,723
Fund Balance at Beginning of Year	<u>305,551</u>	<u>305,551</u>	<u>305,551</u>	<u>0</u>
Fund Balance at End of Year	\$ <u>239,000</u>	\$ <u>239,000</u>	\$ <u>295,723</u>	\$ <u>56,723</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Police Levy Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Property Taxes	\$ 273,155	\$ 273,155	\$ 285,178	\$ 12,023
Intergovernmental	36,094	36,094	36,696	602
Total Revenues	<u>309,249</u>	<u>309,249</u>	<u>321,874</u>	<u>12,625</u>
Expenditures:				
Current:				
Security of Persons and Property:				
Fringe Benefits	759,000	759,000	643,893	115,107
Total Expenditures	<u>759,000</u>	<u>759,000</u>	<u>643,893</u>	<u>115,107</u>
Excess of Revenues (Under) Over Expenditures	(449,751)	(449,751)	(322,019)	127,732
Other Financing Sources:				
Transfers - In	275,000	275,000	275,000	0
Net Change in Fund Balance	(174,751)	(174,751)	(47,019)	127,732
Fund Balance at Beginning of Year	<u>538,939</u>	<u>538,939</u>	<u>538,939</u>	<u>0</u>
Fund Balance at End of Year	\$ <u>364,188</u>	\$ <u>364,188</u>	\$ <u>491,920</u>	\$ <u>127,732</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Refundable Deposits Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Fees, Licenses and Permits	\$ 30,000	\$ 30,000	\$ 1,100	\$ (28,900)
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>1,100</u>	<u>(28,900)</u>
Expenditures:				
Current:				
Community Development:				
Building:				
Other	349,600	349,600	150,000	199,600
Total Expenditures	<u>349,600</u>	<u>349,600</u>	<u>150,000</u>	<u>199,600</u>
Net Change in Fund Balance	(319,600)	(319,600)	(148,900)	170,700
Fund Balance at Beginning of Year	304,235	304,235	304,235	0
Fund Balance at End of Year	<u>\$ (15,365)</u>	<u>\$ (15,365)</u>	<u>\$ 155,335</u>	<u>\$ 170,700</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Building Standards Fee Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Fees, Licenses and Permits	\$ 8,300	\$ 8,300	\$ 3,853	\$ (4,447)
Total Revenues	<u>8,300</u>	<u>8,300</u>	<u>3,853</u>	<u>(4,447)</u>
Expenditures:				
Current:				
Community Development:				
Building:				
Other	8,000	8,000	4,194	3,806
Total Expenditures	<u>8,000</u>	<u>8,000</u>	<u>4,194</u>	<u>3,806</u>
Net Change in Fund Balance	300	300	(341)	(641)
Fund Balance at Beginning of Year	<u>1,424</u>	<u>1,424</u>	<u>1,424</u>	<u>0</u>
Fund Balance at End of Year	\$ <u>1,724</u>	\$ <u>1,724</u>	\$ <u>1,083</u>	\$ <u>(641)</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Donations and Bequests Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Contributions	\$ 20,000	\$ 20,000	\$ 32,920	\$ 12,920
Total Revenues	<u>20,000</u>	<u>20,000</u>	<u>32,920</u>	<u>12,920</u>
Expenditures:				
Current:				
Public Health Services:				
Senior Center				
Other	328,974	328,974	40,904	288,070
Total Expenditures	<u>328,974</u>	<u>328,974</u>	<u>40,904</u>	<u>288,070</u>
Net Change in Fund Balance	(308,974)	(308,974)	(7,984)	300,990
Fund Balance at Beginning of Year	351,929	351,929	351,929	0
Prior Year Encumbrances Appropriated	<u>3,974</u>	<u>3,974</u>	<u>3,974</u>	<u>0</u>
Fund Balance at End of Year	\$ <u>46,929</u>	\$ <u>46,929</u>	\$ <u>347,919</u>	\$ <u>300,990</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

General Obligation Bond Retirement Fund

For the Year Ended December 31, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Property Taxes	\$ 591,837	\$ 591,837	\$ 617,924	\$ 26,087
Intergovernmental	78,203	78,203	79,513	1,310
Total Revenues	<u>670,040</u>	<u>670,040</u>	<u>697,437</u>	<u>27,397</u>
Expenditures:				
Debt Service:				
Principal Retirement	1,140,000	1,140,000	1,140,000	0
Interest and fiscal charges	455,000	455,000	452,937	2,063
Total Expenditures	<u>1,595,000</u>	<u>1,595,000</u>	<u>1,592,937</u>	<u>2,063</u>
Net Change in Fund Balance	(924,960)	(924,960)	(895,500)	29,460
Fund Balance at Beginning of Year	<u>1,355,837</u>	<u>1,355,837</u>	<u>1,355,837</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 430,877</u>	<u>\$ 430,877</u>	<u>\$ 460,337</u>	<u>\$ 29,460</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Special Assessment Bond Retirement Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Special Assessments	\$ 55,000	\$ 55,000	\$ 18,411	\$ (36,589)
Total Revenues	<u>55,000</u>	<u>55,000</u>	<u>18,411</u>	<u>(36,589)</u>
Expenditures:				
Debt Service:				
Principal Retirement	15,000	15,000	15,000	0
Interest and fiscal charges	2,150	2,150	1,832	318
Total Expenditures	<u>17,150</u>	<u>17,150</u>	<u>16,832</u>	<u>318</u>
Excess of Revenues (Under) Over Expenditures	37,850	37,850	1,579	(36,271)
Other Financing Sources:				
Transfers - In	10,000	10,000	0	(10,000)
Net Change in Fund Balance	47,850	47,850	1,579	(46,271)
Fund Balance at Beginning of Year	<u>7,960</u>	<u>7,960</u>	<u>7,960</u>	<u>0</u>
Fund Balance at End of Year	\$ <u>55,810</u>	\$ <u>55,810</u>	\$ <u>9,539</u>	\$ <u>(46,271)</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Equipment Replacement Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Municipal Income Taxes	\$ 1,730,000	\$ 1,730,000	\$ 1,563,985	\$ (166,015)
Intergovernmental	36,110	36,110	133,809	97,699
Total Revenues	<u>1,766,110</u>	<u>1,766,110</u>	<u>1,697,794</u>	<u>(68,316)</u>
Expenditures:				
Current:				
General Government:				
Other	49,253	49,253	10,984	38,269
Capital Outlay	<u>7,101,472</u>	<u>7,101,472</u>	<u>4,653,480</u>	<u>2,447,992</u>
Total Expenditures	<u>7,150,725</u>	<u>7,150,725</u>	<u>4,664,464</u>	<u>2,486,261</u>
Excess of Revenues (Under) Over Expenditures	(5,384,615)	(5,384,615)	(2,966,670)	2,417,945
Other Financing Sources:				
Sale of Capital Assets	0	0	9,150	9,150
Transfers - In	<u>2,100,000</u>	<u>2,100,000</u>	<u>1,450,000</u>	<u>(650,000)</u>
Total Other Financing Sources	<u>2,100,000</u>	<u>2,100,000</u>	<u>1,459,150</u>	<u>(640,850)</u>
Net Change in Fund Balance	(3,284,615)	(3,284,615)	(1,507,520)	1,777,095
Fund Balance at Beginning of Year	1,501,552	1,501,552	1,501,552	0
Prior Year Encumbrances Appropriated	<u>2,188,272</u>	<u>2,188,272</u>	<u>2,188,272</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 405,209</u>	<u>\$ 405,209</u>	<u>\$ 2,182,304</u>	<u>\$ 1,777,095</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

Municipal Court Capital Improvement Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ 477,000	\$ 477,000	\$ 571,548	\$ 94,548
Total Revenues	<u>477,000</u>	<u>477,000</u>	<u>571,548</u>	<u>94,548</u>
Expenditures:				
Current:				
General Government:				
Personal Service	214,800	214,800	411,528	(196,728)
Fringe Benefits	0	0	34	(34)
Other	445,900	445,900	293,810	152,090
Total General Government	<u>660,700</u>	<u>660,700</u>	<u>705,372</u>	<u>(44,672)</u>
Capital Outlay	222,500	222,500	13,225	209,275
Total Expenditures	<u>883,200</u>	<u>883,200</u>	<u>718,597</u>	<u>164,603</u>
Net Change in Fund Balance	(406,200)	(406,200)	(147,049)	259,151
Fund Balance at Beginning of Year	<u>424,757</u>	<u>424,757</u>	<u>424,757</u>	<u>0</u>
Fund Balance at End of Year	\$ <u>18,557</u>	\$ <u>18,557</u>	\$ <u>277,708</u>	\$ <u>259,151</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Equity – Budget (Non-GAAP Budgetary Basis) and Actual

Wastewater Treatment Plant Fund

For the Year Ended December 31, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 40,000	\$ 40,000	\$ 0	\$ (40,000)
Charges for Services	6,775,520	6,775,520	6,705,044	(70,476)
Investment Income	2,000	2,000	23,058	21,058
Other	8,400	8,400	267,367	258,967
Total Revenues	<u>6,825,920</u>	<u>6,825,920</u>	<u>6,995,469</u>	<u>169,549</u>
Expenditures:				
Current Operations:				
Personal Services	1,521,940	1,521,940	1,408,850	113,090
Fringe Benefits	649,118	648,118	569,391	78,727
Materials And Supplies	1,222,071	1,243,071	1,056,708	186,363
Contractual Services	950,320	1,066,846	867,291	199,555
Heat, Light, And Power	947,953	892,953	638,356	254,597
Landfill	443,400	395,400	377,731	17,669
Total Current Operations	<u>5,734,802</u>	<u>5,768,328</u>	<u>4,918,327</u>	<u>850,001</u>
Capital Outlay	21,443,544	21,410,101	19,398,309	2,011,792
Debt Service:				
Principal Retirement	1,031,600	1,031,556	1,031,176	380
Interest and fiscal charges	56,600	56,560	56,473	87
Total Expenditures	<u>28,266,546</u>	<u>28,266,545</u>	<u>25,404,285</u>	<u>2,862,260</u>
Excess of Revenues Over Expenditures	<u>(21,440,626)</u>	<u>(21,440,625)</u>	<u>(18,408,816)</u>	<u>3,031,809</u>
Other Financing Sources:				
Sale of Capital Assets	1,000	1,000	0	(1,000)
Note Proceeds	<u>20,000,000</u>	<u>20,000,000</u>	<u>16,850,852</u>	<u>(3,149,148)</u>
Total Other Financing Sources	<u>20,001,000</u>	<u>20,001,000</u>	<u>16,850,852</u>	<u>(3,150,148)</u>
Net Change in Fund Equity	(1,439,626)	(1,439,625)	(1,557,964)	(118,339)
Fund Equity at Beginning of Year	4,356,129	4,356,129	4,356,129	0
Prior Year Encumbrances Appropriated	<u>849,927</u>	<u>849,927</u>	<u>849,927</u>	<u>0</u>
Fund Equity at End of Year	<u>\$ 3,766,430</u>	<u>\$ 3,766,431</u>	<u>\$ 3,648,092</u>	<u>\$ (118,339)</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Equity – Budget (Non-GAAP Budgetary Basis) and Actual

Sanitary Sewer Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Charges for Services	\$ 6,117,864	\$ 6,117,864	\$ 3,269,251	\$ (2,848,613)
Intergovernmental	2,782,900	2,782,900	23,325	(2,759,575)
Other	1,000	1,000	75	(925)
Total Revenues	<u>8,901,764</u>	<u>8,901,764</u>	<u>3,292,651</u>	<u>(5,609,113)</u>
Expenditures:				
Current Operations:				
Personal Services	641,900	641,900	587,930	53,970
Fringe Benefits	286,934	286,934	270,029	16,905
Materials And Supplies	160,735	143,235	109,254	33,981
Contractual Services	14,581,547	14,599,047	3,852,710	10,746,337
Heat, Light, And Power	24,000	24,000	21,975	2,025
Other	17,500	17,500	14,166	3,334
Total Current Operations	<u>15,712,616</u>	<u>15,712,616</u>	<u>4,856,064</u>	<u>10,856,552</u>
Capital Outlay	1,821,948	1,821,948	1,059,419	762,529
Debt Service:				
Principal Retirement	670,960	670,960	581,117	89,843
Total Expenditures	<u>18,205,524</u>	<u>18,205,524</u>	<u>6,496,600</u>	<u>11,708,924</u>
Excess of Revenues Over Expenditures	<u>(12,086,660)</u>	<u>(12,086,660)</u>	<u>(3,227,274)</u>	<u>8,859,386</u>
Other Financing Sources:				
Transfers - In	6,100,000	6,100,000	1,850,000	(4,250,000)
Net Change in Fund Equity	(3,203,760)	(3,203,760)	(1,353,949)	1,849,811
Fund Equity at Beginning of Year	3,088,576	3,088,576	3,088,576	0
Prior Year Encumbrances Appropriated	<u>915,075</u>	<u>915,075</u>	<u>915,075</u>	<u>0</u>
Fund Equity at End of Year	\$ <u>799,891</u>	\$ <u>799,891</u>	\$ <u>2,649,702</u>	\$ <u>1,849,811</u>

City of Rocky River, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Equity – Budget (Non-GAAP Budgetary Basis) and Actual

Self Insurance Fund

For the Year Ended December 31, 2024

	Budget			Variance With Final Budget
	Original	Final	Actual	
Revenues:				
Charges for Services	\$ 3,983,547	\$ 3,983,547	\$ 4,031,930	\$ 48,383
Total Revenues	<u>3,983,547</u>	<u>3,983,547</u>	<u>4,031,930</u>	<u>48,383</u>
Expenditures:				
Contractual Services	895,800	895,800	804,993	90,807
Claims	3,339,588	3,339,588	2,777,505	562,083
Total Expenditures	<u>4,235,388</u>	<u>4,235,388</u>	<u>3,582,498</u>	<u>652,890</u>
Net Change in Fund Equity	(251,841)	(251,841)	449,432	701,273
Fund Equity at Beginning of Year	<u>926,885</u>	<u>926,885</u>	<u>926,885</u>	<u>0</u>
Fund Equity at End of Year	\$ <u>675,044</u>	\$ <u>675,044</u>	\$ <u>1,376,317</u>	\$ <u>701,273</u>

City of Rocky River, Ohio

Fiduciary Funds

Fund Descriptions

Custodial Funds

Municipal Court Fund – To account for the monies received and disbursed from the Rocky River Municipal Court.

S.A.F.E. Fund – To account for financial transactions of the S.A.F.E. Council of Governments.

Tri-City Park Fund – To account for financial transactions of the Tri-City Council of Governments.

City of Rocky River, Ohio

Combining Statement of Fiduciary Net Position Custodial Funds

December 31, 2024

	Municipal Court	S.A.F.E.	Tri-City Park	Total
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 0	\$ 12,956	\$ 190,526	\$ 203,482
Cash and Cash Equivalents:				
In Segregated Accounts	<u>395,811</u>	<u>0</u>	<u>0</u>	<u>395,811</u>
Total Assets	395,811	12,956	190,526	599,293
Liabilities				
Deposits Held and Due to Others	<u>395,811</u>	<u>0</u>	<u>144</u>	<u>395,955</u>
Net Position				
Restricted for Other Governments	\$ <u>0</u>	\$ <u>12,956</u>	\$ <u>190,382</u>	\$ <u>203,338</u>

City of Rocky River, Ohio

Combining Statement of Changes in Fiduciary Net Position Custodial Funds

For the Year Ended December 31, 2024

	Municipal Court	S.A.F.E.	Tri-City Park	Total
Additions				
Collections for Tri-City Park	\$ 0	\$ 0	\$ 108,980	\$ 108,980
Fines and Forfeitures for Others	<u>4,615,858</u>	<u>0</u>	<u>0</u>	<u>4,615,858</u>
Total Additions	<u>4,615,858</u>	<u>0</u>	<u>108,980</u>	<u>4,724,838</u>
Deductions				
Payments on Behalf of Tri-City Park	0	0	193,829	193,829
Payments on Behalf of S.A.F.E.	0	86	0	86
Municipal Court Expense and Distributions to Others	<u>4,615,858</u>	<u>0</u>	<u>0</u>	<u>4,615,858</u>
Total Deductions	<u>4,615,858</u>	<u>86</u>	<u>193,829</u>	<u>4,809,773</u>
Change in Net Position	0	(86)	(84,849)	(84,935)
Net Position Beginning of Year	<u>0</u>	<u>13,042</u>	<u>275,231</u>	<u>288,273</u>
Net Position End of Year	<u>\$ 0</u>	<u>\$ 12,956</u>	<u>\$ 190,382</u>	<u>\$ 203,338</u>

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Statistical Section



City of Rocky River, Ohio

December 31, 2024

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

Contents

Page(s)

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 – S11

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

S12 – S18

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.

S19 – S24

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.

S25 – S27

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.

S28 – S33

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

City of Rocky River, Ohio

Net Position by Component – Last Ten Fiscal Years

Accrual Basis of Accounting

	2015	2016	2017 (a)	2018	2019 (b)	2020 (c)	2021 (d)	2022 (e)	2023	2024
Governmental activities:										
Net Investment in										
Capital Assets	\$ 42,891,009	\$ 45,354,753	\$ 49,427,948	\$ 53,411,670	\$ 56,810,711	\$ 64,810,278	\$ 68,670,514	\$ 73,373,418	\$ 82,813,863	\$ 92,741,886
Restricted for:										
Pension/OPEB	0	0	0	0	0	0	0	0	688,575	607,216
Capital Projects	5,165,910	5,634,447	6,121,210	9,335,895	11,891,776	11,087,760	9,567,052	11,344,430	11,691,838	12,369,522
Debt Service	944,069	698,441	540,879	387,087	267,982	512,769	1,007,540	1,569,164	1,425,591	451,697
Refuse and Recycling	377,763	456,101	680,801	411,657	550,878	1,047,176	927,362	685,356	1,015,363	1,185,484
Office on Aging	243,704	291,038	286,539	248,791	218,999	551,965	698,177	783,974	888,928	912,761
Street Construction and										
Maintenance	821,270	951,838	1,014,243	882,471	1,367,285	1,549,804	2,022,001	2,130,609	2,094,108	1,773,694
Recreation	0	0	0	0	0	791,357	405,875	496,148	379,862	266,336
Law Enforcement and										
Education	300,154	257,589	223,914	185,206	159,645	174,493	180,851	200,115	246,511	253,433
Fire and Police Pension	0	0	4,101	66,532	112,410	430,072	653,713	794,703	740,182	684,139
Security of Persons and										
Property	464,107	402,214	379,282	314,167	317,396	356,646	311,045	348,693	302,486	341,955
Donations and Bequests	0	0	0	0	0	613,472	604,653	364,324	355,903	350,788
Other Purposes	3,312	3,312	3,312	3,312	3,312	4,218	363	5,594	25,302	65,303
Unrestricted (Deficit)	(10,876,056)	(30,032,353)	(34,059,046)	(34,059,046)	(29,207,557)	(30,114,837)	(21,081,945)	(10,049,162)	(9,146,964)	(7,105,098)
Total Net Position –										
Governmental Activities	40,335,242	24,017,380	24,623,183	31,187,742	42,492,837	51,815,173	63,967,201	82,047,366	93,521,548	104,899,116
Business-type activities:										
Net Investment in										
Capital Assets	13,678,763	12,418,716	12,418,716	12,032,701	12,314,284	7,516,341	24,320,067	14,295,201	15,870,225	12,553,282
Pension/OPEB	0	0	0	0	0	0	0	0	136,068	119,990
Unrestricted (Deficit)	8,189,432	10,959,005	10,959,005	11,316,195	10,966,498	12,104,546	10,442,873	3,491,316	(1,653,029)	(1,733,024)
Total Net Position –										
Business-Type Activities	21,868,195	23,377,721	23,377,721	23,348,896	23,280,782	19,620,887	34,762,940	17,786,517	14,353,264	10,940,248

(Continued)

City of Rocky River, Ohio

Net Position by Component – Last Ten Fiscal Years (continued)

Accrual Basis of Accounting

	2015	2016	2017 (a)	2018	2019 (b)	2020 (c)	2021 (d)	2022 (e)	2023	2024
Primary Government:										
Net Investment in										
Capital Assets	56,569,772	60,041,416	61,846,664	65,444,371	69,124,995	72,326,619	92,990,581	87,668,619	98,684,088	105,295,168
Restricted for:										
Pension/OPEB	0	0	0	0	0	0	0	0	824,643	727,206
Capital Projects	5,165,910	5,634,447	6,121,210	9,335,895	11,891,776	11,087,760	9,567,052	11,344,430	11,691,838	12,369,522
Debt Service	944,069	698,441	540,879	387,087	267,982	512,769	1,007,540	1,569,164	1,425,591	451,697
Refuse and Recycling	377,763	456,101	680,801	411,657	550,878	1,074,176	927,362	685,356	1,015,363	1,185,484
Office on Aging	243,704	291,038	286,539	248,791	218,999	551,965	698,177	783,974	888,928	912,761
Street Construction and Maintenance	821,270	951,838	1,014,243	882,471	1,367,285	1,549,804	2,022,001	2,130,609	2,094,108	1,773,694
Recreation	0	0	0	0	0	791,357	405,875	496,148	379,862	266,336
Law Enforcement and Education	300,154	257,589	223,914	185,206	159,645	174,493	180,851	200,115	246,511	253,433
Fire and Police Pension	0	4,101	66,532	112,410	107,478	430,072	653,713	794,703	740,182	684,139
Security of Persons and Property	464,107	402,214	379,282	314,167	317,396	356,646	311,045	348,693	302,486	341,955
Donations and Bequests	0	0	0	0	0	613,472	604,653	364,324	355,903	350,788
Other Purposes	3,312	3,312	3,312	3,312	3,312	4,218	363	5,594	25,302	65,303
Unrestricted (Deficit)	(2,686,624)	(1,661,991)	(19,073,348)	(22,742,851)	(18,241,059)	(18,010,291)	(10,639,072)	(6,557,846)	(10,799,993)	(8,838,122)
Total Primary Government										
Net Position	\$ 62,203,437	\$ 67,078,506	\$ 52,090,028	\$ 54,582,516	\$ 65,768,687	\$ 71,463,060	\$ 98,730,141	\$ 99,833,883	\$ 107,874,812	\$ 115,839,364

(a) Balances as of December 31, 2017 were restated for implementation of GASB Statement No. 75.

(b) Balances as of December 31, 2019 were restated for implementation of GASB Statement No. 83.

(c) Balances as of December 31, 2020 include the impact of implementing GASB Statement No. 84 and reclassifying certain funds from Agency Funds to Special Revenue Funds.

(d) Balances as of December 31, 2021 were restated as the City included the Wastewater Treatment Plant Fund as a part of the business-type activities.

(e) Balances as of December 31, 2022 were restated as the City adjusted the Wastewater Treatment Plant Fund to show the City's undivided interest.

Source: City financial records

City of Rocky River, Ohio

Changes in Net Position – Last Ten Fiscal Years

Accrual Basis of Accounting

	2015	2016	2017 (a)	2018	2019 (b)	2020 (c)	2021 (d)	2022	2023	2024
Program revenues:										
Governmental activities:										
Charges for Services										
General Government	\$ 2,088,114	\$ 2,472,472	\$ 2,483,792	\$ 2,350,106	\$ 2,214,094	\$ 1,727,062	\$ 1,786,822	\$ 1,863,133	\$ 2,078,014	\$ 2,343,955
Security of Persons and Property	1,196,046	1,118,100	1,097,312	1,058,498	1,313,335	959,402	1,113,623	1,426,286	1,374,765	1,558,939
Public Health	371,903	347,508	381,637	425,143	312,758	104,922	185,508	285,784	333,187	376,808
Transportation	975	700	1,750	525	3,500	500	100	25	23,715	99,974
Leisure Time Activities	2,381,887	2,277,701	2,233,472	2,253,507	2,214,201	1,070,423	1,544,812	2,014,719	2,346,317	2,620,213
Community Development	325	175	350	175	575	23,976	16,475	266,845	39,728	4,978
Basic Utility Service	9,310	9,608	10,743	9,198	4,623	-	0	0	0	0
Operating Grants and Contributions:										
General Government	111,317	21,420	33,182	533,526	447,897	340,682	349,921	326,236	371,004	536,567
Security of Persons and Property	30,925	31,231	30,000	30,000	48,259	118,177	123,037	153,726	152,302	125,514
Public Health	0	0	0	0	0	300,951	96,599	110,448	300,360	94,082
Transportation	902,937	911,659	944,656	933,750	1,472,721	1,210,665	1,338,680	1,267,930	944,934	1,303,818
Leisure Time Activities	0	0	0	0	0	52,247	51,932	60,866	60,353	61,162
Basic Utility Service	85,407	91,485	91,166	91,011	105,370	110,491	109,009	152,738	126,707	128,330
Capital Grants and Contributions:										
General Government	512,763	551,723	536,375	57,969	127,470	57,558	540,462	871,825	466,390	728,894
Public Health	150,000	-	0	0	23,885	-	0	0	0	0
Transportation	0	0	0	2,318,717	-	0	0	0	0	757,132
Leisure Time Activities	0	0	0	45,000	135,934	-	0	0	741,455	0
Total Governmental Activities										
Program Revenues	7,841,909	7,833,782	7,844,435	10,107,125	8,424,622	6,077,056	7,256,980	8,800,561	9,359,231	10,740,366

(Continued)

City of Rocky River, Ohio

Changes in Net Position – Last Ten Fiscal Years (continued)

Accrual Basis of Accounting

	2015	2016	2017 (a)	2018	2019 (b)	2020 (c)	2021 (d)	2022	2023	2024
Business-type activities:										
Charges for Services:										
Sanitary Sewer Charges	4,553,885	6,058,487	5,090,108	4,227,218	3,555,105	4,774,031	3,933,880	5,444,498	3,106,695	3,225,526
WWTP Charges	0	0	0	0	0	0	5,354,800	5,908,757	6,446,434	6,894,411
Operating Grants and Contributions:										
Sanitary Sewer Charges	0	0	0	0	0	7,350	0	0	0	0
WWTP Charges	0	0	0	0	0	0	0	0	32,417	21,177
Capital Grants and Contributions:										
WWTP Charges	0	0	0	0	0	0	53,147	43,064	0	0
Total Business-Type Activities	<u>4,553,885</u>	<u>6,058,487</u>	<u>5,090,108</u>	<u>4,227,218</u>	<u>3,555,105</u>	<u>4,781,381</u>	<u>9,341,827</u>	<u>11,396,319</u>	<u>9,585,546</u>	<u>10,141,114</u>
Total Primary Government										
Program Revenues	<u>12,395,794</u>	<u>13,892,269</u>	<u>12,934,543</u>	<u>14,334,343</u>	<u>11,979,727</u>	<u>10,858,437</u>	<u>16,598,807</u>	<u>20,196,880</u>	<u>18,944,777</u>	<u>20,881,480</u>
Expenses										
Governmental activities:										
General Government	5,591,132	6,005,870	7,176,860	7,358,241	7,503,253	5,945,207	4,221,559	5,302,844	7,450,678	8,079,757
Security of Persons and Property	9,391,822	11,044,627	10,765,969	12,094,504	1,251,659	11,537,760	9,240,258	10,795,308	13,408,515	13,283,788
Public Health	1,092,402	1,058,578	1,188,400	1,180,829	1,375,982	973,703	785,905	1,016,961	1,253,653	1,301,915
Transportation	4,005,442	2,898,876	3,783,233	4,011,387	4,240,707	4,944,098	3,997,359	4,074,902	4,762,234	5,102,521
Leisure Time Activities	3,497,102	4,276,788	4,419,638	4,494,796	5,376,837	4,048,562	3,235,764	4,058,109	5,575,544	6,385,030
Community Development	509,093	444,184	565,535	612,083	732,960	641,072	143,659	719,158	696,981	745,672
Basic Utility Services	1,941,569	1,832,793	2,257,068	2,512,750	2,804,059	2,646,377	2,386,630	2,201,024	2,596,381	2,816,587
Interest and Fiscal Charges	306,989	301,011	271,054	240,917	260,577	295,315	178,767	326,925	449,746	435,593
Total Governmental Activities	<u>26,335,551</u>	<u>27,862,727</u>	<u>30,427,757</u>	<u>32,505,507</u>	<u>23,546,034</u>	<u>31,032,094</u>	<u>24,189,901</u>	<u>28,495,231</u>	<u>36,193,732</u>	<u>38,150,863</u>
Program Expenses										

(Continued)

City of Rocky River, Ohio

Changes in Net Position – Last Ten Fiscal Years (continued)

Accrual Basis of Accounting

	2015	2016	2017 (a)	2018	2019 (b)	2020 (c)	2021 (d)	2022	2023	2024
Expenses (Continued):										
Business-Type Activities:										
Sanitary Sewer Charges	3,965,030	4,822,410	4,622,700	4,651,116	3,797,859	4,413,526	3,072,260	5,481,191	4,582,317	4,897,447
WWTP Charges	0	0	0	0	0	0	4,845,791	5,340,268	9,368,764	8,072,555
Total Business-Type Activities	3,965,030	4,822,410	4,622,700	4,651,116	3,797,859	4,413,526	7,918,051	10,821,459	13,951,081	12,970,002
Program Expenses	3,965,030	4,822,410	4,622,700	4,651,116	3,797,859	4,413,526	7,918,051	10,821,459	13,951,081	12,970,002
Total Primary Government Program Expenses	30,300,581	32,685,137	35,050,457	37,156,623	27,343,893	35,445,620	32,107,952	39,316,690	50,144,813	51,120,865
General Revenues:										
Governmental Activities:										
Property Taxes Levied for:										
General Purposes	\$ 3,756,030	\$ 4,146,236	\$ 4,146,550	\$ 4,173,148	\$ 4,789,888	\$ 4,894,812	\$ 4,963,035	\$ 5,875,726	\$ 5,868,896	\$ 5,953,196
Recreation	298,146	326,994	330,679	329,638	486,249	388,455	393,908	466,311	465,788	472,456
Office on Aging	298,146	326,994	330,679	329,638	400,753	388,456	393,908	466,311	465,788	472,456
Refuse and Recycling	596,288	653,990	661,359	659,328	716,011	776,961	787,772	932,660	931,573	944,959
Fire Levy	179,415	196,176	198,424	197,799	240,467	233,079	236,349	279,792	279,488	283,465
Police Levy	179,415	196,176	198,424	197,799	240,468	233,080	236,349	279,792	279,488	283,465
Capital Improvements	596,289	653,990	661,359	659,328	801,506	776,962	787,772	932,660	931,573	944,959
General Obligation Bond Retirement	596,289	653,990	595,231	593,369	625,173	606,039	613,533	888,667	605,513	594,627
Municipal Taxes Levied for										
General Purposes	13,304,985	14,444,530	14,194,524	14,836,850	15,937,337	15,282,615	18,109,512	22,282,517	22,321,912	22,023,700
Other Local Taxes	353,691	434,582	349,173	284,922	340,060	341,978	253,367	239,470	229,455	216,264
Grants and Entitlements not Restricted to Specific Programs	1,355,228	1,312,623	1,360,654	1,354,155	1,211,407	3,011,858	1,999,145	4,487,265	4,191,612	2,201,963
Investment Earnings	27,452	81,375	190,263	314,231	582,984	188,166	25,499	430,340	2,154,514	2,211,096
Gain on Sale of Asset	0	0	0	0	0	24,343	0	0	0	47,972
Other	354,523	240,281	184,060	118,851	243,034	2,648,055	406,483	213,324	491,853	630,213
Transfers	(65,538)	(2,000,000)	2,974,188	838,994	(174,640)	4,027,750	(121,683)	0	(908,770)	1,186,846
Total Governmental Activities										
General Revenues and Transfers	21,830,359	21,667,937	26,375,567	24,888,050	26,440,697	33,822,609	29,084,949	37,774,835	38,308,683	38,467,637

(Continued)

City of Rocky River, Ohio

Changes in Net Position – Last Ten Fiscal Years (continued)

Accrual Basis of Accounting

	2015	2016	2017 (a)	2018	2019 (b)	2020 (c)	2021 (d)	2022	2023	2024
General Revenues (Continued):										
Business-Type Activities:										
Municipal Taxes Levied for										
General Purposes	0	0	1,225,620	1,265,712	0	0	0	0	0	454,862
Investment Earnings	0	0	0	0	0	0	406	7,405	23,512	25,381
Other	0	0	0	0	0	0	49	0	0	78,000
Transfers	65,538	2,000,000	(2,974,188)	(838,994)	174,640	(4,027,750)	121,683	0	908,770	(1,186,846)
Total Business-Type Activities										
General Revenues and										
Transfers	65,538	2,000,000	(1,748,568)	426,718	174,640	(4,027,750)	122,138	7,405	932,282	(628,603)
Total General Revenues										
and Transfers	21,895,897	23,667,937	24,626,999	25,314,768	26,615,337	29,794,859	29,207,087	37,782,240	39,240,965	37,839,034
Change in Net Position:										
Governmental Activities	3,336,717	1,638,992	3,792,245	2,489,668	11,319,285	8,867,571	12,152,028	18,080,165	11,474,182	11,057,140
Business-Type Activities	654,393	3,236,077	(1,281,160)	2,820	(68,114)	(3,659,895)	1,545,914	582,265	(3,433,253)	(3,457,491)
Total Primary Government										
Change in Net Position	\$ 3,991,110	\$ 4,875,069	\$ 2,511,085	\$ 2,492,488	\$ 11,251,171	\$ 5,207,676	\$ 13,697,942	\$ 18,662,430	\$ 8,040,929	\$ 7,599,649

(a) Balances as of December 31, 2017 were restated for implementation of GASB Statement No. 75.

(b) During 2019 the City implemented a new accounting system. As a result, balances as of December 31, 2018 were reclassified in order to be comparative and provide an understanding of the changes in financial position and operations.

(c) Activity in 2020 includes the impact of implementing GASB Statement No. 84 and reclassifying certain funds from Agency Funds to Special Revenue Funds.

(d)Activity in 2021 includes the activity of the Wastewater Treatment Plant Fund as it was determined it should be reported as part of the City's business-type activities during 2022.

City of Rocky River, Ohio

Fund Balances, Governmental Funds – Last Ten Fiscal Years

Modified Accrual Basis of Accounting

	2015	2016	2017	2018	2019	2020 (a)	2021	2022	2023	2024
General Fund										
Nonspendable	\$ 60,058	\$ 68,794	\$ 308,225	\$ 308,225	\$ 376,504	\$ 530,433	\$ 504,742	\$ 649,452	\$ 491,163	\$ 273,074
Assigned	3,221,848	3,262,222	3,419,408	4,256,452	4,639,954	5,518,138	4,138,280	4,433,160	11,825,495	9,979,484
Unassigned	3,783,076	4,673,864	5,405,983	3,199,410	2,228,579	2,958,768	5,909,917	11,039,437	7,965,053	11,901,398
Total General Fund	<u>7,064,982</u>	<u>8,004,880</u>	<u>9,133,616</u>	<u>7,764,087</u>	<u>7,245,037</u>	<u>9,007,339</u>	<u>10,552,939</u>	<u>16,122,049</u>	<u>20,281,711</u>	<u>22,153,956</u>
All Other Governmental Funds										
Nonspendable	159,099	189,435	286,568	215,544	185,245	217,565	260,958	156,208	241,686	199,199
Restricted	7,485,009	7,879,652	8,449,837	11,054,725	11,189,835	13,406,671	11,359,592	17,146,312	16,880,189	16,457,119
Unassigned (Deficit)	(289,493)	(307,565)	(99,613)	(155,823)	(187,826)	(5,961,001)	(9,144,117)	0	(573)	0
Total All Other Governmental Funds	<u>7,354,615</u>	<u>7,761,522</u>	<u>8,636,792</u>	<u>11,114,446</u>	<u>11,187,254</u>	<u>7,663,235</u>	<u>2,476,433</u>	<u>17,302,520</u>	<u>17,121,302</u>	<u>16,656,318</u>
Total Governmental Funds	<u>\$ 14,419,597</u>	<u>\$ 15,766,402</u>	<u>\$ 17,770,408</u>	<u>\$ 18,878,533</u>	<u>\$ 18,432,291</u>	<u>\$ 16,670,574</u>	<u>\$ 13,029,372</u>	<u>\$ 33,424,569</u>	<u>\$ 37,403,013</u>	<u>\$ 38,810,274</u>

(a) Balances as of December 31, 2020 include the impact of implementing GASB Statement No. 84 and reclassifying certain funds from Agency Funds to Special Revenue Funds.

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City of Rocky River, Ohio

Changes in Fund Balance, Governmental Funds - Last Ten Fiscal Years

Modified Accrual Basis of Accounting

	2015	2016	2017	2018	2019	2020 (a)	2021	2022	2023	2024
Revenues										
Property Taxes	\$ 6,500,467	\$ 7,128,340	\$ 7,142,839	\$ 7,120,568	\$ 8,315,568	\$ 8,213,475	\$ 8,400,519	\$ 10,034,101	\$ 9,878,783	\$ 10,029,421
Municipal Income Taxes	13,075,238	14,535,231	13,823,124	13,780,979	16,363,652	15,799,630	17,878,179	21,652,530	22,604,905	22,486,390
Other Local Taxes	353,691	434,582	349,173	338,535	331,284	338,005	237,838	238,651	240,650	218,185
Intergovernmental	3,120,298	2,893,176	3,013,818	4,146,884	3,325,578	4,740,543	4,664,566	7,450,051	6,391,258	4,950,106
Charges for Services	2,744,317	2,622,330	2,580,736	2,669,154	2,534,035	1,581,425	2,133,310	2,810,105	3,142,441	3,729,510
Fines, Fees, and Permits	3,442,054	3,464,180	3,422,995	3,325,728	3,141,892	2,042,742	2,054,011	2,499,272	2,452,965	2,654,768
Special Assessments	54,353	51,032	109,868	49,031	46,191	43,877	44,770	41,813	43,503	21,214
Investment Income	11,173	61,366	226,551	287,335	540,808	242,010	40,313	379,387	1,907,587	2,348,060
Rentals	96,495	108,389	97,587	106,462	311,672	204,195	363,553	399,338	506,510	519,439
Contributions	0	0	0	0	0	248,709	44,667	49,582	240,007	32,920
Other	354,523	240,740	184,060	1,283,026	206,806	1,840,508	259,432	392,701	521,679	736,701
Total Revenues	29,752,609	31,539,366	30,950,751	33,107,702	35,117,486	35,295,119	36,121,158	45,947,531	47,930,288	47,726,714
Expenditures										
Current:										
General Government	5,210,524	5,835,805	5,060,314	5,755,323	5,786,451	5,240,390	5,668,018	5,938,219	6,222,396	7,181,885
Security of Persons and Property	8,992,682	9,213,697	9,663,674	10,032,250	10,239,172	10,260,705	10,659,411	10,802,654	11,270,279	12,186,830
Public Health	993,557	899,726	963,653	1,005,754	1,078,986	891,046	1,131,918	1,146,043	1,361,873	1,206,518
Transportation	2,080,847	2,046,662	2,233,537	2,485,655	2,365,064	2,734,230	2,976,672	2,925,849	3,166,977	3,385,369
Leisure Time Activities	3,314,950	3,368,485	3,430,564	3,538,637	3,724,746	2,935,211	3,431,399	3,596,164	4,120,077	4,605,383
Community Development	655,520	478,221	512,785	533,033	583,696	574,491	597,254	898,435	677,423	738,978
Basic Utility Services	1,551,473	1,389,284	1,646,872	1,846,102	1,968,209	2,016,470	2,032,988	2,104,126	2,137,147	2,287,912
Capital Outlay	4,225,764	3,434,268	3,460,696	5,493,418	8,034,350	12,051,883	11,790,055	6,711,828	12,141,107	11,612,316
Debt Service										
Principal	739,651	1,226,139	1,257,690	1,274,310	1,518,906	1,255,000	1,288,699	1,142,472	1,179,522	1,283,111
Interest	354,653	331,358	302,630	270,679	269,211	300,105	183,904	132,043	576,211	480,071
Issuance Costs	0	0	0	0	23,634	25,798	25,895	110,572	0	0
Total Expenditures	28,119,621	28,223,645	28,532,415	32,235,161	35,592,425	38,285,329	39,786,213	35,508,405	42,853,012	44,968,373
Excess of Revenues Over (Under) Expenditures	1,632,988	3,315,721	2,418,336	872,541	(474,939)	(2,990,210)	(3,665,055)	10,439,126	5,077,276	2,758,341

(Continued)

City of Rocky River, Ohio

Changes in Fund Balance, Governmental Funds - Last Ten Fiscal Years (Continued)

Modified Accrual Basis of Accounting

	2015	2016	2017	2018	2019	2020 (a)	2021	2022	2023	2024
<u>Other Financing Sources (Uses)</u>										
Proceeds from Sale of										
Capital Assets	11,985	13	16,741	425	0	24,343	23,853	2,999	0	47,972
Inception of Lease	0	0	0	0	0	0	0	0	51,168	0
Issuance of Debt	0	0	0	191,433	32,732	0	0	9,890,000	0	0
Premium on General Obligation Debt	0	0	0	0	39,691	0	0	63,072	0	0
Payment to Escrow	0	0	0	0	0	0	0	0	0	0
Insurance Proceeds	0	0	0	0	0	744,453	0	0	0	0
Transfers - In	4,798,300	3,030,000	4,123,000	4,225,000	6,450,000	13,854,250	9,147,687	5,770,000	7,245,000	8,965,000
Transfers - Out	(4,798,300)	(5,030,000)	(4,523,000)	(4,225,000)	(6,450,000)	(13,854,250)	(9,147,687)	(5,770,000)	(8,395,000)	(10,815,000)
Total Other Financing Sources (Uses)	11,985	(1,999,987)	(383,259)	191,858	72,423	768,796	23,853	9,956,071	(1,098,832)	(1,802,028)
Net Change in Fund Balances	\$ 1,644,973	\$ 1,315,734	\$ 2,035,077	\$ 1,064,399	\$ (402,516)	\$ (2,221,414)	\$ (3,641,202)	\$ 20,395,197	\$ 3,978,444	\$ 956,313
Debt Service as a Percentage of Noncapital Expenditures	4.36%	6.37%	5.82%	5.72%	6.38%	5.81%	5.14%	4.23%	5.49%	4.85%

(a) Activity in 2020 includes the impact of implementing GASB Statement No. 84 and reclassifying certain funds from Agency Funds to Special Revenue Funds.

City of Rocky River, Ohio

Assessed and Estimated Actual Value of Taxable Property

Last Ten Years

Tax Year/ Collection Year	Real Property		Public Utility Personal Property	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)
2015/2016	\$ 737,074,070	\$ 2,105,925,914	\$ 8,855,180	\$ 10,062,704
2016/2017	740,435,050	2,115,528,714	9,372,340	10,650,386
2017/2018	740,455,520	2,115,587,200	10,034,290	11,402,602
2018/2019	868,272,810	2,480,779,457	10,407,290	11,826,466
2019/2020	873,425,980	2,495,502,800	11,113,510	12,628,989
2020/2021	874,056,390	2,497,303,971	11,827,610	13,440,466
2021/2022	1,032,536,380	2,950,103,943	12,582,710	14,298,534
2022/2023	1,040,145,310	2,971,843,743	13,689,300	15,556,023
2023/2024	1,044,594,890	2,984,556,828	14,078,760	15,998,591
2024/2025	1,307,984,610	3,737,098,886	15,917,500	18,088,068

(Continued)

Source: Cuyahoga County, Ohio; County Fiscal Officer

(1) This amount is calculated for 2014 through 2024 based on the following percentages:

Real property is assessed at 35 percent of actual value.

Public utility property is assessed at 88 percent of actual value.

(2) Tax rates are per \$1,000 of assessed value.

Total			
<u>Assessed Value</u>	<u>Estimated Actual Value (1)</u>	<u>Ratio</u>	<u>Total Direct Rate (2)</u>
\$ 745,929,250	\$ 2,115,988,618	35.25 %	\$ 10.90
745,929,250	2,126,179,100	35.26	10.90
749,807,390	2,126,989,802	35.28	10.80
750,489,810	2,492,605,923	35.25	10.80
878,680,100	2,508,131,789	35.27	10.68
884,539,490	2,510,744,437	35.28	10.68
885,884,000	2,964,402,477	35.26	10.65
1,045,119,090	2,987,399,766	35.28	10.65
1,058,673,650	3,000,555,419	35.28	10.55
1,323,902,110	3,755,186,954	35.26	9.90

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City of Rocky River, Ohio

Property Tax Rates – Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)

Last Ten Years

Year	City of Rocky River										Special(1) Taxing Districts	Total
	General Fund	Special Revenue Funds	Capital Projects Funds	Debt Bond Service	Total	Rocky River School and Library	Cuyahoga County					
2015	\$ 6.30	\$ 2.60	\$ 1.00	\$ 1.00	\$ 10.90	\$ 95.35	\$ 14.05	\$ 6.88	\$ 127.18			
2016	6.30	2.60	1.00	1.00	10.90	95.35	14.05	6.88	127.18			
2017	6.30	2.60	1.00	0.90	10.80	95.35	14.05	6.88	127.08			
2018	6.30	2.60	1.00	0.90	10.80	96.57	14.05	7.38	128.80			
2019	6.30	2.60	1.00	0.78	10.68	97.47	14.05	7.78	129.98			
2020	6.30	2.60	1.00	0.78	10.68	97.47	14.05	7.78	129.98			
2021	6.30	2.60	1.00	0.78	10.68	97.37	14.85	7.78	130.68			
2022	6.30	2.60	1.00	0.75	10.65	96.37	14.85	7.78	129.65			
2023	6.30	2.60	1.00	0.65	10.55	101.27	14.85	7.78	134.45			
2024	6.30	2.60	1.00	0.00	9.90	101.27	14.85	8.18	134.20			

Source: Cuyahoga County Fiscal Officer.

(1) Cleveland Metropolitan Park District, Cuyahoga County College District and
Cleveland-Cuyahoga County Port Authority

City of Rocky River, Ohio

Real Property Tax Levies and Collection

Last Ten Years

<u>Year</u>	<u>Total Tax Levy</u>	<u>Current Collections (1)</u>	<u>Percent of Current Collections to Tax Levy</u>	<u>Delinquent Tax Collections</u>
2015	\$ 7,660,093	\$ 7,252,808	94.68%	\$ 177,485
2016	8,312,742	7,978,215	95.98	147,000
2017	8,375,791	7,951,509	94.93	175,946
2018	8,365,542	7,959,064	95.14	144,404
2019	9,677,193	9,232,422	95.40	208,486
2020	9,669,190	9,163,801	94.77	165,626
2021	9,811,437	9,257,459	94.35	252,289
2022	11,556,775	10,829,922	93.71	307,425
2023	11,534,523	10,846,156	94.03	306,086
2024	11,608,166	11,051,302	95.20	268,675

(Continued)

Source: Cuyahoga County, Ohio; County Fiscal Officer

(1) Includes homestead/rollback reimbursement amounts assessed locally but distributed through the Ohio Department of Taxation and reported as intergovernmental/grants and entitlements revenue.

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

<u>Total Tax Collections</u>	<u>Percent of Total Collections To Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent Delinquent Taxes to Tax Levy</u>
\$ 7,430,293	97.00%	\$ 234,007	3.05%
8,125,215	97.74	260,215	3.13
8,127,455	97.04	240,079	2.87
8,103,468	96.87	259,559	3.10
9,440,908	97.56	244,508	2.53
9,329,427	96.49	328,869	3.40
9,509,748	96.93	340,983	3.48
11,137,347	96.37	428,802	3.71
11,152,242	96.69	378,125	3.28
11,319,977	97.52	298,287	2.57

City of Rocky River, Ohio

Principal Taxpayers: Real Property and Public Utility Tax

As of December 31, 2024 and December 31, 2015

2024		
Name of Taxpayer	Real Property and Public Utility Assessed Value	Percent of Total Assessed Value
Rocky River Apartments, LLC	\$ 12,075,000	0.91%
Normandy Association, LP & Normandy II, LP	8,233,200	0.62
Cleveland Electric Illuminating Company	7,797,390	0.59
Westwood Town Center	7,773,160	0.59
TIA Rocky River, LLC	5,665,740	0.43
SRK Perrysburg Associates, LLC	4,697,010	0.35
Beachcliff Properties, LP	3,859,280	0.29
20639 Center Ridge Road, LLC	3,803,070	0.29
Presidential Apartments, LTD	3,707,830	0.28
Westwood Country Club, Co.	3,410,190	0.26
<i>Total</i>	<u><u>\$ 61,021,870</u></u>	<u><u>4.61%</u></u>
<i>Total City Assessed Valuation</i>	<u><u>\$ 1,323,902,110</u></u>	

2015		
Name of Taxpayer	Real Property and Public Utility Assessed Value	Percent of Total Assessed Value
Rocky River Apartments, LLC	\$ 7,984,830	1.07%
Westwood Town Center	7,258,590	0.97
Cleveland Illuminating Company	6,887,420	0.92
Beachcliff Properties, LP	5,429,380	0.73
Inland Westgate, LLC	5,074,130	0.68
Normandy Association, LP	4,998,290	0.67
SRK Perrysburg Association, LLC	3,277,890	0.44
Westwood Country Club, Co.	2,899,760	0.39
Presidential Apartments, LTD.	2,884,040	0.39
Gross Management, Inc.	2,712,300	0.36
<i>Total</i>	<u><u>\$ 49,406,630</u></u>	<u><u>6.62%</u></u>
<i>Total City Assesed Valuation</i>	<u><u>\$ 745,929,250</u></u>	

Source: Cuyahoga County, Ohio; County Fiscal Officer

City of Rocky River, Ohio

Ratio of Outstanding Debt by Type

Last Ten Years

Fiscal Year	Governmental Activities					Business-Type			Total Primary Government	Percentage of Personal Income (1)	Percentage per Capita (1)
	General Obligation Bonds	Special Assesment Bonds	OPWC Loan	Lease Payable	Financed Purchase	OPWC Loan	OWDA Loan				
2015	\$ 11,061,896	\$ 350,000	\$ 0	\$ 0	\$ 0	\$ 9,264,658	\$ 132,247	\$ 20,808,801	2.97%	\$ 1,029.48	
2016	9,847,843	310,000	0	0	0	12,246,779	97,897	22,502,519	3.21	1,113.27	
2017	8,603,790	270,000	0	0	0	13,154,483	75,080	22,103,353	3.15	1,093.52	
2018	7,344,737	230,000	191,433	0	0	15,924,978	51,192	23,742,340	3.39	1,174.61	
2019	6,050,684	190,000	224,165	0	0	15,649,778	26,183	22,140,810	4.12	1,429.32	
2020	4,771,631	150,000	224,165	0	0	15,449,795	0	20,595,591	2.94	1,030.50	
2021(a)	3,462,578	110,000	220,466	0	0	18,489,169	3,413,804	25,696,017	1.50	878.44	
2022	12,256,601	70,000	212,994	0	0	20,302,064	4,312,913	37,154,572	2.83	1,707.86	
2023	11,099,815	30,000	205,522	14,118	0	20,269,901	7,730,555	39,349,911	2.92	1,808.13	
2024	9,898,026	15,000	198,050	0	344,427	19,461,307	24,150,070	54,066,880	3.69	2,485.26	

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See the schedule of Demographic and Economic Statistics on page S25 for personal income and population data.

(a) Balances as of December 31, 2021 were restated due to City's decision to include the Wastewater Treatment Plant Fund as business-type activities.

City of Rocky River, Ohio

Special Assessment Levies and Collections

Last Ten Years

<u>Year</u>	<u>Current Assessments Due</u>	<u>Current Assessments Collected(1)</u>	<u>Ratio of Collections to Amount Due</u>
2015	\$ 296,401	\$ 144,183	48.64%
2016	342,452	215,899	63.05
2017	377,209	201,007	53.28
2018	300,109	274,260	91.39
2019	263,354	250,687	95.19
2020	299,494	269,898	90.12
2021	163,736	140,266	85.67
2022	103,416	97,577	94.35
2023	153,878	146,884	95.45
2024	139,158	132,921	95.52

Source: Cuyahoga County, Ohio; County Fiscal Officer

(1) Collections made by Cuyahoga County Fiscal Officer only (includes principal and interest)

City of Rocky River, Ohio

Ratio of Net General Bonded Debt to Assessed Value and Net General Bonded Debt per Capita

Last Ten Years

<u>Year</u>	<u>Population (1)</u>	<u>Net General Obligation Bonded Debt</u>	<u>Assessed Value</u>	<u>Ratio of Net General Bonded Debt to Assessed Value</u>	<u>Net General Bonded Debt Per Capita</u>
2015	20,213 (a)	\$ 10,117,827	\$ 745,929,250	1.36%	\$ 500.56
2016	20,213 (a)	9,149,402	749,807,390	1.22	452.65
2017	20,213 (a)	8,062,911	750,489,810	1.07	398.9
2018	20,213 (a)	6,957,650	878,680,100	0.79	344.22
2019	19,986 (b)	12,532,702	884,539,490	1.41	620.03
2020	21,755 (c)	14,184,404	885,884,000	1.60	709.72
2021	21,755 (c)	2,455,038	1,045,119,090	0.23	112.85
2022	21,755 (c)	10,687,437	1,053,834,610	1.01	491.26
2023	21,755 (c)	9,674,224	1,058,673,650	0.91	444.69
2024	21,755 (c)	9,446,329	1,323,902,110	0.71	434.21

(1) Sources: U.S. Bureau of the Census.

(a) 2010 Federal Census

(b) The 2021 Data Book, Cuyahoga County, Ohio

(c) 2020 Federal Census

Note: The Net Position Restricted for Debt Service in the Statement of Net Position represents constraints placed on net position use imposed by law through constitutional provisions or enabling legislation, there are no externally imposed constraints.

City of Rocky River, Ohio

Computation of Legal Debt Margin

Last Ten Years

	2015	2016	2017	2018	2019	2020	2021 (a)	2022	2023	2024
Assessed valuation	\$ 745,929,250	\$ 749,807,390	\$ 750,489,810	\$ 878,680,100	\$ 884,539,490	\$ 885,884,000	\$ 1,045,119,090	\$ 1,053,834,610	\$ 1,058,673,650	\$ 1,323,902,110
Debt limit - 10% of Assessed Valuation	\$ 78,322,571	\$ 78,729,776	\$ 78,801,430	\$ 92,261,411	\$ 92,876,646	\$ 93,017,820	\$ 109,737,504	\$ 110,652,634	\$ 111,160,733	\$ 139,009,722
Gross Indebtedness	20,808,801	22,502,519	22,103,353	23,742,340	28,890,810	30,521,133	35,621,930	37,154,572	39,335,793	53,722,453
Less: Debt Outside Limitation										
Special Assessment Bond	(350,000)	(310,000)	(270,000)	(230,000)	(190,000)	(150,000)	(110,000)	(70,000)	(30,000)	(15,000)
OPWC Loans	(9,264,658)	(12,246,779)	(13,154,483)	(16,116,411)	(15,873,943)	(15,673,960)	(18,709,635)	(20,515,058)	(20,475,423)	(19,659,357)
OWDA Loans	(132,247)	(97,897)	(75,080)	(51,192)	(26,183)	0	(3,413,804)	(4,312,913)	(7,730,555)	(24,150,070)
Less: Amount Available in Debt Service Funds	(944,069)	(698,441)	(540,879)	(387,087)	(267,982)	(512,769)	(1,007,540)	(1,569,164)	(1,425,591)	(451,697)
Net Debt Within 10.5% Limitation	10,117,827	9,149,402	8,062,911	6,957,650	12,532,702	14,184,404	12,380,951	10,687,437	9,674,224	9,446,329
Legal Debt Margin	\$ 68,204,744	\$ 69,580,374	\$ 70,738,519	\$ 85,303,761	\$ 80,343,944	\$ 78,833,416	\$ 97,356,553	\$ 99,965,197	\$ 101,486,509	\$ 129,563,393
Debt Limit - 5.5% of Assessed Unvoted Value	\$ 41,026,109	\$ 41,239,406	\$ 41,276,940	\$ 48,327,406	\$ 48,649,672	\$ 48,723,620	\$ 57,481,550	\$ 57,960,904	\$ 58,227,051	\$ 72,814,616
Gross Indebtedness	20,808,801	22,502,519	22,103,353	23,742,340	28,890,810	30,521,133	35,621,930	37,154,572	39,335,793	53,722,453
Less: Debt Outside Limitation	(14,663,904)	(17,084,231)	(17,426,674)	(19,812,270)	(18,977,349)	(18,168,739)	(24,015,774)	(26,107,862)	(28,877,764)	(43,882,453)
Less: Amount Available in Debt Service Funds Related to Unvoted Debt	(944,069)	(619,941)	(463,472)	(307,739)	(188,634)	(264,828)	(297,482)	(224,222)	(162,122)	(88,497)
Net Debt Within 5.5% Limitation	5,200,828	4,798,347	4,213,207	3,622,331	9,724,827	12,087,566	11,308,674	10,822,488	10,295,907	9,751,503
Unvoted Debt Margin	\$ 35,825,281	\$ 36,441,059	\$ 37,063,733	\$ 44,705,075	\$ 38,924,845	\$ 36,636,054	\$ 46,172,876	\$ 47,138,416	\$ 47,931,144	\$ 63,063,113

Source: Cuyahoga County, Ohio; County Fiscal Officer, and City Financial records

(a) Balances as of December 31, 2021 were restated due to City's decision to include the Wastewater Treatment Plant Fund as business-type activities.

City of Rocky River, Ohio

Computation of Direct and Overlapping General Obligation Bonded Debt

December 31, 2024

	<u>Governmental Activities Debt Outstanding</u>	<u>Percentage Applicable to City (1)</u>	<u>Amount Applicable to City of Rocky River</u>
<u>Direct:</u>			
General Obligation Bonds	\$ 9,898,026	100.00%	\$ 9,898,026
Special Assessment Bonds	15,000	100.00	15,000
OPWC Loans	198,050	100.00	198,050
Financed Purchase	<u>344,427</u>	100.00	<u>344,427</u>
Total Direct Debt	<u>10,455,503</u>		<u>10,455,503</u>
<u>Overlapping:</u>			
Cuyahoga County	216,475,000	2.99	6,464,999
Cuyahoga Community College	177,515,000	2.99	5,301,464
Rocky River School District	<u>48,116,567</u>	96.07	<u>46,223,918</u>
Total Overlapping	<u>442,106,567</u>		<u>57,990,381</u>
Total	<u>\$ 452,562,070</u>		<u>\$ 68,445,884</u>

Source: Cuyahoga County Fiscal Officer

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the City by the total assessed valuation of the political subdivision.

City of Rocky River, Ohio

Ratio of Annual Debt Service Expenditures For General Bonded Debt to Total Governmental Expenditures

Last Ten Years

<u>Year</u>	<u>Debt Service</u>	<u>General Governmental Expenditures</u>	<u>Ratio of Debt Service to Total Governmental Expenditures</u>
2015	\$ 1,094,304	\$ 28,119,621	3.89%
2016	1,557,497	28,223,645	5.52
2017	1,560,320	28,532,415	5.47
2018	1,544,989	32,235,161	4.79
2019	1,788,117	35,592,425	5.02
2020	1,555,105	35,592,425	4.06
2021	1,472,603	38,285,329	3.85
2022	1,274,515	35,508,405	3.59
2023	1,755,733	42,853,012	3.59
2024	1,763,182	44,968,373	3.92

Source: City Financial Records

City of Rocky River, Ohio

Principal Employers

Current Year and Ten Years Ago

2024		
Employer	Employees	Percentage of Total City Employment
City of Rocky River	657	4.6%
Rocky River Board of Education	537	3.7
Whole Foods Market Group, Inc.	365	2.5
Westwood Country Club Co.	269	1.9
Heinens Inc.	257	1.8
Group Management Services Inc	257	1.8
Magnificat High School	256	1.8
Riser Foods Co.	243	1.7
The Women's Welsh Club of America	236	1.6
Lowe's Home Center	234	1.6
Total	3,311	23.0%
Total City Employment	14,333	

2015		
Name of Employer	Employees	Percentage of Total City Employment
City of Rocky River	641	4.3%
Rocky River Board of Education	567	3.8
Risers Foods Co.	282	1.9
Westwood Country Club Co.	248	1.7
Cleveland Yacht Club Inc.	247	1.7
Marc Glassman Inc.	233	1.6
Magnificat High School	213	1.4
JP Recovery Services Inc.	211	1.4
Lowe's Home Center	206	1.4
CRS Marketing Services, Inc.	198	1.3
Total	3,046	20.5%
Total City Employment	14,848	

Source: Regional Income Tax Agency (RITA) and Central Collection Agency (CCA). Total City employment based upon the estimated number of W-2's filed with RITA in 2023 and CCA in 2014.

City of Rocky River, Ohio

Demographic and Economic Statistics

Last Ten Years

Year	Population (1)	Total Personal Income (2)	Per Capita Personal Income (1)	Median Household Income(1)	School Enrollment (3)	Unemployment Cuyahoga County (4)
2015	20,213 a	\$ 700,643,219	\$ 34,663	\$ 51,636	2,763	4.00%
2016	20,213 a	700,643,219	34,663	51,636	2,741	5.30
2017	20,213 a	700,643,219	34,663	51,636	2,672	4.80
2018	20,213 a	700,643,219	34,663	51,636	2,698	4.20
2019	20,213 a	700,643,219	34,663	51,636	2,743	3.60
2020	19,986 b	700,643,219	34,663	74,950 b	2,744	8.30
2021	21,755 c	1,272,167,135	58,477	81,370 c	2,623	4.90
2022	21,755 d	1,315,046,240	60,448	83,929 d	2,683	4.70
2023	21,755 d	1,346,772,475	61,906	90,459 d	2,644	3.80
2024	21,755 d	1,464,263,785	67,307	93,956 d	2,622	3.90

(1) Sources: U.S. Bureau of the Census.

(a) 2010 Federal Census

(b) The 2021 Data Book, Cuyahoga County, Ohio

(c) 2020 Federal Census, interterm

(d) 2020 Federal Census, final

(2) Computation of per capita personal income multiplied by population.

(3) Rocky River Board of Education

(4) Ohio Department of Job and Family Services

City of Rocky River, Ohio

Property Value and Construction

Last Ten Years

Year	Property Value (1)			Residential (2)		Commercial (2)	
	Commercial	Residential	Total	Number of Units	Value	Number of Units	Value
2015	\$ 295,212,286	\$ 1,810,713,628	\$ 2,105,925,914	12	\$ 5,625,350	0	\$ 0
2016	299,519,886	1,816,008,828	2,115,528,714	4	3,119,000	1	1,366,000
2017	296,106,258	1,819,480,942	2,115,587,200	14	6,070,000	1	830,000
2018	316,789,914	2,163,989,543	2,480,779,457	12	7,675,000	0	0
2019	324,894,600	2,170,608,200	2,495,502,800	7	5,285,500	1	1,300,000
2020	326,878,828	2,170,425,143	2,497,303,971	4	3,140,000	3	28,400,000
2021	360,110,486	2,589,993,457	2,950,103,943	10	4,914,665	0	0
2022	381,573,971	2,590,269,771	2,971,843,742	6	6,175,000	0	0
2023	368,837,771	2,615,719,057	2,984,556,828	3	5,710,000	1	2,500,000
2024	403,787,800	3,333,311,085	3,737,098,885	0	0	1	20,000,000

Sources: Cuyahoga County, Ohio - County Fiscal Officer; City Building Department

(1) Represents total estimated market value of real property, obtained from the County Fiscal Officer.

(2) Number of units (single and multi-family) include new construction only. Obtained information from City Building Department.

City of Rocky River, Ohio

Full-time Employees by Function/Program

Last Ten Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government:										
Mayor	2	2	2	2	2	2	2	2	2	2
Finance Department	3	3	3	3	3	4	3	4	4	3
Building Maintenance	5	5	6	6	6	6	6	6	6	5
Human Resources	1	1	1	1	2	2	2	3	1	1
Municipal Courts	25	24	26	26	26	26	25	25	26	26
Building	4	4	4	4	4	4	4	4	4	5
Information Technology	0	0	0	0	0	0	0	0	2	2
Security of Persons and Property:										
Police Department	37	37	37	38	37	37	37	35	39	40
Fire Department	30	30	29	30	30	30	30	30	30	30
Safety Service Director	2	3	3	3	3	3	3	3	3	3
Traffic Signal	3	3	3	3	3	3	3	3	3	3
Transportation:										
Equipment Repair and Garage	7	7	7	7	7	6	7	7	7	6
Street Repair and Maintenance	10	10	11	9	10	10	10	10	10	9
Leisure Time Activities:										
Parks	3	3	5	5	6	7	6	6	6	6
Recreation Center	14	14	12	13	12	12	12	14	15	13
Community Development:										
Economic Development	0	0	0	0	0	0	0	0	0	1
Public Health:										
Office on Aging	5	5	6	5	6	7	7	6	7	7
Basic Utilities Services:										
Refuse and Recycling	12	11	15	15	15	15	13	15	15	15
Total Governmental Activities:	<u>163</u>	<u>162</u>	<u>170</u>	<u>170</u>	<u>172</u>	<u>174</u>	<u>170</u>	<u>173</u>	<u>180</u>	<u>177</u>
Sanitary Sewer	7	8	9	10	10	10	9	9	9	10
WWTP	0	0	0	0	0	0	18	19	18	18
Total Business-Type Activities:	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>27</u>	<u>28</u>	<u>27</u>	<u>28</u>
Total Primary Government:	<u>170</u>	<u>170</u>	<u>179</u>	<u>180</u>	<u>182</u>	<u>184</u>	<u>197</u>	<u>201</u>	<u>207</u>	<u>205</u>

Source: City Records

City of Rocky River, Ohio

Operating Indicators by Function/Program

Last Ten Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government:										
Council:										
Total Ordinances/Resolutions:										
Introduced	91	83	90	88	103	105	105	87	112	100
Passed on 1st Reading	9	3	1	0	1	8	3	1	4	4
Passed on 2nd Reading	10	7	5	2	7	21	5	10	9	3
Passed on 3rd Reading	65	73	82	81	95	74	98	76	93	89
Tabled/Postponed	2	1	2	1	0	2	2	0	0	1
Passed with Emergency Provision	58	61	46	52	66	69	60	61	64	57
Building Department:										
New Single Family Home										
Permits	12	4	14	12	7	4	10	6	3	0
Commercial Building/Structures										
New	0	1	1	0	1	3	0	0	1	1
Additions	25	25	27	N/A	N/A	8	2	N/A	N/A	N/A
Increase in Dwelling Units	9	1	12	N/A	N/A	4	4	N/A	N/A	N/A
Total Receipts – Building										
Permits	\$ 305,143	\$ 286,553	\$ 395,181	\$ 342,746	\$ 423,746	\$ 423,604	\$ 458,795	\$ 647,772	\$ 668,653	\$ 427,921
Municipal Court:										
Jurisdiction Population	118,137	118,137	118,137	118,137	115,538	114,714	121,879	121,879	121,879	119,341
Case Filed:										
Criminal/Traffic	13,005	13,931	11,394	11,274	9,922	6,699	6,663	7,424	7,275	8,823
Civil/Small Claims	2,126	2,364	2,729	2,777	2,969	1,963	2,211	2,272	2,367	2,836

(Continued)

City of Rocky River, Ohio

Operating Indicators by Function/Program (continued)

Last Ten Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Security of Persons and Property:										
Police Protection:										
Motor Vehicle Accidents	596	625	629	672	561	435	509	509	568	435
OVI Traffic Charges	87	118	78	69	133	64	81	86	67	73
Community Diversion Cases	N/A	N/A	50	46	40	42	N/A	N/A	N/A	N/A
Marine Patrol Boat Hours	652	534	569	634	698	614	819	819	836	713
Total Prisoners	771	841	739	646	517	149	123	123	296	443
Fire Protection:										
Emergency Responses:										
Building Fire Calls	38	30	30	19	18	32	20	21	16	22
Emergency Medical Care	2,403	2,380	2,437	2,469	2,299	2,163	2,497	2,721	2,693	3,031
System Tests Witnessed:										
Commercial Kitchen	38	16	28	13	5	5	10	14	4	3
Sprinkler / Standpipe	31	14	29	20	5	5	16	19	17	21
Fire Alarm	30	10	26	11	3	6	9	21	14	14
General Inspections for Licensure	103	84	75	53	102	139	195	198	175	157
Public Health Services:										
Senior Center:										
Volunteers	180	130	100	128	103	75	59	100	75	91
Volunteer Hours	15,000	15,000	9,400	15,000	15,000	2,037	1,930	3,072	4,402	4,500
Senior Transportation Trips	6,761	6,854	6,927	8,679	8,898	4,053	5,563	5,958	6,662	6,263
Lunches Served	N/A	13,000	13,000	14,000	12,000	2,146	2,182	5,482	7,990	7,415
Café / Gift Shop Sales	\$ 42,343	\$ 44,688	\$ 37,178	\$ 35,179	\$ 30,754	\$ 4,662	\$ 10,245	\$ 12,974	\$ 14,015	\$ 14,102
Transportation:										
Safety Service:										
Snowfall in Inches [1]	20.9	24.3	53.1	24.2	26.6	42.4	43.4	11.1	23.0	31.3
Rock Salt Purchased (tons)	3,300	2,600	3,500	2,825	2,500	3,150	3,130	3,100	1,900	1,820
Cold Patch Purchased (tons)	355	233	163	206	200	145	158	N/A	150	36
Trees Planted	82	55	121	119	239	264	173	208	N/A	209
Trees Removed	82	75	54	55	126	45	86	78	57	28

(Continued)

City of Rocky River, Ohio

Operating Indicators by Function/Program (continued)

Last Ten Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Leisure Time Activities:										
Recreation Center:										
Summer Camp – Recreation [2]	351	368	355	324	845	0	906	991	791	973
Summer Camp – Sports	651	579	451	454	N/A	0	0	132	106	196
Summer Sunset Concerts	8	9	8	10	10	4	6	8	N/A	N/A
Outdoor Pool Attendance	37,309	34,062	24,467	9,497	16,594	10,835	10,712	25,076	29,745	30,019
Hockey Spectator Admissions	2,160	2,262	2,450	2,950	2,322	1,519	1,080	3,183	2,342	2,275
Learn-to-Skate Participants	2,962	N/A	N/A	N/A	1,436	945	1,124	1,237	1,289	1,388
Swim Team Participants	140	129	125	128	169	N/A	81	94	96	92
Basic Utilities Service:										
Refuse Collection:										
Refuse Truck Collections (tons)	7,519	7,354	7,485	7,613	7,831	9,095	8,888	8,497	8,686	8,482
Blue Bag Collections (tons)	928	1,019	1,013	975	843	403	191	172	145	139
Leaf Collections (tons)	1,149	1,252	859	1,828	1,164	974	792	856	1,173	915
Cardboard Collections (tons) [3]	136	116	117	105	106	100	247	271	272	277
Sanitary Sewer:										
Quantity and Strength Percent of										
Wastewater Treatment Plant	25.31	25.31	25.31	24.11	24.11	24.11	23.12	23.12	23.12	23.12
Total Gallons Treated (millions)	5,189	4,935	4,631	5,400	5,016	5,460	4,740	4,880	5,240	4,490
Average Daily Flow										
(millions gallons)	14,220	13,020	13,370	14,940	13,740	14,730	13,010	13,440	14,330	12,120

Source: City Records

[1] – National Weather Service – Cleveland Hopkins International Airport

[2] – In 2019 the City combined the Summer Camp activities for Recreation and Sports into one total.

[3] – In 2022 the City combined the cardboard and paper into one total.

N/A – Information is not available

City of Rocky River, Ohio

Capital Asset Statistics by Function/Program

Last Ten Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government:										
Other Departmental Vehicles	9	9	9	9	10	10	10	10	10	10
Square Footage of Building	44,370	44,370	44,370	44,370	44,370	44,370	44,370	44,370	44,370	44,370
Miles of Storm Sewer	90	90	90	90	90	90	90	90	90	90
Security of Persons and Property:										
Police Protection:										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Number of Vehicles	26	26	26	26	26	26	26	26	32	32
Marine Patrol Boat	1	1	1	1	1	1	1	1	1	1
Canine Unit(s)	2	2	2	2	2	1	1	1	1	1
Square Footage of Police Station	9,672	9,672	9,672	9,672	*	*	36,729	36,729	36,729	36,729
Number of Street Lights	1,813	1,813	1,805	1,805	1,805	1,805	1,805	1,802	1,802	1,802
Fire Protection:										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Number of Vehicles	9	9	9	8	9	9	9	9	10	10
Square Footage of Fire Station	10,088	10,088	10,088	10,088	10,088	10,088	10,088	10,088	10,088	10,088
Number of Fire Hydrants	1,016	1,016	1,016	1,016	1,037	1,037	1,037	1,016	1,016	1,016
Public Health Services:										
Senior Transportation:										
Number of Vehicles	5	5	5	5	7	7	7	4	4	4
Square Footage of Senior Center	20,012	20,012	20,012	20,012	20,012	20,012	20,012	20,012	20,012	20,012
Transportation:										
Number of Vehicles	31	31	31	31	32	32	32	32	33	33
Square Footage of Service Building	52,198	52,198	52,198	52,198	52,198	52,198	52,198	52,198	52,198	52,198
Miles of Streets	60.49	60.49	60.49	60.49	60.49	60.49	60.49	60.49	60.49	60.49

City of Rocky River, Ohio

Capital Asset Statistics by Function/Program (continued)

Last Ten Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Leisure Time Activities:										
Recreation and Culture:										
Number of Parks	9	9	9	9	9	9	9	9	9	9
Acres of Parks	106	106	106	106	106	106	106	106	106	106
Number of Vehicles	12	12	12	12	12	12	12	12	14	14
Square Footage of Recreation										
Facilities	81,379	81,379	81,379	81,379	81,379	81,379	81,379	81,379	81,379	81,379
Miles of Shoreline	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Basic Utilities Service:										
Refuse Collection:										
Refuse Vehicles	22	22	22	22	19	19	19	19	20	20
Transit Scooters	11	11	11	11	13	13	13	13	15	15
Transfer Station	1	1	1	1	1	1	1	1	1	1
Sewers:										
Miles of Sanitary Sewers	90	90	90	90	90	90	90	90	90	90
Number of Vehicles	8	8	8	8	10	10	10	10	12	12
Number of Sanitary Sewer										
Accounts	6,840	6,893	6,854	6,878	6,881	6,876	6,902	6,923	6,915	6,932

* – City used a temporary location during construction of new police department.

Source: City Records

**CITY OF ROCKY RIVER
CUYAHOGA COUNTY, OHIO**

AUDIT REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2024**

Zupka & Associates
Certified Public Accountants

**CITY OF ROCKY RIVER
CUYAHOGA COUNTY, OHIO
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2024**

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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 Rocky River
Cuyahoga County
21012 Hilliard Boulevard
Rocky River, Ohio 44116

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, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rocky River, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated August 28, 2025, wherein we noted the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*.

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.

City of Rocky River
Cuyahoga County
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
Page 2

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

Zupka & Associates
Certified Public Accountants

August 28, 2025

CITY OF ROCKY RIVER
CUYAHOGA COUNTY, OHIO
SCHEDULE OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2024

The prior issued audit report, as of December 31, 2023, included no findings. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

OHIO AUDITOR OF STATE KEITH FABER



CITY OF ROCKY RIVER

CUYAHOGA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 1/22/2026

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

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