

**CITY OF BROOKLYN
CUYAHOGA COUNTY, OHIO**

AUDIT REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2012**

James G. Zupka, CPA, Inc.
Certified Public Accountants



Dave Yost • Auditor of State

City Council
City of Brooklyn
7619 Memphis Avenue
Brooklyn, Ohio 44144

We have reviewed the *Independent Auditor's Report* of the City of Brooklyn, Cuyahoga County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2012 through December 31, 2012. 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 Brooklyn is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

June 28, 2013

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**CITY OF BROOKLYN
CUYAHOGA COUNTY, OHIO
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2012**

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JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

**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**

To the Members of City Council and
Members of the Audit Committee
City of Brooklyn, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brooklyn, Cuyahoga County, Ohio, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City of Brooklyn, Ohio's basic financial statements, and have issued our report thereon dated May 21, 2013, wherein we noted that the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, and restated the December 31, 2011 net position of governmental activities due to a change in the City's capital asset capitalization threshold.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Brooklyn, Ohio'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 of Brooklyn, Ohio's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Brooklyn, Ohio'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 entity'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 over financial reporting 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Brooklyn, Ohio'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 that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



James G. Zupka, CPA, Inc.
Certified Public Accountants

May 21, 2013

**CITY OF BROOKLYN
CUYAHOGA COUNTY, OHIO
STATUS OF PRIOR FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2012**

The prior audit report, as of December 31, 2011, included no citations or instances of noncompliance. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.



COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF BROOKLYN, OHIO // FOR THE YEAR ENDED DECEMBER 31, 2012

City of Brooklyn, Ohio

Comprehensive Annual Financial Report

For The Year Ended December 31, 2012

Prepared by:

Jenny Esarey
Director of Finance



INTRODUCTORY SECTION

CITY OF BROOKLYN, OHIO

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City of Brooklyn, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2012
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The City of
Brooklyn · Ohio

Mayor
Richard H. Balbier

Council
Kathleen M. Pucci
Colleen Coyne Gallagher
Antony E. DeMarco
Kevin Tanski
Thomas C. Murphy
Katherine A. Gallagher
Ron Van Kirk

May 21, 2013

City Council and Citizens of Brooklyn:

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

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

Ohio law requires independent audits to be performed on all financial operations of the City either by the Auditor of State or an independent public accounting firm, if permitted by the Auditor of State. The James G. Zupka, C.P.A., Inc.'s office rendered an opinion on the City's financial statements as of December 31, 2012, and the Independent Auditor's Report on the basic financial statements is included in the financial section of this report.

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

CITY OF BROOKLYN

A small community adjacent to the City of Cleveland on three sides and the City of Parma on the fourth, Brooklyn is approximately six miles from downtown Cleveland. The City is uniquely situated for both commuters and industry with I-480 running east-west through the southern extremity of the City, I-77 and I-71, the major north-south highways, within 5 minutes either side of the City and Cleveland Hopkins Airport only 10 minutes away. The City consists of 2,745 acres or 4.60 square miles.

Founded by German immigrants in 1818, Brooklyn Township was set apart from Cleveland Township, which is now known as "Old Brooklyn". On August 5, 1867, Brooklyn Village became incorporated, eventually becoming a chartered home rule City on January 1, 1952. According to the latest population figures, Brooklyn has 11,169 residents.

Operating under the Mayor/Council form of government, the citizens of Brooklyn elect a mayor and seven council members who serve at-large. Terms for both the Mayor and Council members are four years. As the chief executive officer for the City, the Mayor is responsible for the supervision and administration of the City's affairs and exercises control over all departments and divisions. The Mayor

may introduce and make recommendations on legislation and has full veto powers. The Mayor is also responsible for the preparation and submission of the annual estimate of receipts and expenditures, and of appropriation measures. The Mayor keeps Council advised of the City's financial condition and financial matters are discussed openly at formal Finance Committee meetings held prior to every regularly scheduled meeting of Council. Directors of Law, Finance, Public Safety and Public Service serve at the pleasure of the Mayor and report directly to him. Brooklyn also maintains a certified Building Department with a full-time Chief Building Official as its head. The Police Chief and Fire Chief are also at will employees.

The City provides a full range of municipal services, including full-time police, fire and emergency medical services, senior citizen programs, recreation programs, street maintenance and repair, residential refuse collection and disposal, curbside recycling, building, planning and zoning, as well as other administrative functions. In addition, Brooklyn provides some unique services not normally seen in most municipalities. Senior citizens have the ability to sign up to have their driveways plowed during the winter with the City charging only a nominal fee for these services. The City also offers a full-service recreational center that houses a functional ice rink and both indoor and outdoor swimming facilities.

City Council is required to adopt a temporary budget for the next year by no later than the close of the current year and a permanent budget prior to March 31st. The annual budget serves as the foundation of the City of Brooklyn's financial planning and control. The budget is prepared by fund, function (e.g., public safety), department (e.g., police) and major object code (e.g. wages and benefits and other). The budget is then passed at the department and major object code level for the general fund and at the major object code level for all other funds. The Finance Director authorizes requests of department heads to move resources among the object codes of their respective department based on changing needs during the year. Transfers between departments or funds require special approval of City Council.

ECONOMIC CONDITION AND OUTLOOK

The City of Brooklyn has a longstanding reputation for encouraging growth and development of its thriving industrial and commercial base. Exceptional working relationships have been forged between the City Administration, business and industry. Thanks to a targeted economic development program, which has included expansion of the retail, commercial and industrial sectors, the City's financial condition has improved in 2012 and continues to remain strong through the post-recession economic environment. The City has repositioned itself from the late 1970's and early 1980's when it had major industrial manufacturers such as Lamson and Sessions and Terex to a much more diversified business base today. In addition to the three main businesses (American Greetings, Key Bank and The Plain Dealer) there is Ridge Park Square Shopping Center, Cascades Crossing (Hampton Inn, Extended Stay America, TGI Friday's, Steak & Shake, Chipotle Mexican Grill, and the Hooley House), Key Commons (Cracker Barrel, Panera's, Carrabba's Italian Grill and Wild Ginger), Brooklyn Corporate Center, a major medical building, manufacturing such as Ferrous Metals, Superior Products, and others; and trucking such as USF Holland, Falcon and numerous small trucking companies. Businesses along the Brookpark Road corridor include Best Buy, Super K Mart, Golden Corral, Staples, Wal-Mart, Sam's Club, Home Depot, IHOP and Gordon Foods.

The City has a very prime location along Interstate 480. This competitive advantage allows retail outlets on Ridge and Brookpark Roads and retail services such as hotels and restaurants on Tiedeman Road to continue to enjoy solid business. Brooklyn's location is ideal as it provides immediate access to the Hopkins International Airport and is just minutes away from downtown Cleveland. The maintenance of our commercial properties and housing stock is key to holding our property values and the overall low property tax rates enjoyed by property owners in Brooklyn has made the City an attractive location to maintain homes and businesses.

Brooklyn has a much larger business base than most communities. Property taxes in Brooklyn are split with 42.24 percent from residential properties, 51.55 percent from commercial properties and 6.21 percent from other sources. Because of the large business base for property taxes, Brooklyn has an assessed valuation per capita of \$26,137. The City's has one of the lowest property tax rates in Cuyahoga County.

In 2012, revenue from resident income tax collections accounted for approximately \$931,100 of the total income tax for the City, or 5.74 percent of total collections. Net profits from business generate about 6.26 percent. The bulk of the income taxes paid, 88.00 percent, are paid by employees of the businesses located in the City through withholding taxes collected by the Regional Income Tax Agency (RITA).

Withholding collections in 2012 increased by 9.53 percent as compared to 2011 to a level of \$14.27 million. The increase in income tax revenue was due to an increase in the commercial tax base, which in turn resulted in an increase in withholding tax collections. Net profit collections increased by 17.76 percent from 2011 amounts and produced approximately \$1,015,000 in tax revenue. Individual collections have increased since the conversion to RITA tax administration. In 2012, total individual tax payments exceeded \$931,000, a 3.2 percent increase over the prior period.

Income tax collections currently account for 74.14 percent of the revenue for the City and are by far the major source of income. Charges for services are second largest revenue generated and real estate property taxes are third.

The City of Brooklyn was officially notified on May 20, 2011 that American Greetings would be moving their headquarters to Westlake, Ohio. The City of Brooklyn made numerous economic proposals to American Greetings' administration prior to their final decision in an attempt to keep the largest employer in Brooklyn, but American Greetings stated it was the company's decision to move to Westlake. The prospective move to Westlake is estimated to be completed in the next two years, but the City of Brooklyn is hoping to retain a small number of American Greetings employees in Brooklyn. American Greetings has committed to cooperate with the City of Brooklyn to market and develop the real estate property.

A Chamber of Commerce was inaugurated in Brooklyn in 2002. Council and the Mayor understand that the bulk of the taxes paid in Brooklyn come from our businesses. Collectively, Council and the Administration also instituted the establishment of a Master Plan for the City. Development of the plan began in 2004 and was completed in early 2006. The Master Plan was reviewed and approved by both the Planning Commission and City Council in 2006.

The addition of an Economic Development Director to the City's staff in 2007 is evidence of the commitment of City officials to continue aggressive pursuit of new business partners in Brooklyn while working to maintain relationships with current businesses located in Brooklyn. The City has been successful in initiating several projects directed towards economic development.

In an effort to increase financial support for economic development in the City of Brooklyn, City Council passed the creation of the economic development fund in 2012. The economic development fund is scheduled to have annual transfers from the general fund, and these monies will be used to pay for expenditures related to job retention, incentive grants, and other economic development programs. This fund is included with the general fund for GAAP reporting.

In 2012, The City of Brooklyn welcomed Michael's Crafts, Menchie's Yogurt, and Value King to Ridge Park Square. Huntington Bank opened a branch in January 2012 and Up To Bat opened in the spring of 2012. Loving Cup Kids Academy of Brooklyn purchased the Old Brooklyn Library in March of 2012 and opened its doors as a day care facility on March 24, 2013.

A major program that culminated in 2010 led to the creation of a new public roadway at the western border of the City that will benefit two of the major businesses in the City as well as a significant County administrative office. Memphis Industrial Parkway is a \$750,000 plus investment to the City of Brooklyn. This 500 linear feet concrete publicly dedicated street was once a service pathway for three major businesses in Brooklyn. Through the cooperation and financial contributions from the State of Ohio's Department of Development, Cuyahoga County's Department of Development, Cuyahoga County Board of Developmental Disabilities, Ferragon Corp and Gateway Park, LLC, the funding for this road was realized. The City of Brooklyn was responsible for the bid, administration, construction, and purchase of the right of way to bring the project to completion. The ribbon cutting ceremony and dedication took place on June 14, 2012. The Hooley House, a Sports Pub & Grille, also opened in October 2012.

The City of Brooklyn is pleased to announce several new businesses that opened in 2013. Triad Engineering opened their corporate headquarters on Clinton Avenue, creating fifteen new jobs and making a capital investment of over \$1 million; CleanLife, LLC opened their corporate headquarters on Brookpark Road and created five new jobs and made a \$250 thousand capital investment; ARL Trucking created fifteen new jobs and made a \$400 thousand capital investment; State Farm Insurance Independent Agent opening a new office which created five new jobs; and Loan Max that made a \$50 thousand capital investment in their new office facility.

In 2013, the City of Brooklyn also welcomed expansions of the Walmart SuperCenter which included a \$10 million capital investment and created an additional 85 jobs; US Bank in the Walmart SuperCenter which created eight new jobs, and Huntington Bank in Giant Eagle. Ferragon Corporation also completed a \$2.4 million upgrade which included a new headquarters space, a new warehouse building, and complete repavement on their Brooklyn headquarter facility. Ferragon Corporation's upgrade also added 12 new jobs in 2013.

In 2011, Donald Marten's & Sons Ambulance Service committed to relocating and consolidating their headquarters and service center to 10830 Brookpark Road. City Council agreed to a Job Creation Grant Agreement that will provide ten years of fifty percent annual City Withholding Tax Collections if Donald Martens & Sons Ambulance Service creates and maintains a minimum annual payroll of \$7 million, plus or minus 10 percent, while creating 300 hundred full-time or part-time equivalent positions for the 10 years of the agreement. Donald Marten's & Sons Ambulance Service is scheduled to open sometime in 2013.

LONG-TERM FINANCIAL PLANNING

Unassigned fund balance in the general fund (54.06 percent of total general fund revenues) is well above the policy guidelines set by the Council for budgetary and planning purposes (between 5 and 15 percent of total general fund revenues). The Brooklyn City Council has established an informal benchmark of 16 percent, approximately 60 days operating funds. Over the past nine fiscal years, the City has had balances ranging between 11 and 21 percent. The 2012 year-end general fund balance was \$13.88 million.

The City ensures there are funding sources for all projects it undertakes. A portion of income tax collections is designated for the capital improvement fund to ensure considerable pay-as-you-go financing of capital projects. In 2012, the capital improvement fund received ten percent of income tax collections.

The fire station has a mill property tax designated to pay the bond payments for it. The City operates the only municipal landfill in Cuyahoga County. Monies are being accumulated to ensure closure and post closure costs are covered when the landfill reaches capacity. Currently, the City has accumulated approximately \$4 million as of the end of 2012 for the closure and post closure costs and is currently in discussions with the Ohio Environmental Protection Agency about the capacity and closure of the landfill. Since 2010, the landfill was not used due to engineering issues related to the permit for the location, so the City has contracted with the City of Cleveland to use their waste disposal facilities.

The City has a very favorable debt profile and amortizes debt quickly. The City issued no new debt in 2012. In April 2013, City Council voted for an issuance of Bond Anticipation Notes (BAN's) for \$1,375,000. The 2013 BAN will provide for a new City Hall Roof, the 2013 Street Program, and a new Parking Lot for the John M. Coyne Recreation Center.

MAJOR INITIATIVES

In April 2012, City Council approved the bid for the automated side loading rubbish packer for the Service Department, and the program commenced October 1, 2012. The automated side loading rubbish packer reduced the number of full-time personnel dedicated to trash pick-up and has allowed these employees that were previously dedicated to trash pick-up to perform other necessary service department tasks. As part of the automated rubbish program, the City also purchased the related totes and provided one tote per household.

The City of Brooklyn is committed to maintaining and improving the City's infrastructure, especially the City's roadways. The City of Brooklyn's 2012 Street Repair Project included repairs and/or resurfacing to Brookwood Drive, Glencoe Avenue (East), Traymore Avenue (West), Beech Avenue, and Morton Avenue. City Council approved the 2013 Street Program as part of the 2013 Annual Budget, which includes resurfacing and/or maintenance to Northcliff Avenue (West), Idlewood (North), Glencoe Avenue (West), and Associate Avenue along with the repair of the Idlewood/Autumn intersection drainage. The City of Brooklyn was able to secure a \$50,000 grant from the Ohio Department of Transportation Office of Jobs and Commerce and a \$25,000 grant from JobsOhio for the intersection improvement widening and reconstruction of Associate Drive. Both grants were approved on March 25, 2013.

In 2013, in conjunction with Cuyahoga County, a three year resurfacing project of Ridge Road from Memphis Avenue to I-480 will commence. Another roadway improvement that the City of Brooklyn has committed monies to is Memphis Avenue. The Memphis Avenue resurfacing project is scheduled to take place in 2015. At a press conference held on Friday, April 12, 2013, the Ohio Department of Transportation announced the upgrade of the east and west bound ramps at the I-480/Tiedeman Road Interchange. This will be a minimum of a \$2.4 million investment with construction scheduled to commence in June 2013 and a projected completion of October 2013.

In 2012, the City continued its austerity plan designed to lower the level of overall expenses and build cash reserves to fund commitments to future project expenses. The benefit of the tax increase approved by voters in June 2009 has helped the financial condition of the City immensely since its adoption. In conjunction with more controlled management of its payroll and benefit expenses, fund balances for the City have shown improvement since 2010. In preparation for possible future negative impact associated with the departure of American Greetings or a change in the overall economic conditions, in 2010 City Council approved the creation of a budget stabilization fund that will be used as a reserve for emergency funds. Transfers into this fund began in 2011 and the uses provided for by Council are limited to emergency provisions in order to protect the integrity and purpose of the fund. It is expected that, at least for the immediate future, the City will be in position to continue to increase the level of funding in the budget stabilization fund incrementally in an effort to provide resources in the post-American Greetings period.

From a management and administrative perspective, the City is continuing to examine expenditures to reduce where possible and gain efficiencies as well. Departments are continuing to operate at minimal staffing levels in an effort to reduce overall payroll and benefit costs.

Healthcare is consistently a large expenditure for the City and a joint healthcare review committee was initiated in 2010 that includes members of all collective bargaining groups as well as representatives of the administrative staff. A major objective of the healthcare committee is healthcare cost containment. In 2012, the joint healthcare review committee officially met for the first time and had numerous meetings over many months in 2012 to review the annual renewals of the medical insurance, including Rx, vision, hearing, dental insurance, and life insurance policies.

The City has implemented programs designed to lower its liabilities with respect to property and casualty insurance and workers' compensation expenses. Creation of a special fund to manage the retrospective rating costs associated with workers' compensation was pursued. Funding for this program comes from an allocation of income tax proceeds. Reductions in the total workers' compensation expense have been

realized in the last several years and the City continued to see the savings in 2012. This reduction in the workers' compensation expenditures was due to the City's enrollment in the Retrospective Rating Program and the Administration's continued monitoring and management of all claims to mitigate losses by the City. The continued claim management is being actively pursued by the Administration for the potential benefit of workers' compensation premium reduction by the City in future years.

Similarly, the City created a termination leave fund that was established to deal with separation payments of employees outside the general fund. This fund is also supplied with revenue from income tax proceeds and will be used to provide resources for anticipated termination payment liabilities as well as an accumulation of resources to manage the extra pay period that will occur in 2015. Effective December 2011, City Council voted to reduce the payout percentage from fifty percent to thirty three percent for the cash payment of sick hours for employees retiring after working a minimum ten years of continuous service with the City of Brooklyn. This is a large cost reduction for all future retirees and is another example of the cost cutting measures the City has been evaluating and implementing.

On the revenue side, programs administered by the City were evaluated to determine if rate increases were feasible and, in some cases, entire programs were stopped or eliminated. Part-time help, normally a large support group for the City's senior and recreational programs, were drastically reduced in number, which caused resultant cutbacks in service offerings such as senior grass cutting, pool operations and garbage pulling. The Administration is continually reviewing all programs to determine the most efficient use of funds and resources.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Brooklyn for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2011. This was the twenty third (23rd) consecutive year that Brooklyn has received this prestigious award. In order to be awarded a Certificate of Achievement, the government has to publish an easily readable and efficiently organized CAFR that satisfies both generally accepted accounting principles and applicable legal requirements.

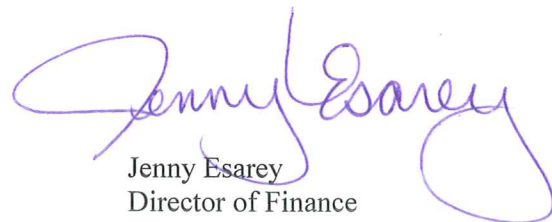
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The publication of this CAFR significantly increases the accountability of the City of Brooklyn to the taxpayers. The preparation of this report was made possible by the dedicated service of the entire staff of the finance department. All employees have our sincere appreciation for their contributions made in the preparation of this report. Credit must also be given to the department heads and City Council for their unfailing support for maintaining the highest standards of professionalism in the management of Brooklyn's finances. Special thanks go to Brooklyn residents and taxpayers for entrusting us with the administration of their local government.

Respectfully Submitted,

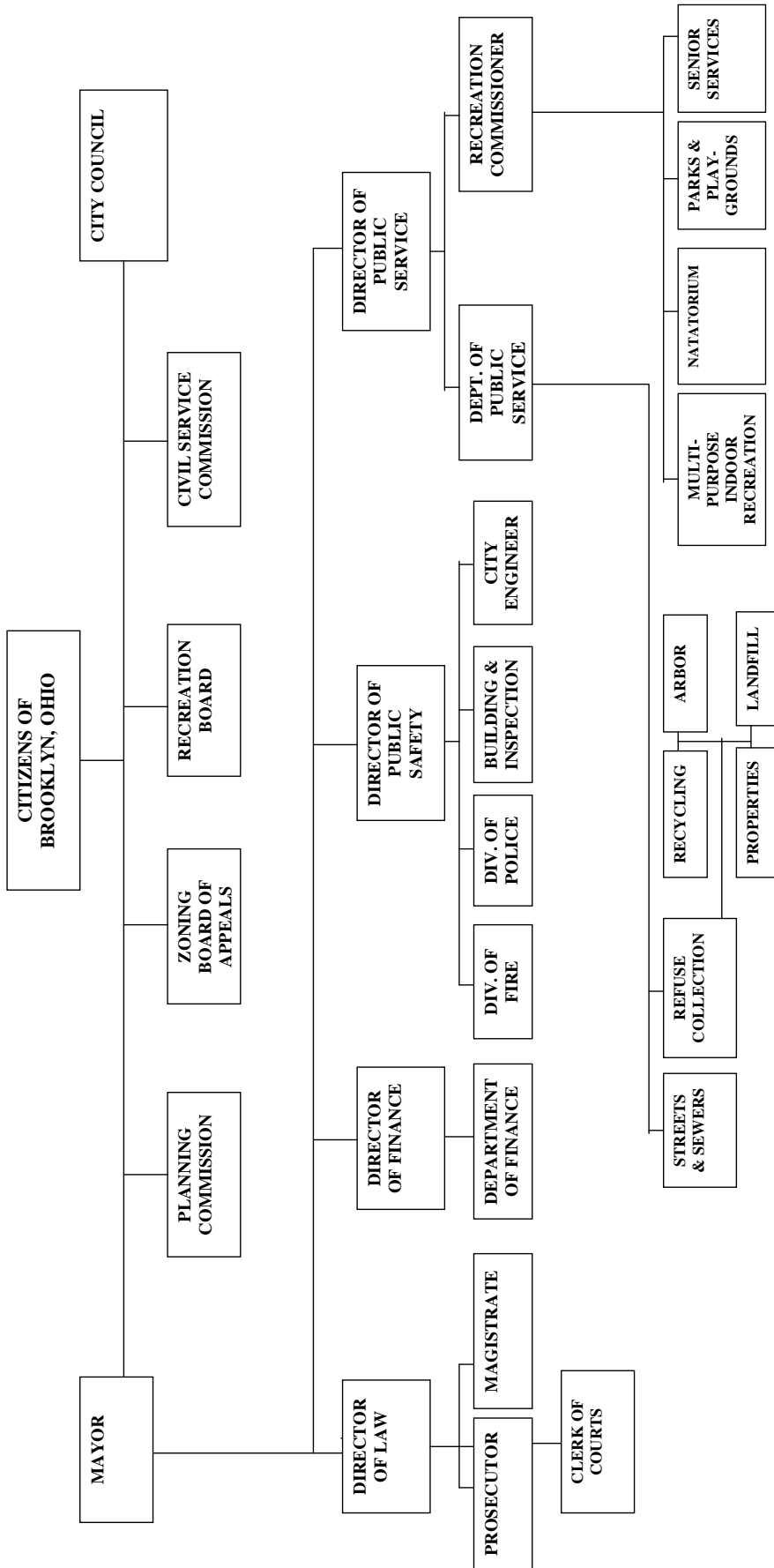


Richard H. Balbier
Mayor



Jenny Esarey
Director of Finance

CITY OF BROOKLYN, OHIO ORGANIZATION CHART



CITY OF BROOKLYN, OHIO

Principal Officials

Mayor

Richard H. Balbier

Council President
Council-At-Large
Council-At-Large
Council-At-Large
Council-At-Large
Council-At-Large
Council-At-Large

Antony E. DeMarco
Colleen B. Coyne Gallagher
Kathleen M. Pucci
Katherine A. Gallagher
Ron Van Kirk
Kevin Tanski
Thomas C. Murphy

Director of Law
Magistrate
Prosecutor
Director of Public Safety
Director of Public Service
Director of Finance
Chief Building Official
Police Chief
Fire Chief

Scott Claussen
Ronald Balbier
Hillary Goldberg
Edward Chessar
John M. Verba, Jr.
Jennifer L. Esarey
Thomas J. Ockington
Scott Mielke
Joseph Zemek

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Brooklyn
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Christopher P. Moivell

President

Jeffrey R. Emer

Executive Director

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FINANCIAL SECTION

CITY OF BROOKLYN, OHIO

JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of City Council and
Members of the Audit Committee
City of Brooklyn, Ohio

The Honorable David Yost
Auditor of State
State of Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brooklyn, Cuyahoga County, Ohio, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also involves evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that our audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brooklyn, Ohio, as of December 31, 2012, and the respective changes in financial position, and, where applicable, cash flow thereof, and the respective budgetary comparison for the General Fund, the Fire Pension Fund, and the Police Pension Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 3 to the financial statements, during 2012 the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, and restated its December 31, 2011 net position of governmental activities due to a change in the City's capital asset capitalization threshold. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, 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.

Other Information

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

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such 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 and the are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 21, 2013, on our consideration of the City of Brooklyn, Ohio'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 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 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 of Brooklyn, Ohio's internal control over financial reporting and compliance.



James G. Zupka, CPA, Inc.
Certified Public Accountants

May 21, 2013

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City of Brooklyn, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2012
Unaudited

The management's discussion and analysis of the City of Brooklyn's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2012. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2012 are:

- In 2012, the City of Brooklyn continued to be vigilant in cost cutting measures and to operate departments efficiently. Overtime hours were only used in necessary instances and there was no increase to staffing levels in the various departments.
- Total liabilities decreased by \$2,316,434, which is attributed mainly to paying down on long-term debt obligations.
- In December 2011, the City's medical insurance premium renewal (effective December 1, 2011 to November 30, 2012) went up by eighteen percent.
- By City Ordinance, the allocations of income tax revenues to the City's funds were adjusted. Effective January 2011, the general fund allocation of income tax revenues decreased from 88 percent to 86 percent of income tax revenue and the use of additional income tax proceeds in the capital improvement fund, termination leave payments fund, and retrospective medical claims funds accumulated sufficient funds to support City's services.
- In March 2012, City Council decided not to roll the 2011 bond anticipation notes issuance for an additional year, and to pay off the entire 2011 note issue of \$1,676,000 in May 2012. On May 7, 2012, the City paid the outstanding \$1,676,000 notes in full.

Using This Comprehensive Annual Financial Report (CAFR)

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

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole City, 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 Brooklyn, Ohio
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Reporting the City of Brooklyn 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 our 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 2012?" The *Statement of Net Position* and the *Statement of Activities* answer this question. These statements include all assets and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting method used by the private sector. The basis of this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

The *Statement of Net Position* and the *Statement of Activities* are divided into the following categories:

- Assets
- Liabilities
- Deferred Inflows of Resources
- Net Position (Assets minus Liabilities and Deferred Inflows of Resources)
- Program Revenue and Expenses
- General Revenues
- Net Position Beginning of Year and Year's End

Reporting the City of Brooklyn's Most Significant Funds

Fund Financial Statements

The presentation of the City's major funds begins on page 16. Fund financial reports provide detailed information about the City's major funds based on the constraints on the use of monies. The City has established many funds which account for the multitude of services, facilities and infrastructure provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City, the major funds are the general fund, the police and fire pension special revenue funds and the capital improvements capital projects fund.

Governmental Funds

Most of the City's activities are reported in the governmental funds which focus on how money flows into and out of those funds and the balances left at year end available for spending in future periods. 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. Government fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future on services provided to our 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.

City of Brooklyn, Ohio
Management's Discussion and Analysis
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Proprietary Fund

The City's only proprietary fund is an internal service fund which accounts for the payments, administrative costs and reserves of the State's retrospective rating workers' compensation plan.

Fiduciary Funds

The City has only one type of fiduciary fund, agency funds. The City's agency funds account for deposits pledged by contractors and citizens and building assessment fees collected for the Ohio Board of Building Standards. The agency funds are not reflected on the government-wide statements because the resources from those funds are not available to support the City's programs.

The City of Brooklyn 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 2012 compared to 2011.

Table 1
Net Position

	Governmental Activities		
	2012	Restated 2011	Change
Assets			
Current and Other Assets	\$23,746,519	\$22,373,446	\$1,373,073
Capital Assets, Net	29,845,508	29,576,015	269,493
<i>Total Assets</i>	<u>53,592,027</u>	<u>51,949,461</u>	<u>1,642,566</u>
Liabilities			
Current and Other Liabilities	1,741,708	3,405,894	(1,664,186)
Long-Term Liabilities			
Due Within One Year	543,828	914,503	(370,675)
Due in More Than One Year	13,903,649	14,185,222	(281,573)
<i>Total Liabilities</i>	<u>16,189,185</u>	<u>18,505,619</u>	<u>(2,316,434)</u>
Deferred Inflows of Resources			
Property Taxes	1,417,532	1,749,257	(331,725)
Net Position			
Net Investment in Capital Assets	23,908,767	21,324,188	2,584,579
Restricted:			
Capital Projects	447,019	924,712	(477,693)
Debt Service	46,618	16,177	30,441
Street Maintenance and Repair	869,775	531,517	338,258
State Highway	282,201	230,903	51,298
Court Computer	62,672	59,723	2,949
Police Programs	527,641	441,248	86,393
Landfill	4,319,476	4,141,873	177,603
Other Purposes	210,306	193,850	16,456
Unrestricted	5,310,835	3,830,394	1,480,441
<i>Total Net Position</i>	<u>\$35,985,310</u>	<u>\$31,694,585</u>	<u>\$4,290,725</u>

Total assets increased as a result of an increase in cash on hand and income tax receivable. The increase in cash is primarily associated with the lower level of expenses in 2012 due to the fiscal management and control of operational expenditures, labor expenditures, and capital purchases. The increase in income tax receivable is primarily associated with the higher estimate of income tax based on a growth of income tax base.

City of Brooklyn, Ohio
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Total liabilities decreased due to the continued reduction of bond obligations and payments applied to the May 2012 note issue. No new major projects were implemented or initiated in 2012 that required the dedication of additional debt. In March 2012, the City Council voted to pay off the entire 2011 note issue in May 2012 for \$1,676,000.

Table 2 shows the changes in net position for the year ended December 31, 2012. Comparisons between the last two years are shown below:

Table 2
Changes in Net Position

	Governmental Activities		
	2012	Restated 2011	Change
Revenues:			
Program Revenues:			
Charges for Services	\$1,692,508	\$1,831,683	(\$139,175)
Operating Grants and Contributions	1,200,504	1,106,131	94,373
Capital Grants and Contributions	118,367	434,258	(315,891)
Total Program Revenues	3,011,379	3,372,072	(360,693)
General Revenues:			
Property Taxes	1,624,481	1,754,882	(130,401)
Municipal Income Taxes	16,212,944	14,787,286	1,425,658
Local Taxes	343,503	300,522	42,981
Grants and Entitlements	538,085	1,058,307	(520,222)
Investment Earnings	22,604	31,083	(8,479)
Gain on Sale of Capital Assets	0	43,705	(43,705)
Other	113,708	115,572	(1,864)
Total General Revenues	18,855,325	18,091,357	763,968
Total Revenues	21,866,704	21,463,429	403,275
Program Expenses			
General Government	2,159,779	2,304,429	144,650
Security of Persons and Property	8,363,930	8,342,890	(21,040)
Transportation	963,461	851,242	(112,219)
Community Environment	1,554,439	1,707,686	153,247
Basic Utility Services	2,159,415	2,219,956	60,541
Leisure Time Activities	2,207,282	2,403,861	196,579
Interest and Fiscal Charges	385,123	314,400	(70,723)
Total Program Expenses	17,793,429	18,144,464	351,035
Special Item			
Sale of Library	217,450	0	217,450
Change in Net Position	4,290,725	3,318,965	971,760
Net Position Beginning of Year - - Restated (See Note 3)	31,694,585	28,375,620	3,318,965
Net Position End of Year	\$35,985,310	\$31,694,585	\$4,290,725

Total revenues increased by \$403,275 primarily due to an increase in income tax revenues. Income tax revenues account for 74.14 percent of the City's revenue. The increase in income tax revenue was due to an increase in the commercial tax base, which in turn resulted in an increase in withholding tax collections. Program revenues decreased due to less capital grants received compared to 2011 and less charges for services caused by a decrease in POPAS fine revenues, and a decrease in fees, licenses and permits in 2012 compared to 2011 levels. General revenues from grants and entitlements, such as local government funds, are also revenue generators. Grants and entitlements decreased by \$520,222 compared to last year's levels due to less local governmental funding received in 2012. Interest income decreased due to the overall decline in the interest environment.

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Total expenses decreased by \$351,035 due to continuing cost cutting measures by the City. Even though most of expenses decreased in 2012 compared to 2011, transportation, security of persons and property and interest and fiscal charges expenses increased. Transportation expense increased by \$112,219 compared to 2011, mainly due to related expenses for the costs for road maintenance projects. Security of persons and property expense increased due to increases in costs related to the eighteen percent increase in health insurance premiums.

GOVERNMENTAL ACTIVITIES

The main revenue source for the City's governmental activities is income tax. The City has an income tax rate of two and half percent. Residents receive 100 percent credit on income earned outside the City. Almost 94 percent of the income tax is contributed by the City's businesses.

The City has historically placed a strong focus on economic development programs in an effort to maintain and expand the business community. During 2012, the City continued to feel the economic impact of the recession as businesses in Brooklyn were faced with a myriad of financial challenges. In 2010 the City was faced with the relocation of one of their largest employer and income tax payer, American Greetings Corporation effective by 2014. With the increase in the City's income tax rate, the company considered moving its operations to another community. The City administration was notified in May 2011 that the company had elected to relocate to Westlake, Ohio. The City has created a budget stabilization fund to provide resources for emergency purposes that may become necessary subsequent to the departure of American Greetings. This fund is included with the general fund for GAAP reporting.

Traditionally, the City has dedicated a significant portion of its tax collections to projects and programs that sustain or improve the infrastructure of the City for the benefit and advancement of residents and businesses. By City Ordinance, effective January 25, 2011, 86 percent of the income tax proceeds were credited to the general fund, 10 percent to the capital improvements capital projects fund, 2 percent to the termination leave payment special revenue fund and 2 percent to the retrospective medical claims internal service fund. Previously, 88 percent was distributed to operating needs in the general fund, 8 percent was distributed to the capital improvements capital projects fund, 2 percent to the termination leave payment special revenue fund and 2 percent to the retrospective medical claims internal service fund. The City anticipates that it will gradually dedicate additional income tax proceeds to its capital needs as the general fund balance has improved to the point where it shall be sufficient for the next several years.

General revenues from property taxes and local government funds are also significant revenue generators. Brooklyn's charter authorizes up to 12 mills of property taxes. With 12 mills authorized, the City had 6.6 mills of property taxes that could be utilized to offset financial needs or difficulties. In November 2004, citizens approved by advisory vote to use 1.5 mills of the 6.6 mills to pay for the construction of a new fire station and additional funding for police and firemen's pensions.

Charges for services are the second significant revenue contributor. The City's Recreation Center, houses its natatorium and ice rink. In 2012, subsequent to the collection of the majority of delinquent accounts during 2011, ambulance revenue returned to levels in line with what had been historically recorded.

The general government account comprises costs for the Mayor's office, City Council, law, finance, data system, engineering and civil service. The decrease in the general government expense category is due to no wage increase for employees in 2012.

City of Brooklyn, Ohio
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Security of persons and property was the largest single area of expenses as it has been historically. The program pays for basic police and fire services, D.A.R.E., police and fire pensions and equipment. Security of persons and property increased compared to 2011 mainly due to the health insurance premium increase.

Transportation includes the costs of maintaining and repairing the City's streets. Maintenance of streets on a regular basis can help delay the need for major street improvement projects in the future.

Community environment expense comprises costs for public lands and buildings, public service, building, recycling and landfill. Lands and buildings department pays for gas, electric, phone service and water and sewer for all municipal operations. This expense decreased compared to 2011 due to the decreases in engineering fees and expenditures related to the Brooklyn Landfill.

In 2009, the Ohio EPA notified the City that the landfill was near or at maximum capacity. The estimate of closure and post-closure costs was updated to account for this and therefore the engineering, consulting, and legal expenditures related to the landfill increased significantly in 2010 and 2011 due to the change in this useful life estimate and the uncertainty of future landfill operations. The City is currently in discussions with the Ohio EPA to finalize closure and post-closure of the Brooklyn landfill.

Basic utility services include trash collection and snow removal. The City has long prided itself on the level of services provided to residents. The recent fiscal challenges, however, have forced the City to temporarily compromise some of the past services offered to accommodate staff reductions that impact the logistics of maintaining prior levels. Snow removal includes all sidewalks in the City.

Leisure time activities include the operation of the City's recreation center with an ice rink, indoor and outdoor pools, playgrounds, two large parks and a senior center. The City has long provided excellent recreation opportunities at a very low cost to its residents. Costs for this program are thus higher than might be expected for a City of this size. Leisure time activities expense decrease in 2012 due to a decrease in staffing levels at the Recreation and the Senior Centers.

All collective bargaining agreements had been renegotiated with wage freezes and other concession made by the various collective bargaining employees that has reduced salary expenditures. Overtime management is a continued priority by the Administration and the City has continued to realize reductions in this area.

In 2012, the City continued to see reductions in the workers' compensation expenses due to the enrollment in the Retrospective Rating Program. The Administration continues to monitor and manage all claims to mitigate losses by the City. The continued claim management is being actively pursued by Administration for the potential benefit of workers' compensation premium reduction by the City in future years.

The City's Funds

The City uses fund accounting as mandated by governmental legal requirements. The importance of accounting and reporting using this method is to demonstrate compliance with these finance related requirements.

Governmental Funds

Information about the City's governmental funds begins on page 16. These funds are accounted for by using the modified accrual basis of accounting. All governmental funds had total revenues of \$20,998,227 and expenditures of \$18,482,194. Income tax is the City's largest revenue source. Income tax accounted for about 72.47 percent of the total revenue for the year. Income tax collections increased by 4.20 percent as a result of an increase in withholding tax received in 2012 compared to 2011.

City of Brooklyn, Ohio
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The largest fund for the City is the general fund. At the end of the current year, total fund balance for the general fund was \$13,881,937, of which \$201,253 was nonspendable because of inventory and prepaids, \$4,319,476 was restricted for Landfill Closure and Post Closure Trust to address issues that will be required by the Environmental Protection Agency when the landfill has reached capacity, \$93,526 was committed to future commitments, \$1,437,919 was assigned to purchases on order, and \$7,829,763 was unassigned for financial reporting purposes. Total fund balance of the City's general fund increased by \$378,325. Expenditures were managed prudently and ended the year approximately \$519,000 under budget. Revenues exceeded expenditures by \$3,631,919. The City's management monitors the budget on a monthly basis to keep it in line with current expenditures.

The capital improvements fund has been maintained with a healthy balance, consistent with the historical direction outlined by Council and the Administration. In an effort to adequately provide for capital expenses associated with a natural disaster or other unforeseen emergency, the City carries a substantial committed fund balance with respect to the capital improvement fund from year-to-year. The fund balance in capital improvements fund at the end of 2011 was \$1,039,683. The balance increased by \$1,232,324 to \$2,272,007 in 2012 resulting from the reduced liability due to City Council not rolling the 2011 bond anticipation notes forward.

For all funds, the end of year balances increased for the year by \$2,741,208. Total fund balances increased from \$15,393,142 to \$18,134,350. The City has a fund balance of \$13,814,874 without the restriction for landfill closure and post-closure care. The total fund balance for the City is 98.12 percent of the total expenditures for 2012. This well exceeds the benchmark set by Council and the Administration.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. Recommendations and requests for budget changes are referred to the Finance Committee before going to the formal Council meeting for ordinance enactment on the change. The Finance Director provides the Administration and City Council with revenue and expense reports and budgetary analysis statements throughout the year. This provides all parties with information on revenue and expenditure levels, trends, budgeted versus actual and recommendations on any changes in policy or execution that may be required. The Mid Year Review is intended to discuss mid course budget execution. The End of Year Review provides information on actual revenues and expenditures and helps shape the permanent budget for the next year.

As stated previously, the general fund supports most of the City's major activities such as the police, fire, building, and service departments as well as the legislative and most executive activities. For the general fund, the original and final budgeted revenues were \$15,499,000, and \$15,494,000, respectively. Actual revenues of \$16,630,740 were \$1,136,740 higher than the final projections. This variance is primarily due to an increase in municipal income tax revenue as a result of a conservative approach of estimated revenue receipts.

During 2012, the City amended its general fund budget throughout the year. The original budgeted expenditures were at \$13,616,444 and final budgeted expenditures were at \$13,743,304 for the year. Actual expenditures for 2012 were \$13,224,517 on a budgetary basis. Expenditures were \$518,787 less than the final budget and reflect lower than budgeted expenditures across every department in the general fund. The actual outcomes were in agreement with the financial updates supplied to City Council throughout the year and were representative of proactive management and legislative action to control and reduce costs wherever practicable during 2012.

City of Brooklyn, Ohio
Management's Discussion and Analysis
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Capital Assets and Debt Administration

Capital Assets

At December 31, 2012, capital asset balances were as follows:

Table 3
 Capital Assets
 (Net of Depreciation)

	Governmental	
	2012	Restated 2011
	Land	\$2,937,821
Construction In Progress	79,545	79,545
Buildings	10,617,353	11,028,169
Improvements	5,384,198	5,248,228
Machinery and Equipment	1,024,075	1,056,012
Vehicles	1,795,588	1,680,046
Infrastructure:		
Roads and Sidewalks	6,770,565	6,197,234
Sanitary Sewers	426,872	472,535
Storm Sewers	463,433	443,492
Water Lines	213,259	254,747
Traffic Signals	132,799	178,186
Total	\$29,845,508	\$29,576,015

The City takes care to maintain its equipment and infrastructure. Effective January 25, 2011, 10 percent of City income taxes were distributed to the capital improvements fund to maintain City equipment and infrastructure. For 2012, this meant that, on a cash basis, \$1,550,311 of the income tax revenue went to the capital improvements fund. Total net capital assets increased for the year due to the additions to capital assets outpacing annual depreciation during the year. See Note 9 of the basic financial statements for additional information on capital assets.

Debt

Table 4 summarizes the bonds, loans, capital leases, and police and fire pension liability outstanding.

Table 4
 Outstanding Debt at End of Year

	Governmental	
	2012	2011
General Obligation Bonds	\$4,209,187	\$4,775,606
OPWC Loan	137,425	192,395
Police and Fire Pension	46,618	47,840
Bond Anticipation Notes	0	1,676,000
Capital Leases	1,470,014	1,747,417
Totals	\$5,863,244	\$8,439,258

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The general obligation refunding bonds were originally sold in 1992 and refinanced in 1999 for \$4,400,000. They were originally issued in 1992 for \$4,825,000 to pay for a new public library (\$2,850,000), Tiedeman Road improvements (\$1,500,000) and for the indoor and outdoor pools (\$475,000). The bonds were paid in full in 2012. The Ohio Public Works Commission is a no interest loan for improvements at the Sanitary Landfill issued in 1992 for \$1,099,400. Payments are \$27,485 semi-annually. The loan will be paid in full in 2015.

On April 5, 2006, the City executed a sale of \$5.255 million of Series 2006 General Obligation (Limited Tax) Fire Station Improvement Bonds at variable rates of 3.50-5.00 percent. The yield on that sale was \$5.555 million. The annual payments on this bond never exceed \$382,000. The 1 mill property tax allocated to pay this bond will provide funding to meet or exceed that requirement. The bonds mature in 2027. See Notes 16 and 17 of the basic financial statements for additional information on debt.

The City also had seven bond anticipation notes. The City paid the notes in full in 2012. The first note was for the improvements needed to establish Marquardt Park and was for \$300,000. The note for improvements to Biddulph Road was \$125,000. During 2012, the City also paid five new notes, as follows: City Street Resurfacing note was for \$433,000, Communication Equipment Acquisition note was for \$236,500, Road Servicing Vehicle Acquisition note was for \$282,000, Police Department Motor Vehicle Acquisition Note was for \$82,500 and Technical Rescue Vehicle Acquisition note was for \$217,000. The outstanding balance for all notes paid during 2012 was \$1,676,000.

Current Financial Related Activities

On September 27, 2011, Moody's affirmed the Aa2 Rating due to the City's healthy financial position and conservative financial management, and as of December 31, 2012, the rating is still in effect. The continued goal of the City Administration is to maintain healthy fund balances and to monitor all expenditures. The general fund balance increased from \$13,503,612 to \$13,881,937. Overall fund balances increased from \$15,393,142 to \$18,134,350. As of the end of 2012, the City has a balance in the general fund that is 108.06 percent of annual general fund expenditures. The unassigned balance is 69.34 percent of expenditures. The City has 12 mills of charter property tax millage with only 5.9 mills levied. The additional 6.1 mills of already authorized millage could generate an additional \$2 million in property tax. The City pays cash for most of its capital improvement needs, but when debt is issued, the City rapidly pays down the debt issued.

Budget execution in 2012 was conducted efficiently and effectively. The administration assembled and City Council approved a general fund balanced budget.

The City has committed itself to financial excellence and has a history of meeting that commitment. The City has received the Government Finance Officers Certificate of Achievement for Excellence in Financial Reporting for twenty three consecutive years.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and show the City's accountability for all money it receives, spends or invests. If you have any questions about this report or need financial information contact the Director of Finance, Jenny Esarey, 7619 Memphis Avenue, Brooklyn, Ohio 44144, telephone (216) 351-2133 or the City website at www.brooklynohio.gov.

City of Brooklyn, Ohio
Statement of Net Position
 December 31, 2012

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$13,153,131
Cash and Cash Equivalents:	
In Segregated Accounts	38,700
Restricted Assets:	
Cash and Cash Equivalents in Segregated Accounts	1,456,650
Cash and Cash Equivalents with a Trustee	2,862,826
Materials and Supplies Inventory	165,674
Accounts Receivable	109,841
Intergovernmental Receivable	662,962
Prepaid Items	35,579
Municipal Income Taxes Receivable	3,478,662
Property Taxes Receivable	1,751,405
Local Taxes Receivable	31,089
Nondepreciable Capital Assets	3,017,366
Depreciable Capital Assets, Net	26,828,142
<i>Total Assets</i>	53,592,027
Liabilities	
Accounts Payable	203,165
Accrued Wages and Benefits	388,326
Contracts Payable	324,302
Intergovernmental Payable	474,557
Vacation Benefits Payable	28,007
Accrued Interest Payable	16,071
Unearned Revenue	223,256
Claims Payable	84,024
Long-Term Liabilities:	
Due Within One Year	543,828
Due In More Than One Year	13,903,649
<i>Total Liabilities</i>	16,189,185
Deferred Inflows of Resources	
Property Taxes	1,417,532
Net Position	
Net Investment in Capital Assets	23,908,767
Restricted for:	
Capital Projects	447,019
Debt Service	46,618
Street Construction, Maintenance and Repair	869,775
State Highway	282,201
Court Computer	62,672
Police Programs	527,641
Landfill	4,319,476
Other Purposes	210,306
Unrestricted	5,310,835
<i>Total Net Position</i>	\$35,985,310

See accompanying notes to the basic financial statements

City of Brooklyn, Ohio
Statement of Activities
For the Year Ended December 31, 2012

	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities	Governmental Activities				
General Government	\$2,159,779	\$200,637	\$42,710	\$0	(\$1,916,432)
Security of Persons and Property	8,363,930	809,040	245,393	0	(7,309,497)
Transportation	963,461	0	819,917	118,367	(25,177)
Community Environment	1,554,439	0	75,632	0	(1,478,807)
Basic Utility Services	2,159,415	2,056	16,852	0	(2,140,507)
Leisure Time Activities	2,207,282	680,775	0	0	(1,526,507)
Interest and Fiscal Charges	385,123	0	0	0	(385,123)
<i>Totals</i>	<u>\$17,793,429</u>	<u>\$1,692,508</u>	<u>\$1,200,504</u>	<u>\$118,367</u>	<u>(14,782,050)</u>
General Revenues					
Property Taxes Levied for:					
General Purposes					589,697
Street Lighting					117,165
Police Pension					294,198
Fire Pension					314,100
Debt Service					279,037
Capital Outlay					30,284
Municipal Income Taxes Levied for:					
General Purposes					13,857,423
Termination Leave Payment					322,180
Retrospective Medical Claims					322,180
Capital Outlay					1,711,161
Local Taxes					343,503
Grants and Entitlements not Restricted to Specific Programs					538,085
Investment Earnings					22,604
Other					113,708
<i>Total General Revenues</i>					18,855,325
Special Item - Sale of Brooklyn Library					217,450
<i>Total General Revenues and Special Item</i>					19,072,775
Change in Net Position					4,290,725
<i>Net Position Beginning of Year - Restated (See Note 3)</i>					31,694,585
<i>Net Position End of Year</i>					\$35,985,310

See accompanying notes to the basic financial statements

City of Brooklyn, Ohio

Balance Sheet

Governmental Funds

December 31, 2012

	General	Police Pension	Fire Pension	Capital Improvements
Assets				
Equity in Pooled Cash and Cash Equivalents	\$8,127,406	\$70,661	\$79,290	\$2,427,646
Cash and Cash Equivalents:				
in Segregated Accounts	38,700	0	0	0
Restricted Assets:				
Cash and Cash Equivalents in Segregated Accounts	1,456,650	0	0	0
Cash and Cash Equivalents with a Trustee	2,862,826	0	0	0
Materials and Supplies Inventory	165,674	0	0	0
Accounts Receivable	106,101	0	0	0
Interfund Receivable	92,789	0	0	0
Intergovernmental Receivable	207,096	26,700	29,311	0
Prepaid Items	35,579	0	0	0
Municipal Income Taxes Receivable	2,991,654	0	0	347,866
Property Taxes Receivable	682,396	414,139	401,638	0
Local Taxes Receivable	12,324	0	0	0
<i>Total Assets</i>	<u>\$16,779,195</u>	<u>\$511,500</u>	<u>\$510,239</u>	<u>\$2,775,512</u>
Liabilities				
Accounts Payable	\$129,728	\$0	\$0	\$56,494
Contracts Payable	0	0	0	324,302
Accrued Wages and Benefits	378,068	0	0	0
Intergovernmental Payable	216,008	121,439	131,374	0
Claims Payable	50,000	0	0	0
Interfund Payable	0	0	0	0
Unearned Revenue	223,256	0	0	0
<i>Total Liabilities</i>	<u>997,060</u>	<u>121,439</u>	<u>131,374</u>	<u>380,796</u>
Deferred Inflows of Resources				
Property Taxes	552,242	343,352	349,062	0
Unavailable Revenue	1,347,956	97,487	81,887	122,709
<i>Total Deferred Inflows of Resources</i>	<u>1,900,198</u>	<u>440,839</u>	<u>430,949</u>	<u>122,709</u>
Fund Balances				
Nonspendable	201,253	0	0	0
Restricted	4,319,476	0	0	0
Committed	93,526	0	0	2,272,007
Assigned	1,437,919	0	0	0
Unassigned (Deficit)	7,829,763	(50,778)	(52,084)	0
<i>Total Fund Balances (Deficit)</i>	<u>13,881,937</u>	<u>(50,778)</u>	<u>(52,084)</u>	<u>2,272,007</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$16,779,195</u>	<u>\$511,500</u>	<u>\$510,239</u>	<u>\$2,775,512</u>

See accompanying notes to the basic financial statements

City of Brooklyn, Ohio
*Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2012*

Other Governmental Funds	Total Governmental Funds		
		Total Governmental Fund Balances	\$18,134,350
		<i>Amounts reported for governmental activities in the statement of net position are different because</i>	
\$1,980,244	\$12,685,247	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	29,845,508
0	38,700		
0	1,456,650	Other long-term assets are not available to pay for current- period expenditures and therefore are reported as	
0	2,862,826	unavailable revenue in the funds.	
0	165,674	Delinquent Property Taxes	333,873
3,740	109,841	Municipal Income Taxes	1,202,550
0	92,789	Local Taxes	14,220
399,855	662,962	Intergovernmental	442,933
0	35,579	Total	1,993,576
69,571	3,409,091		
253,232	1,751,405	In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(16,071)
18,765	31,089		
<u>\$2,725,407</u>	<u>\$23,301,853</u>		
\$16,943	\$203,165	Vacation benefits payable is a contractually required benefit not expected to be paid with expendable available financial resources and therefore not reported in the funds.	(28,007)
0	324,302		
10,258	388,326	Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
5,736	474,557	General Obligation Bonds	(4,209,187)
0	50,000	OPWC Loan	(137,425)
92,789	92,789	Police and Fire Pension	(46,618)
0	223,256	Capital Leases	(1,470,014)
<u>125,726</u>	<u>1,756,395</u>	Landfill Closure and Postclosure Care	(7,073,972)
		Compensated Absences Payable	(1,510,261)
		Total	(14,447,477)
172,876	1,417,532		
343,537	1,993,576	An internal service fund is used by management to charge the costs of workers compensation reserve to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net position.	503,431
<u>516,413</u>	<u>3,411,108</u>		
0	201,253	<i>Net Position of Governmental Activities</i>	<u>\$35,985,310</u>
1,714,149	6,033,625		
381,595	2,747,128		
0	1,437,919		
(12,476)	7,714,425		
<u>2,083,268</u>	<u>18,134,350</u>		
<u>\$2,725,407</u>	<u>\$23,301,853</u>		

City of Brooklyn, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2012

	General	Police Pension	Fire Pension	Capital Improvements
Revenues				
Municipal Income Taxes	\$13,261,992	\$0	\$0	\$1,545,901
Property Taxes	598,546	291,370	325,316	0
Local Taxes	310,119	0	0	0
Charges for Services	1,062,878	0	0	0
Fines, Licenses and Permits	377,670	0	0	0
Intergovernmental	684,730	48,586	54,246	118,367
Interest	13,960	0	0	0
Rentals	59,535	0	0	0
Other	109,059	0	0	2,644
<i>Total Revenues</i>	<u>16,478,489</u>	<u>339,956</u>	<u>379,562</u>	<u>1,666,912</u>
Expenditures				
Current:				
General Government	1,896,724	0	0	0
Security of Persons and Property	6,469,579	436,103	468,577	0
Transportation	0	0	0	0
Community Environment	1,280,099	0	0	0
Basic Utility Services	1,652,918	0	0	0
Leisure Time Activities	1,546,223	0	0	0
Capital Outlay	0	0	0	2,445,492
Debt Service:				
Principal Retirement	800	1,222	0	276,224
Interest and Fiscal Charges	227	2,020	0	42,073
<i>Total Expenditures</i>	<u>12,846,570</u>	<u>439,345</u>	<u>468,577</u>	<u>2,763,789</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>3,631,919</u>	<u>(99,389)</u>	<u>(89,015)</u>	<u>(1,096,877)</u>
Other Financing Sources (Uses)				
Inception of Capital Lease	7,725	0	0	0
Transfers In	0	145,000	110,000	2,329,201
Transfers Out	(3,478,769)	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(3,471,044)</u>	<u>145,000</u>	<u>110,000</u>	<u>2,329,201</u>
Special Item				
Sale of Brooklyn Library	217,450	0	0	0
<i>Net Change in Fund Balances</i>	378,325	45,611	20,985	1,232,324
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>13,503,612</u>	<u>(96,389)</u>	<u>(73,069)</u>	<u>1,039,683</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$13,881,937</u>	<u>(\$50,778)</u>	<u>(\$52,084)</u>	<u>\$2,272,007</u>

See accompanying notes to the basic financial statements

City of Brooklyn, 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, 2012*

Other Governmental Funds	Total Governmental Funds		
		Net Change in Fund Balances - Total Governmental Funds	\$2,741,208
		<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
		Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.	
\$408,887	\$15,216,780	Capital Asset Additions	2,357,714
431,949	1,647,181	Current Year Depreciation	(2,085,650)
32,311	342,430	Total	272,064
1,950	1,064,828		
190,475	568,145		
1,057,087	1,963,016		
8,644	22,604		
0	59,535		
2,005	113,708		
<u>2,133,308</u>	<u>20,998,227</u>	Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.	(2,571)
		Revenues in the statement of activities that do not provide current financial resources are not reported as revenues.	
111,455	2,008,179	Delinquent Property Taxes	(22,700)
254,631	7,628,890	Municipal Income Taxes	673,984
467,538	467,538	Local Taxes	1,073
73,378	1,353,477	Intergovernmental	(106,060)
163,777	1,816,695	Total	546,297
3,250	1,549,473		
0	2,445,492	Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	894,126
615,880	894,126		
274,004	318,324		
<u>1,963,913</u>	<u>18,482,194</u>	Some expenses, such as interest and fiscal charges and bond premium, 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	(80,412)
169,395	2,516,033	Amortization of Bond Premium	13,613
		Total	(66,799)
0	7,725	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.	
1,354,510	3,938,711	Compensated Absences	(102,268)
(459,942)	(3,938,711)	Landfill	(145,498)
894,568	7,725	Vacation Benefits Payable	79,383
		Total	(168,383)
<u>0</u>	<u>217,450</u>	Other financing sources, such as inception of capital leases, in the governmental funds increased long-term liabilities in the statement of net position.	(7,725)
1,063,963	2,741,208		
1,019,305	15,393,142	An internal service fund is used by management to charge the costs of workers compensation reserve to individual funds. Governmental expenditures and related internal service fund revenues are eliminated. The change for governmental funds is reported for the year.	82,508
<u>\$2,083,268</u>	<u>\$18,134,350</u>		
		<i>Change in Net Position of Governmental Activities</i>	<u>\$4,290,725</u>

City of Brooklyn, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	\$11,955,236	\$12,255,000	\$13,332,712	\$1,077,712
Property Taxes	610,785	720,000	613,442	(106,558)
Local Taxes	249,012	265,000	297,795	32,795
Charges for Services	924,131	905,500	1,088,525	183,025
Fines, Licenses and Permits	511,807	426,500	373,260	(53,240)
Intergovernmental	1,168,834	773,000	750,097	(22,903)
Interest	90,745	5,000	18,514	13,514
Other	55,150	124,000	156,395	32,395
<i>Total Revenues</i>	<u>15,565,700</u>	<u>15,474,000</u>	<u>16,630,740</u>	<u>1,156,740</u>
Expenditures				
Current:				
General Government	2,098,188	2,126,188	1,950,083	176,105
Security of Persons and Property	6,607,234	6,679,734	6,550,506	129,228
Community Environment	1,443,024	1,534,384	1,437,457	96,927
Basic Utility Services	1,768,048	1,728,048	1,679,554	48,494
Leisure Time Activities	1,698,923	1,673,923	1,605,890	68,033
Debt Service:				
Principal Retirement	800	800	800	0
Interest and Fiscal Charges	227	227	227	0
<i>Total Expenditures</i>	<u>13,616,444</u>	<u>13,743,304</u>	<u>13,224,517</u>	<u>518,787</u>
<i>Excess of Revenues Over Expenditures</i>	<u>1,949,256</u>	<u>1,730,696</u>	<u>3,406,223</u>	<u>1,675,527</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	5,000	217,450	212,450
Advances In	0	0	67,025	67,025
Advances Out	0	(20,000)	(20,000)	0
Transfers In	100,000	166,700	0	(166,700)
Transfers Out	(4,102,700)	(4,644,527)	(4,436,769)	207,758
<i>Total Other Financing Sources (Uses)</i>	<u>(4,002,700)</u>	<u>(4,492,827)</u>	<u>(4,172,294)</u>	<u>320,533</u>
<i>Net Change in Fund Balance</i>	(2,053,444)	(2,762,131)	(766,071)	1,996,060
<i>Fund Balance Beginning of Year</i>	10,864,842	10,864,842	10,864,842	0
Prior Year Encumbrances Appropriated	248,034	248,034	248,034	0
<i>Fund Balance End of Year</i>	<u>\$9,059,432</u>	<u>\$8,350,745</u>	<u>\$10,346,805</u>	<u>\$1,996,060</u>

See accompanying notes to the basic financial statements

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Pension Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$369,779	\$325,000	\$291,370	(\$33,630)
Intergovernmental	26,708	0	48,586	48,586
<i>Total Revenues</i>	396,487	325,000	339,956	14,956
Expenditures				
Current:				
Security of Persons and Property	466,758	466,758	436,395	30,363
Debt Service:				
Principal Retirement	1,222	1,222	1,222	0
Interest and Fiscal Charges	2,020	2,020	2,020	0
<i>Total Expenditures</i>	470,000	470,000	439,637	30,363
<i>Excess of Revenues Under Expenditures</i>	(73,513)	(145,000)	(99,681)	45,319
Other Financing Sources				
Transfers In	79,707	151,194	145,000	(6,194)
<i>Net Change in Fund Balance</i>	6,194	6,194	45,319	39,125
<i>Fund Balance Beginning of Year</i>	25,342	25,342	25,342	0
<i>Fund Balance End of Year</i>	\$31,536	\$31,536	\$70,661	\$39,125

See accompanying notes to the basic financial statements

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Pension Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$331,194	\$400,000	\$325,316	(\$74,684)
Intergovernmental	47,422	0	54,246	54,246
<i>Total Revenues</i>	378,616	400,000	379,562	(20,438)
Expenditures				
Current:				
Security of Persons and Property	475,000	475,000	463,013	11,987
<i>Excess of Revenues Under Expenditures</i>	(96,384)	(75,000)	(83,451)	(8,451)
Other Financing Sources				
Transfers In	96,163	74,779	110,000	35,221
<i>Net Change in Fund Balance</i>	(221)	(221)	26,549	26,770
<i>Fund Balance Beginning of Year</i>	52,741	52,741	52,741	0
<i>Fund Balance End of Year</i>	<u>\$52,520</u>	<u>\$52,520</u>	<u>\$79,290</u>	<u>\$26,770</u>

See accompanying notes to the basic financial statements

City of Brooklyn, Ohio
Statement of Fund Net Position
Internal Service Fund
December 31, 2012

	<u>Retrospective Medical Claims</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$467,884
Municipal Income Taxes Receivable	<u>69,571</u>
<i>Total Assets</i>	537,455
Liabilities	
Claims Payable	<u>34,024</u>
Net Position	
Unrestricted	<u><u>\$503,431</u></u>

See accompanying notes to the basic financial statements

City of Brooklyn, Ohio
*Statement of Revenues,
Expenses and Changes in Fund Net Position
Internal Service Fund
For the Year Ended December 31, 2012*

	<u>Retrospective Medical Claims</u>
Operating Revenues	
Municipal Income Taxes	<u>\$322,180</u>
Operating Expenses	
Contractual Services	137,203
Claims	<u>102,469</u>
<i>Total Operating Expenses</i>	<u>239,672</u>
<i>Change in Net Position</i>	82,508
<i>Net Position Beginning of Year</i>	<u>420,923</u>
<i>Net Position End of Year</i>	<u><u>\$503,431</u></u>

See accompanying notes to the basic financial statements

City of Brooklyn, Ohio
Statement of Cash Flows
Internal Service Fund
For the Year Ended December 31, 2012

	Retrospective Medical Claims
<i>Increase (Decrease) in Cash and Cash Equivalents</i>	
Cash Flows from Operating Activities	
Cash Received from Municipal Income Taxes	\$310,062
Cash Payments for Goods and Services	(137,203)
Cash Payments for Claims	(117,118)
<i>Net Increase in Cash and Cash Equivalents</i>	55,741
<i>Cash and Cash Equivalents Beginning of Year</i>	412,143
<i>Cash and Cash Equivalents End of Year</i>	\$467,884
<i>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</i>	
<i>Operating Income</i>	\$82,508
Increase in Municipal Income Taxes Receivable	(12,118)
Decrease in Claims Payable	(14,649)
<i>Net Cash Provided by Operating Activities</i>	\$55,741

See accompanying notes to the basic financial statements

City of Brooklyn, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2012

Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$125,683</u>
Liabilities	
Intergovernmental Payable	\$2,165
Deposits Held and Due to Others	<u>123,518</u>
<i>Total Liabilities</i>	<u>\$125,683</u>

See accompanying notes to the basic financial statements

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 1 - Description of the City and Reporting Entity

The City of Brooklyn (the “City”) is a charter municipal corporation established and operated under the laws of the State of Ohio. A charter was first adopted by the electorate at a general election held in 1951. The current charter provides for a council-mayor form of government. Elected officials include seven council members and a mayor.

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. The primary government provides the following services to its citizens: a mayor's court, police and fire protection, emergency medical, recreation (including parks), planning, zoning, street maintenance and repair, refuse collection, recycling and general administrative services.

The Brooklyn Mayor’s Court has been included in the City’s financial statements in the general fund as a segregated account. The mayor is an elected official who has a fiduciary responsibility for the collection and distribution of the court fees and fines.

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 organizations. Component units may also include organizations for which the City authorizes the issuance of debt or the levying of taxes, or determines the budget. There are no component units included as part of this report.

The City is associated with three jointly governed organizations, the Southwest Council of Governments, the Parma Community General Hospital Association, and the Northeast Ohio Public Energy Council. These organizations are presented in Note 20 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

The financial statements of the City of Brooklyn 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.

Basis of Presentation

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

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Government-wide Financial Statements The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to “avoid” doubling up revenues and expenses. These statements usually distinguish between those activities of the City that are governmental and those that are considered business-type. The City, however, has no business-type activities.

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

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

Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. 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 and deferred outflows of resources are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities and deferred inflows of resources are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources, and liabilities and deferred inflows of resources is reported as fund balance. The following are the City’s major governmental funds:

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

Police Pension Fund – The police pension fund accounts for and reports restricted property taxes for the payment of current employer contributions for police disability and pension benefits and the accrued liability.

Fire Pension Fund – The fire pension fund accounts for and reports restricted property taxes for the payment of current employer contributions for fire disability and pension benefits and the accrued liability.

City of Brooklyn, Ohio
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For the Year Ended December 31, 2012

Capital Improvements Fund – The capital improvements fund accounts for and reports income tax revenues committed to various capital projects of the City.

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

Proprietary Fund Type Proprietary funds focus on the determination of operating income, changes in net position, financial position and cash flows and are classified as either enterprise or internal service. The City only has an internal service fund.

Internal Service Funds The internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's only internal service fund is a retrospective medical claims fund that accounts for the payments, administrative costs and reserves of the State's retrospective rating workers' compensation plan.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds account for deposits pledged by contractors and citizens and building assessment fees collected for the Ohio Board of Building Standards.

Measurement Focus

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

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

Like the government-wide statements, the internal service fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities and deferred inflows of resources associated with the operation of the fund are included on the statement of fund net position. The statement of revenues, expenses and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Basis of Accounting

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

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

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied. (See Note 8) Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

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.

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then.

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 position 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 and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2012, but which were levied to finance year 2013 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, income taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of budgetary control is at the department, object level within the general fund and at the object level for all other funds. Budgetary modifications may only be made by resolution of the City Council at the legal level of control. The Director of Finance is authorized to move appropriations between line items within an object of any department.

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

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources by fund. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

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 the City's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents."

Cash and cash equivalents that are held separately within departments of the City are recorded as "Cash and Cash Equivalents in Segregated Accounts".

The City utilizes a trust and a segregated account to hold monies set aside for Landfill Closure and Postclosure Care cost. The balance in the trust account is represented on the balance sheet as "Restricted Assets - Cash and Cash Equivalents with a Trustee." The City's additional required set aside amount is represented on the balance sheet as "Restricted Assets - Cash and Cash Equivalents in Segregated Accounts."

During 2012, the City's investments were limited to Victory Federal Money Market Mutual Fund. Investments are reported at market value, except for non-negotiable certificates of deposit which are reported at cost. Market value is based on quoted market prices or, for investments in open-end mutual funds, by the fund's share price.

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general obligation bond retirement fund during 2012 amounted to \$8,633, which includes \$8,574 assigned from other City funds.

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

Restricted Assets

Assets are reported as restricted 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 governments or imposed by enabling legislation. Restricted assets represent amounts required to be set-aside for Landfill Closure and Postclosure Care.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2012, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which the services are consumed.

Inventory

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

Capital Assets

The City's only capital assets are general capital assets. General capital assets are those assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

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

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

Description	Estimated Lives
Buildings	10 - 50 years
Improvements	5 - 50 years
Machinery and Equipment	5 - 40 years
Vehicles	3 - 20 years
Infrastructure	5 - 60 years

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

Interfund Balances

On fund financial statements, receivables and payables resulting in short term interfund loans are classified as "interfund receivables/payables". These amounts are eliminated in the governmental activities column of the statement of net position.

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributed to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. Since the City's policy limits the accrual of vacation time to one year from the employee's anniversary date, the outstanding liability is recorded as "vacation benefits payable" on the statement of net position rather than as a long-term liability.

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

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, compensated absences, claims payable and landfill closure and postclosure obligations 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, long-term loans and capital leases are recognized as a liability on the governmental fund financial statements when due.

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.

Restricted Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances).

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by council. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance, or by State Statute. State statute authorizes the finance director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. Council assigned fund balance to cover a gap between estimated revenue and appropriations in 2013's appropriated budget.

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

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

Net Position

Net Position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes include the operations of the street lighting, donations to the Edward J. Domino Trust and termination leave payments.

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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

Internal Activity

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in the internal service fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Bond Premium

On the government-wide financial statements, bond premiums are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Bond premiums are presented as an increase of the face amount of the bonds payable. On the governmental fund statements, bond premiums are received in the year the bonds are issued.

Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. During 2012, the City received \$217,450 for the sale of the old Brooklyn library.

Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 3 – Changes in Accounting Principles and Restatement of Prior Year’s Net Position

Changes in Accounting Principles

For 2012, the City has implemented Governmental Accounting Standard Board (GASB) Statement No. 60, “Accounting and Financial Reporting for Service Concession Arrangements,” Statement No. 62, “Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements,” Statement No. 63, “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position,” Statement No. 64, “Derivative Instruments: Application of Hedge Accounting Termination Provisions – and amendment of GASB Statement No. 53” Fund Balance Reporting and Governmental Fund Type Definitions,” Statement No. 65, “Items Previously Reported as Assets and Liabilities” and Statement No. 66, “Technical Corrections–2012–an amendment of GASB Statements No. 10 and No. 62.”

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
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GASB Statement No. 60 improves financial reporting by addressing issues related to service concession arrangements, which are a type of public-private or public-public partnership. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 62 incorporates into GASB's authoritative literature certain FASB and AICPA pronouncements issued on or before November 30, 1989. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related note disclosures. These changes were incorporated in the City's financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 64 clarifies whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 65 properly classifies certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or recognizes certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues). These changes were incorporated in the City's financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 66 resolves conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and thereby enhance the usefulness of the financial reports. The implementation of this statement did not result in any change in the City's financial statements.

Restatement of Prior Year's Net Position

During 2012, the City changed its capital assets capitalization threshold from \$1,000 to \$7,500. This change decreased governmental net position from \$32,232,912 to \$31,694,585 at December 31, 2011.

Note 4 - Fund Deficits

The following funds had deficit fund balances at December 31, 2012:

	<u>Amount</u>
Major Funds	
Police Pension	\$50,778
Fire Pension	52,084
Nonmajor Fund	
Community Development Block Grant	12,476

The deficits in the police pension and fire pension major special revenue funds are the result of adjustments for accrued liabilities. The deficit in the community development block grant special revenue fund is the result of short term interfund loans in anticipation of grant monies. The general fund is liable for any deficit in these funds and provides transfers when cash is required, rather than when accruals occur.

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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

Fund Balances	General Fund	Police Pension	Fire Pension	Capital Improvements	Other Governmental Funds	Total
Nonspendable:						
Prepays	\$35,579	\$0	\$0	\$0	\$0	\$35,579
Inventory	165,674	0	0	0	0	165,674
<i>Total Nonspendable</i>	<u>201,253</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>201,253</u>
Restricted for:						
Street Improvements	0	0	0	0	1,017,360	1,017,360
Street Lighting	0	0	0	0	55,664	55,664
Police Programs	0	0	0	0	331,717	331,717
Drug and Law Enforcement	0	0	0	0	117,550	117,550
Juvenile Diversion Program	0	0	0	0	2,889	2,889
EPA Landfill	4,319,476	0	0	0	0	4,319,476
Recreation and Senior Centers	0	0	0	0	79,041	79,041
Court Computer	0	0	0	0	62,672	62,672
Safety Forces Construction	0	0	0	0	8	8
Debt Service Payments	0	0	0	0	47,248	47,248
<i>Total Restricted</i>	<u>4,319,476</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,714,149</u>	<u>6,033,625</u>
Committed to:						
Termination Leave Payment	0	0	0	0	330,093	330,093
Capital Improvements	0	0	0	2,272,007	0	2,272,007
Tiedeman Road Widening and Improvement Project	0	0	0	0	51,502	51,502
Purchases on Order	93,526	0	0	0	0	93,526
<i>Total Committed</i>	<u>93,526</u>	<u>0</u>	<u>0</u>	<u>2,272,007</u>	<u>381,595</u>	<u>2,747,128</u>
Assigned to:						
Year 2013 Appropriations	549,108	0	0	0	0	549,108
Budget Stabilization	745,000	0	0	0	0	745,000
Purchases on Order	143,811	0	0	0	0	143,811
<i>Total Assigned</i>	<u>1,437,919</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,437,919</u>
Unassigned (Deficit)	<u>7,829,763</u>	<u>(50,778)</u>	<u>(52,084)</u>	<u>0</u>	<u>(12,476)</u>	<u>7,714,425</u>
Total Fund Balances (Deficit)	<u>\$13,881,937</u>	<u>(\$50,778)</u>	<u>(\$52,084)</u>	<u>\$2,272,007</u>	<u>\$2,083,268</u>	<u>\$18,134,350</u>

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 6 - 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 basis), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statements of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual for the general fund and the police and fire pension major special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget) rather than as restricted, committed or assigned fund balance (GAAP basis).
4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.
5. Investments are reported at market value (GAAP) rather than cost (budget).
6. Advances in and advances out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
7. Budgetary revenues and expenditures of the economic development and underground storage tank funds are reclassified to the general fund for GAAP Reporting.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budget basis statements for the general fund, and the police and fire pension major special revenue funds.

	General	Police Pension	Fire Pension
GAAP Basis	\$378,325	\$45,611	\$20,985
Net Adjustment for Revenue Accruals	1,165,366	0	0
Fair Value Adjustment for Investments	2,255	0	0
Beginning Adjustment for Unrecorded Cash	766	0	0
Ending Adjustment for Unrecorded Cash	1,164	0	0
Net Adjustment for Expenditure Accruals	(937,641)	(292)	5,564
Excess of revenues and other financing sources and under expenditures and other uses:			
Underground Storage Tank	(3,511)	0	0
Budget Stabilization	(850,000)	0	0
Economic Development	(95,000)	0	0
Advance Out	(20,000)	0	0
Adjustment for Encumbrances	(407,795)	0	0
Budget Basis	(\$766,071)	\$45,319	\$26,549

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 7 - Deposits and Investments

The City has chosen to follow State statutes and classify monies held by the City into three categories.

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

Inactive deposits are public deposits that Council has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, Notes or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and,
7. The State Treasurer's investment pool (STAR Ohio).
8. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time.

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Investments may only be made through specified dealers and institutions.

Deposits

Based on criteria described \$4,526,092 of the City's bank balance of \$14,563,038 was uninsured and uncollateralized, while \$10,036,946 was covered by the FDIC. Custodial credit risk is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in possession of an outside party. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the City or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured. Although the securities were held by the pledging institution's trust department and all statutory requirements for the deposit of the money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

Investments

The City has investments in an internal investment pool, in segregated accounts, with fiscal agents and with a trustee. As of December 31, 2012, the City had investments in Victory Federal Money Market Mutual Funds with a fair value of \$2,914,329.

Interest Risk As a means of limiting its exposure to market value losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within two years from the date of purchase and that the City's investment portfolio be structured so that the securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

Custodial Credit Risk For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with investment custodial credit risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Credit Risk The Victory Federal Money Market Mutual Fund carries a rating of AAAM by Standard and Poor's. The City has no investment policy that limits its investment choices or addresses credit risk.

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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

Note 8 - Receivables

Receivables at December 31, 2012, consisted primarily of municipal income taxes, motor vehicle license tax, property taxes, accounts (billings for user charged services and court fines), and intergovernmental receivables arising from grants, entitlements and shared revenues. No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes. All receivables are expected to be collected within one year except for delinquent property taxes. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Property Taxes

Property taxes include amounts levied against all real, public utility and tangible personal property located in the City. Property tax revenue received during 2012 for real and public utility property taxes represents collections of the 2011 taxes. Property tax payments received during 2012 for tangible personal property (other than public utility property) are for 2012 taxes.

2012 real property taxes are levied after October 1, 2012, on the assessed value as of January 1, 2012, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2012 real property taxes are collected in and intended to finance 2013.

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2012 public utility property taxes which became a lien December 31, 2011, are levied after October 1, 2012, and are collected in 2013 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2012, was \$5.90 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2012 property tax receipts were based as follows:

	Assessed Valuation
Real Estate	
Residential/Agriculture	\$123,298,120
Commercial Industrial/Public Utility	150,481,690
Tangible Personal Property	
Public Utility	18,145,400
Total	<u>\$291,925,210</u>

The County Fiscal Officer collects property taxes on behalf of all taxing districts in the County, including the City of Brooklyn and periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

measurable as of December 31, 2012 and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2012 operations is offset to deferred inflows of resources – property taxes. On an accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

Income Taxes

The City levies two and a half percent municipal income taxes on substantially all income earned within the City. In addition, City residents are required to pay tax on income earned outside of the City. The City allows a credit of one hundred percent for income tax paid to another municipality, not to exceed two and a half percent of taxable income.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. By City ordinance, effective January 1, 2011, 86 percent of the income tax proceeds were credited to the general fund, 10 percent of the income tax proceeds were credited to the capital improvements capital projects fund, 2 percent of the income tax proceeds were credited to the termination leave payment special revenue fund and 2 percent of the income tax proceeds were credited to the retrospective medical claims internal service fund. By City ordinance, effective December 28, 2012, the Tiedeman Road capital projects fund will no longer receive gross income tax receipts.

Intergovernmental Receivable

A summary of the principal items of intergovernmental receivables follows:

	<i>Amount</i>
Governmental Activities	
Gasoline Excise Tax	\$149,348
Local Government	114,635
Grants	81,027
Homestead and Rollback	79,593
Gasoline Tax	72,585
Motor Vehicle Registration	63,979
Tangible Personal Property Tax Reimbursement	59,745
Estate Tax	22,170
Public Utility Reimbursement	13,107
Utility Excise Tax	5,676
Other	1,097
	\$662,962
<i>Total Governmental Activities</i>	<i>\$662,962</i>

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 9 - Capital Assets

Capital asset activity for the year ended December 31, 2012, was as follows:

	Restated Balance 12/31/11	Additions	Deletions	Balance 12/31/12
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$2,937,821	\$0	\$0	\$2,937,821
Construction in Progress	79,545	0	0	79,545
<i>Total Capital Assets, not being depreciated</i>	<u>3,017,366</u>	<u>0</u>	<u>0</u>	<u>3,017,366</u>
<i>Capital Assets, being depreciated:</i>				
Buildings	19,148,635	0	(257,114)	18,891,521
Improvements	13,026,894	763,311	0	13,790,205
Machinery and Equipment	5,108,958	129,602	(3,010)	5,235,550
Vehicles	5,075,638	352,556	(250,031)	5,178,163
Infrastructure:				
Roads and Sidewalks	13,940,132	1,020,529	0	14,960,661
Sanitary Sewer	2,696,363	0	0	2,696,363
Storm Sewer	2,046,683	62,416	0	2,109,099
Water Lines	2,446,344	0	0	2,446,344
Traffic Signals	2,077,215	29,300	0	2,106,515
<i>Total Capital Assets, being depreciated</i>	<u>65,566,862</u>	<u>2,357,714</u>	<u>(510,155)</u>	<u>67,414,421</u>
Less Accumulated Depreciation:				
Buildings	(8,120,466)	(408,245)	254,543	(8,274,168)
Improvements	(7,778,666)	(627,341)	0	(8,406,007)
Machinery and Equipment	(4,052,946)	(161,539)	3,010	(4,211,475)
Vehicles	(3,395,592)	(237,014)	250,031	(3,382,575)
Infrastructure:				
Roads and Sidewalks	(7,742,898)	(447,198)	0	(8,190,096)
Sanitary Sewer	(2,223,828)	(45,663)	0	(2,269,491)
Storm Sewer	(1,603,191)	(42,475)	0	(1,645,666)
Water Lines	(2,191,597)	(41,488)	0	(2,233,085)
Traffic Signals	(1,899,029)	(74,687)	0	(1,973,716)
<i>Total Accumulated Depreciation</i>	<u>(39,008,213)</u>	<u>(2,085,650)</u>	<u>507,584</u>	<u>(40,586,279)</u>
<i>Total Capital Assets, being depreciated, net</i>	<u>26,558,649</u>	<u>272,064</u>	<u>(2,571)</u>	<u>26,828,142</u>
Governmental Activities Capital Assets, Net	<u>\$29,576,015</u>	<u>\$272,064</u>	<u>(\$2,571)</u>	<u>\$29,845,508</u>

Depreciation expense was charged to governmental functions as follow:

General Government	\$123,176
Security of Persons and Property	502,176
Transportation	467,536
Community Environment	76,849
Basic Utility Services	316,666
Leisure Time Activities	599,247
Total Depreciation Expense	<u>\$2,085,650</u>

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 10 - Compensated Absences

The criteria for determining vacation and sick leave liabilities are derived from negotiated agreements and State laws. Employees earn ten to thirty days of vacation per year, depending upon length of service. All accumulated unused vacation time is paid upon termination of employment. Effective December 14, 2010, non-union and clerical employees could carry over a maximum of up to 80 hours of vacation time, upon approval of the Mayor.

Employees earn sick leave at different rates depending upon type of employment. Sick leave accrual is continuous, without limit. Upon retirement or death, an employee can be paid a maximum of thirty three percent of accumulated, unused sick leave.

Note 11 - Risk Management

Property and Liability

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster. During 2012, the City contracted through Jackson, Dieken and Associates Insurance Company for various types of insurance as follows:

<u>Type</u>	<u>Coverage</u>
Blanket Property and Content Replacement	\$40,000,515
Earthquake Coverage	1,000,000
Flood Coverage	1,000,000
General Liability (per occurrence)	1,000,000
Automobile Liability	1,000,000
Umbrella Liability (per occurrence)	9,000,000
Public Entity Management Liability (Claims-Made)	1,000,000
Stop Gap Employers Liability	1,000,000
Employment Practices Liability (Claims-Made)	2,000,000
Police Professional Liability	1,000,000
Public Employee Dishonesty	100,000
Inland Marine	3,312,740
Electronic Data Processing	570,715

The City carries commercial insurance coverage for all risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years and there were no significant reductions in coverage from the prior year.

Workers' Compensation

The City participates in the State Workers' Compensation retrospective rating program. This plan involves the payment of a minimum premium for administrative services and stop-loss coverage plus the actual claims cost for injured employees in 2012. The maintenance of these benefits is accounted for in the retrospective medical claims internal service fund. The City utilizes the services of Careworks Consultants, Incorporated, the third party administrator, to review, process, and pay employee claims. The City participates in tier 1 retrospective rating program, which covers individual claims up to \$200,000. Incurred but not reported claims of \$34,024 have been accrued as a liability at December 31, 2012, based on an estimate by the City's third party administrator.

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

The claims liability of \$34,024 reported at December 31, 2012 for Workers' Compensation is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. Changes in claims activity for 2011 and 2012 are as follows:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2011	\$64,164	\$40,034	\$55,525	\$48,673
2012	48,673	102,469	117,118	34,024

Note 12 - Interfund Transfers and Balances

Interfund Transfers

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; to move unrestricted revenues collected in the general fund to provide additional resources for current operations or debt service; and to segregate money for anticipated capital projects.

Interfund transfers for the year ended December 31, 2012 consisted of the following:

	Transfer From		
Transfer To	General	Other Governmental Funds	Total
Major Funds:			
Police Pension	\$145,000	\$0	\$145,000
Fire Pension	110,000	0	110,000
Capital Improvements	2,329,201	0	2,329,201
Other Governmental Funds	894,568	459,942	1,354,510
<i>Total Governmental Activities</i>	\$3,478,769	\$459,942	\$3,938,711

The transfer of \$459,942 from the other governmental funds to the general obligation bond retirement fund was to cover debt principal payments. The general fund transferred \$145,000 and \$110,000, respectively, to the police and fire pension major special revenue funds to supplement the funds available for maintaining the programs in those funds. The transfer of \$2,329,201 from general fund to capital improvements major capital projects fund was to provide additional fund balance for street and other capital improvements and for payment of 2011 notes. The transfer of \$894,568 to the other governmental funds consisted of \$511,500 to the general obligation bond retirement fund to supplement available funds for debt service payments, and \$383,068 in transfers to the other governmental funds to supplement the funds available for maintaining the programs in those funds.

Interfund Balances

The interfund of \$92,789 to the community development block grant special revenue fund from the general fund is due to the timing of the receipt of grant monies. This advance is expected to be repaid within one year.

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 13 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

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

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 percent 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 percent of covered payroll for members in State and local divisions and 12 percent for law enforcement and public safety members. For the year ended December 31, 2012, members in state and local classifications contributed 10.0 percent of covered payroll. For 2012, member and employer contribution rates were consistent across all three plans.

The City's 2012 contribution rate was 14.0 percent. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 4.00 percent for 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2012. Employer contribution rates are actuarially determined.

The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2012, 2011, and 2010 were \$366,087, \$386,889, and \$345,125, respectively. For 2012, 88.83 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010. Contributions to the Member-Directed Plan for 2012 were \$12,558 made by the City and \$8,970 made by the plan members.

Ohio Police and Fire Pension Fund

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability 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 publically available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Funding Policy – The Ohio Revised Code requires plan members to contribute 10.0 percent of their annual covered salary, while employers are required to contribute 19.5 percent for police officers and 24.0 percent for firefighters.

The OP&F Pension Fund is authorized by the Ohio Revised Code to allocate a portion of the employer contributions to retiree health care benefits. The portion of employer contributions used to fund pension benefits was 12.75 percent of covered payroll for police officers and 17.25 percent of covered payroll for firefighters. The City’s contributions to OP&F for police and firefighters were \$286,204 and \$335,625 for the year ended December 31, 2012, \$307,947 and \$344,644 for the year ended December 31, 2011, and \$307,829 and \$353,271 for the year ended December 31, 2010, respectively. For 2012, 71.55 percent for police and 71.33 percent for firefighters has been contributed with the balance for both police and firefighters being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

In addition to current contributions, the City pays installments on the accrued liability incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2012, the liability of the City was \$46,618 payable in semi-annual payments through the year 2035. This is an accounting liability of the City which will not vary. The liability is reported as “long-term liabilities” in the governmental activities column on the statement of net position.

Note 14 - Postemployment Benefits

Ohio Public Employees Retirement System

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

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

In order to qualify for post-employment health care coverage, age and service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The post-employment health care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). The Ohio Revised Code provides the statutory authority requiring public employers fund post-employment health care through their contributions to OPERS. A portion of each employer’s contribution to the traditional or combined plans is set aside for the funding of post-employment health care.

City of Brooklyn, Ohio
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Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2012, state and local government employers contributed at a rate of 14.0 percent of covered payroll, and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code.

Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0 percent for the year ended December 31, 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for the year ended December 31, 2012. Effective January 1, 2013, the portion of employer contributions allocated to healthcare was lowered to 1 percent for both plans, as recommended by the OPERS Actuary.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment health care plan.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2012, 2011, 2010 were \$149,997, \$156,051, and \$198,126, respectively. For 2012, 88.83 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

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

Ohio Police and Fire Pension Fund

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

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45.

The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide 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. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available of OP&F's website at www.op-f.org.

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administered as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2012, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Section 115 and 401(h).

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

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$151,520 and \$131,332 for the year ended December 31, 2011, \$163,031 and \$134,861 for the year ended December 31, 2011, and \$162,968 and \$138,236 for the year ended December 31, 2010, respectively. For 2012, 71.55 percent has been contributed for police and 71.33 percent has been contributed for firefighters with the balance for both police and firefighters being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

Note 15 - Landfill Closure and Postclosure Care

State and federal laws and regulations require the City to place a final cover on its Sanitary Landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. During 2009, a re-evaluation of the landfill total yearly postclosure cost estimate and landfill closure and postclosure care liability was completed. The re-evaluation was approved by the Ohio Environmental Protection Agency. The \$7,073,972 reported as landfill closure and postclosure care liability at December 31, 2012, represents the entire liability amount reported to date based on the use of 100 percent of the estimated capacity of the landfill. These amounts are based on what it would cost to perform all closure and postclosure care in 2012. The City is currently in discussion with the Ohio EPA regarding the capacity and closure of the landfill. Actual costs may be higher or lower due to inflation, changes in technology, or changes in regulations.

The City is required by state and federal laws and regulations to make annual contributions to a trust to finance landfill closure and postclosure care. The City is in compliance with these requirements and made its first contribution in 1995. These are reported as restricted assets on the balance sheet as "cash and cash equivalents with a trustee" and "cash and cash equivalents in segregated accounts." The City expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by future tax revenues.

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

The City had restricted \$1,456,650 in segregated accounts and an additional \$2,862,826 with a trustee to provide a total of \$4,319,476 for the landfill closure and postclosure care costs as of December 31, 2012.

Note 16 – Short-Term Obligations

Changes in the City’s note activity for the year ended December 31, 2012, were as follows:

<u>Types / Issues</u>	<u>Balance 12/31/2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/2012</u>
Marquardt Park Improvement	\$300,000	\$0	\$300,000	\$0
Biddulph Road Improvement	125,000	0	125,000	0
City Street Resurfacing	433,000	0	433,000	0
Road Servicing Vehicle Acquisition	282,000	0	282,000	0
Communication Equipment Acquisition	236,500	0	236,500	0
Police Department Motor Vehicle Acquisition	82,500	0	82,500	0
Technical Rescue Vehicle Acquisition	217,000	0	217,000	0
Total Short-Term Notes	\$1,676,000	\$0	\$1,676,000	\$0

All the notes are backed by the full faith and credit of the City of Brooklyn and mature within one year. The note liability is reflected in the funds which received the proceeds. All note proceeds have been fully expended. The notes matured on May 7, 2012. The Marquardt Park improvement note was paid from the general obligation debt retirement fund; The Biddulph Road improvement note was paid from the Biddulph road capital projects fund; The city street resurfacing, road servicing vehicle acquisition, communication equipment acquisition, police department motor vehicle acquisition and technical rescue vehicle acquisition notes were paid from the capital improvements capital project fund.

By Ohio law, notes can be issued in anticipation of bond proceeds, special assessment bond proceeds and levies, or for up to 50 percent of anticipated revenue collections. There are limitations on the number of times a note can be renewed.

Note 17 - Long-Term Obligations

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

<u>Debt Issue</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
Governmental Activities:			
Fire Station Improvement Bonds - 2006	3.50-5.00 %	\$5,255,000	December 1, 2027
Various Purposes General Obligation Refunding Bonds - 1999	3.30-4.45	4,440,000	December 1, 2012
Sanitary Landfill Improvement OPWC Loan - 1992	0.00	1,099,400	January 1, 2015
Police and Fire Pension - 1988	4.50	70,770	May 15, 2035

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Changes in long-term obligations of the City during 2012 are as follows:

	Outstanding 12/31/2011	Additions	Reductions	Outstanding 12/31/2012	Due in One Year
Governmental Activities:					
General Obligation Bonds:					
Fire Station Improvement Bonds	\$4,190,000	\$0	\$185,000	\$4,005,000	\$195,000
Premium on Bonds	217,800	0	13,613	204,187	0
Total Fire Station Improvement Bonds	4,407,800	0	198,613	4,209,187	195,000
General Obligation Refunding Bonds	367,806	0	367,806	0	0
<i>Total General Obligation Bonds</i>	4,775,606	0	566,419	4,209,187	195,000
Other Long-Term Obligations:					
OPWC Loan	192,395	0	54,970	137,425	54,970
Police and Fire Pension	47,840	0	1,222	46,618	1,274
Capital Leases	1,747,417	7,725	285,128	1,470,014	289,295
Landfill	6,928,474	145,498	0	7,073,972	0
Compensated Absences	1,407,993	138,109	35,841	1,510,261	3,289
<i>Total Other Long-Term Obligations</i>	10,324,119	291,332	377,161	10,238,290	348,828
<i>Total Governmental Activities</i>	\$15,099,725	\$291,332	\$943,580	\$14,447,477	\$543,828

General obligation bonds are the direct obligation of the City and will be paid from the debt service fund using property tax revenues. The Ohio Public Works Commission (OPWC) Loan will be paid from the debt service fund using property tax revenues.

Capital leases will be paid from the general, mandatory drug law special revenue fund and capital improvements capital projects fund. Compensated absences will be paid from the general fund and the street maintenance and repair special revenue fund which are the funds from which the employees' salaries are paid.

The police and fire pension liability will be paid from levied taxes in the police pension and fire pension special revenue funds. The landfill will be paid for using designated general fund revenues which are for landfill closure and postclosure care. During 2009 a re-evaluation of the landfill total yearly post-closure cost estimate and landfill closure and postclosure care liability was completed and resulted in an increase in the value (See Note 15).

The City's overall legal debt margin was \$26,694,395 at December 31, 2012. The unvoted legal debt margin was \$12,098,135. Principal and interest requirements to retire the long-term obligations as of December 31, 2012, are as follows:

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

	General Obligation Bonds		OPWC Loan	Police and Fire Pension	
	Principal	Interest	Principal	Principal	Interest
2013	\$195,000	\$186,900	\$54,970	\$1,274	\$1,968
2014	200,000	179,100	54,970	1,329	1,913
2015	210,000	171,100	27,485	1,386	1,856
2016	220,000	162,700	0	1,446	1,796
2017	225,000	153,900	0	1,508	1,734
2018-2022	1,305,000	600,950	0	8,569	7,641
2023-2027	1,650,000	255,000	0	10,574	5,636
2028-2032	0	0	0	13,049	3,161
2033-2035	0	0	0	7,483	478
Total	<u>\$4,005,000</u>	<u>\$1,709,650</u>	<u>\$137,425</u>	<u>\$46,618</u>	<u>\$26,183</u>

Note 18 - Contingencies

Grants

The City received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2012.

Litigation

The City of Brooklyn is a party to legal proceedings seeking damages. The City management is of opinion that ultimate disposition of these claims and legal proceeding will not have a material effect, if any, on the financial condition of the City.

Note 19 - Capital Leases

During 2012, the City entered into a capital lease agreement for a copier for \$7,725. In prior years, the City entered into lease agreements for pool improvements, a fire truck and additional building improvements.

Capital assets acquired by leases currently being paid have been capitalized and depreciated as follows as of December 31, 2012:

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Governmental Activities

Capital Leases, being depreciated:

Improvements	\$2,054,515
Equipment	7,725
Vehicles	854,343
	<u>2,916,583</u>
<i>Total Capital Leases, being depreciated</i>	
Less Accumulated Depreciation:	
Improvements	(1,164,225)
Equipment	(773)
Vehicles	(269,112)
	<u>(1,434,110)</u>
<i>Total Accumulated Depreciation</i>	
<i>Carrying Value</i>	<u>\$1,482,473</u>

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2012.

Year Ending December 30,	Governmental Activities
2013	\$348,844
2014	348,844
2015	348,844
2016	348,844
2017	245,023
	<u>1,640,399</u>
Total	1,640,399
Less: Amount Representing Interest	(170,385)
	<u>\$1,470,014</u>
Present Value of Net Minimum Lease Payments	

Note 20 - Jointly Governed Organizations

Southwest Council of Governments

The Southwest Council of Governments helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions and regional development. The Board is comprised of one member from each of the sixteen participating entities. The Board exercises total control over the operation of the Council including budgeting, appropriating, contracting and designating management. Budgets are adopted by the Board. Each City's degree of control is limited to its representation on the Board. In 2012, the City contributed \$15,000.

The Council has established two subsidiary organizations, the Hazardous Material Response Team ("HAZ MAT") which provides hazardous material protection and assistance and the Southwest Enforcement Bureau which provides extra assistance to cities in the form of a Special Weapons and Tactics Team ("SWAT Team"). The Council's financial statements may be obtained by contacting the Southwest Council of Governments, Parma Heights, Ohio.

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Parma Community General Hospital Association

The Parma Community General Hospital Association is a not for profit adult care hospital controlled by a Board of Trustees which is composed of Mayoral appointees from the Cities of Brooklyn, North Royalton, Parma, Parma Heights, Seven Hills, and Brooklyn Heights. Each City has two representatives on the Board other than Parma, which has six. The operations, maintenance and management of the hospital are the exclusive charge of the Parma Community General Hospital Association. The City's degree of control is limited to its appointment to the Board of Trustees. The hospital's financial statements may be obtained by contacting the Parma Community General Hospital, Parma, Ohio.

Additions to the hospital have been financed by the issuance of hospital revenue bonds. The bonds are backed solely by the revenues of the hospital. The Cities have no responsibility for the payment of bonds, nor is there any ongoing financial interest or responsibility by the City to the hospital. The hospital's financial statements may be obtained by contacting the Parma Community General Hospital, Parma, Ohio.

Northeast Ohio Public Energy Council (NOPEC)

The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity. NOPEC is currently comprised of 126 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. In 2012, the City made no contributions. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. Financial information can be obtained by contacting the Joseph Migliorini, the Board Chairman at 31320 Solon Road, Suite 20 Solon, Ohio 44139 or at the website www.nopecinfo.org.

Note 21 – Significant Commitments

Contractual Commitments

At December 31, 2012, the City had \$589,553 in contractual commitments for various improvements within the City.

City of Brooklyn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

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	\$407,795
Capital Improvements	622,292
Other Governmental Funds	<u>48,905</u>
Total	<u><u>\$1,078,992</u></u>

Note 22 – Subsequent Events

Bond Anticipation Notes

On May 30, 2013, the City issued \$1,375,000 in bond anticipation notes with a maturity date of June 12, 2014, and an interest rate of 1.0 percent. The notes will be issued for the 2013 Street Program, a new roof at City Hall and for a new parking lot at the Recreation Center.

Income Taxes

On December 28, 2012, the City Council approved the change in income tax distribution, where the Tiedeman Road capital projects fund will no longer receive gross income tax receipts, effective January 1, 2013.

**Combining Statements and
Individual Fund Schedules**

Fund Descriptions – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

Street Maintenance and Repair Fund - This fund accounts for and reports the portion of the State gasoline tax and motor vehicle registration fees restricted for maintenance and repair of streets within the City and for the maintenance and operations of the street department.

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

Community Development Block Grant Fund - This fund accounts for and reports grants received from the federal government restricted for administrative costs of Community Development Block Grant Program.

Street Lighting Fund - This fund accounts for and reports restricted property taxes restricted for the payment for street lighting expenditures within the City.

Motor Vehicle License Tax Fund - This fund accounts for and reports the additional motor vehicle registration fees restricted for maintenance and repair of streets within the City.

D.A.R.E. Fund - This fund accounts for and reports grants restricted for educating the public regarding drug abuse and drug abuse prevention.

Bullet Proof Vest Fund - This fund accounts for and reports federal grants restricted for expenditures as prescribed under the Bullet Proof Vest Partnership Grant Program. This fund did not have any budgetary activity in 2012, therefore, budgetary information is not provided.

FEMA Fire Act Fund - This fund accounts for and reports federal grants restricted for expenditures as prescribed under the Federal Emergency Management Agency's Assistance to Firefighters Grant Program for Wellness and Fitness.

Federal Grants Fund - This fund accounts for and reports federal grants restricted for expenditures as prescribed under the D.U.I. enforcement program. This fund did not have any budgetary activity in 2012, therefore, budgetary information is not provided.

C.O.P.S. Fund - This fund accounts for and reports State grants restricted for expenditures as prescribed under the C.O.P.S. program.

Public Safety Equipment Fund - This fund accounts for and reports fines received for reimbursements restricted for equipment and supply use for hazardous spills and major accidents on State highways.

Federal Drug Forfeiture Fund - This fund accounts for and reports federal grants restricted for expenditures as prescribed under the drug abuse prevention and control provisions of Title 21, Section 883(e)(3) of the United States Code.

(continued)

Fund Descriptions – Nonmajor Governmental Funds (continued)

Law Enforcement Fund - This fund accounts for and reports revenues received from fines from convictions related to drug cases restricted for the education of the community.

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

Termination Leave Payment Fund – This fund accounts for and reports municipal income taxes committed to the City’s termination leave payments.

Domino Trust Fund – This fund accounts for and reports restricted donations to the Edward J. Domino Trust for the upgrade of the cardio-vascular unit in the Brooklyn Recreation Center and for improvements to Brooklyn Recreation and Senior Centers.

Groeger Trust Fund - This fund accounts for and reports the interest received from investments of an independent trust restricted for the benefit of the Brooklyn Senior Center.

Court Computer Fund - This fund accounts for and reports fines charged in all civil and/or criminal traffic convictions restricted for updating court computer systems.

Juvenile Diversion Fund - This fund accounts for and reports Cuyahoga County grants restricted for establishing or expending on community policing programs.

P.O.P.A.S. Fund - This fund accounts for and reports fines collected for citations by the police on patrol arresting speeders unit restricted for paying the expense of having and operating the unit.

Underground Storage Tank Fund - This fund accounts for and reports general fund transfers committed to potential expenditures related to the City’s underground storage tanks. This fund is included with the general fund for GAAP reporting.

Budget Stabilization Fund – This fund accounts for and reports transfers from or to the general fund for the purpose of the stabilization of the budget and the effective use of the tax dollars. This fund is included with the general fund for GAAP reporting.

Economic Development Fund - This fund accounts for and reports general fund transfers assigned to potential expenditures related to job retention and incentive grants and economic development programs. This fund is included with the general fund for GAAP reporting.

Nonmajor Debt Service Fund

General Obligation Bond Retirement Fund - The general obligation bond retirement fund accounts for and reports restricted property taxes for the payment of principal and interest and fiscal charges on general obligation debt.

Nonmajor Capital Projects Funds

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

(continued)

Fund Descriptions – Nonmajor Governmental Funds (continued)

Tiedeman Road Fund - This fund accounts for and reports committed property and income tax revenues for the widening and improvement of Tiedeman Road.

Biddulph Road Fund - This fund accounts for and reports federal and state grants restricted for the improvement of Biddulph Road. This fund did not have any budgetary activity in 2012, therefore, budgetary information is not provided.

Safety Forces Construction Fund – This fund accounts for and reports note and bond proceeds restricted for the construction of the new fire station as well as maintenance of the police and fire stations.

City of Brooklyn, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2012

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,881,486	\$47,248	\$51,510	\$1,980,244
Accounts Receivable	3,740	0	0	3,740
Intergovernmental Receivable	373,932	25,923	0	399,855
Municipal Income Taxes Receivable	69,571	0	0	69,571
Property Taxes Receivable	124,611	128,621	0	253,232
Local Taxes Receivable	18,765	0	0	18,765
<i>Total Assets</i>	<u>\$2,472,105</u>	<u>\$201,792</u>	<u>\$51,510</u>	<u>\$2,725,407</u>
Liabilities				
Accounts Payable	\$16,943	\$0	\$0	\$16,943
Accrued Wages and Benefits	10,258	0	0	10,258
Intergovernmental Payable	5,736	0	0	5,736
Interfund Payable	92,789	0	0	92,789
<i>Total Liabilities</i>	<u>125,726</u>	<u>0</u>	<u>0</u>	<u>125,726</u>
Deferred Inflows of Resources				
Property Taxes	100,844	72,032	0	172,876
Unavailable Revenue	261,025	82,512	0	343,537
<i>Total Deferred Inflows of Resources</i>	<u>361,869</u>	<u>154,544</u>	<u>0</u>	<u>516,413</u>
Fund Balances				
Restricted	1,666,893	47,248	8	1,714,149
Committed	330,093	0	51,502	381,595
Unassigned (Deficit)	(12,476)	0	0	(12,476)
<i>Total Fund Balances</i>	<u>1,984,510</u>	<u>47,248</u>	<u>51,510</u>	<u>2,083,268</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$2,472,105</u>	<u>\$201,792</u>	<u>\$51,510</u>	<u>\$2,725,407</u>

City of Brooklyn, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2012

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Municipal Income Taxes	\$308,349	\$0	\$100,538	\$408,887
Property Taxes	118,781	282,884	30,284	431,949
Local Taxes	32,311	0	0	32,311
Charges for Services	1,950	0	0	1,950
Fines, Licenses and Permits	190,475	0	0	190,475
Intergovernmental	1,009,917	47,170	0	1,057,087
Interest	0	8,633	11	8,644
Other	2,005	0	0	2,005
<i>Total Revenues</i>	<u>1,663,788</u>	<u>338,687</u>	<u>130,833</u>	<u>2,133,308</u>
Expenditures				
Current:				
General Government	111,455	0	0	111,455
Security of Persons and Property	254,631	0	0	254,631
Transportation	467,538	0	0	467,538
Community Environment	73,378	0	0	73,378
Basic Utility Services	163,777	0	0	163,777
Leisure Time Activities	3,250	0	0	3,250
Debt Service:				
Principal Retirement	8,104	607,776	0	615,880
Interest and Fiscal Charges	526	273,478	0	274,004
<i>Total Expenditures</i>	<u>1,082,659</u>	<u>881,254</u>	<u>0</u>	<u>1,963,913</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>581,129</u>	<u>(542,567)</u>	<u>130,833</u>	<u>169,395</u>
Other Financing Sources (Uses)				
Transfers In	73,126	844,884	436,500	1,354,510
Transfers Out	0	0	(459,942)	(459,942)
<i>Total Other Financing Sources (Uses)</i>	<u>73,126</u>	<u>844,884</u>	<u>(23,442)</u>	<u>894,568</u>
<i>Net Change in Fund Balances</i>	654,255	302,317	107,391	1,063,963
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>1,330,255</u>	<u>(255,069)</u>	<u>(55,881)</u>	<u>1,019,305</u>
<i>Fund Balances End of Year</i>	<u><u>\$1,984,510</u></u>	<u><u>\$47,248</u></u>	<u><u>\$51,510</u></u>	<u><u>\$2,083,268</u></u>

City of Brooklyn, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2012

	Street Maintenance and Repair	State Highway	Community Development Block Grant	Street Lighting
Assets				
Equity in Pooled Cash and Cash Equivalents	\$636,966	\$260,155	\$4,681	\$55,664
Accounts Receivable	0	0	0	0
Intergovernmental Receivable	263,866	22,046	75,632	10,888
Municipal Income Taxes Receivable	0	0	0	0
Property Taxes Receivable	0	0	0	124,611
Local Taxes Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$900,832</u>	<u>\$282,201</u>	<u>\$80,313</u>	<u>\$191,163</u>
Liabilities				
Accounts Payable	\$10,219	\$0	\$0	\$0
Accrued Wages and Benefits	9,885	0	0	0
Intergovernmental Payable	5,736	0	0	0
Interfund Payable	0	0	92,789	0
<i>Total Liabilities</i>	<u>25,840</u>	<u>0</u>	<u>92,789</u>	<u>0</u>
Deferred Inflows of Resources				
Property Taxes	0	0	0	100,844
Unavailable Revenue	172,937	14,672	0	34,655
<i>Total Deferred Inflows of Resources</i>	<u>172,937</u>	<u>14,672</u>	<u>0</u>	<u>135,499</u>
Fund Balances				
Restricted	702,055	267,529	0	55,664
Committed	0	0	0	0
Unassigned (Deficit)	0	0	(12,476)	0
<i>Total Fund Balances (Deficit)</i>	<u>702,055</u>	<u>267,529</u>	<u>(12,476)</u>	<u>55,664</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$900,832</u>	<u>\$282,201</u>	<u>\$80,313</u>	<u>\$191,163</u>

Motor Vehicle License Tax	D.A.R.E.	Bullet Proof Vest	FEMA Fire Act	Public Safety Equipment
\$43,231	\$12,859	\$354	\$1,027	\$7,282
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
18,765	0	0	0	0
<u>\$61,996</u>	<u>\$12,859</u>	<u>\$354</u>	<u>\$1,027</u>	<u>\$7,282</u>
\$0	\$0	\$0	\$0	\$0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
14,220	0	0	0	0
14,220	0	0	0	0
47,776	12,859	354	1,027	7,282
0	0	0	0	0
0	0	0	0	0
47,776	12,859	354	1,027	7,282
<u>\$61,996</u>	<u>\$12,859</u>	<u>\$354</u>	<u>\$1,027</u>	<u>\$7,282</u>

(continued)

City of Brooklyn, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2012

	Federal Drug Forfeiture	Law Enforcement	Mandatory Drug Law	Termination Leave Payment
Assets				
Equity in Pooled Cash and Cash Equivalents	\$94,535	\$20,072	\$97,418	\$285,063
Accounts Receivable	0	60	0	0
Intergovernmental Receivable	0	0	0	0
Municipal Income Taxes Receivable	0	0	0	69,571
Property Taxes Receivable	0	0	0	0
Local Taxes Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$94,535</u>	<u>\$20,132</u>	<u>\$97,418</u>	<u>\$354,634</u>
Liabilities				
Accounts Payable	\$0	\$0	\$0	\$0
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	0	0	0
Interfund Payable	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources				
Property Taxes	0	0	0	0
Unavailable Revenue	0	0	0	24,541
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>24,541</u>
Fund Balances				
Restricted	94,535	20,132	97,418	0
Committed	0	0	0	330,093
Unassigned (Deficit)	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>94,535</u>	<u>20,132</u>	<u>97,418</u>	<u>330,093</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$94,535</u>	<u>\$20,132</u>	<u>\$97,418</u>	<u>\$354,634</u>

Domino Trust	Groeger Trust	Court Computer	Juvenile Diversion	P.O.P.A.S.	Total Nonmajor Special Revenue Funds
\$77,286	\$1,755	\$64,620	\$1,389	\$217,129	\$1,881,486
0	0	560	0	3,120	3,740
0	0	0	1,500	0	373,932
0	0	0	0	0	69,571
0	0	0	0	0	124,611
0	0	0	0	0	18,765
<u>\$77,286</u>	<u>\$1,755</u>	<u>\$65,180</u>	<u>\$2,889</u>	<u>\$220,249</u>	<u>\$2,472,105</u>
\$0	\$0	\$2,508	\$0	\$4,216	\$16,943
0	0	0	0	373	10,258
0	0	0	0	0	5,736
0	0	0	0	0	92,789
0	0	2,508	0	4,589	125,726
0	0	0	0	0	100,844
0	0	0	0	0	261,025
0	0	0	0	0	361,869
77,286	1,755	62,672	2,889	215,660	1,666,893
0	0	0	0	0	330,093
0	0	0	0	0	(12,476)
<u>77,286</u>	<u>1,755</u>	<u>62,672</u>	<u>2,889</u>	<u>215,660</u>	<u>1,984,510</u>
<u>\$77,286</u>	<u>\$1,755</u>	<u>\$65,180</u>	<u>\$2,889</u>	<u>\$220,249</u>	<u>\$2,472,105</u>

City of Brooklyn, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012

	Street Maintenance and Repair	State Highway	Community Development Block Grant	Street Lighting	Motor Vehicle License Tax
Revenues					
Municipal Income Taxes	\$0	\$0	\$0	\$0	\$0
Property Taxes	0	0	0	118,781	0
Local Taxes	0	0	0	0	32,311
Charges for Services	0	0	0	0	0
Fines, Licenses and Permits	0	0	0	0	0
Intergovernmental	736,199	59,694	75,632	19,842	0
Other	0	0	0	0	0
<i>Total Revenues</i>	<u>736,199</u>	<u>59,694</u>	<u>75,632</u>	<u>138,623</u>	<u>32,311</u>
Expenditures					
Current:					
General Government	0	0	0	0	0
Security of Persons and Property	0	0	0	0	0
Transportation	434,955	10,000	0	0	22,583
Community Environment	0	0	73,378	0	0
Basic Utility Services	0	0	0	163,777	0
Leisure Time Activities	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>434,955</u>	<u>10,000</u>	<u>73,378</u>	<u>163,777</u>	<u>22,583</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	301,244	49,694	2,254	(25,154)	9,728
Other Financing Sources					
Transfers In	0	0	0	60,500	0
<i>Net Change in Fund Balances</i>	301,244	49,694	2,254	35,346	9,728
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>400,811</u>	<u>217,835</u>	<u>(14,730)</u>	<u>20,318</u>	<u>38,048</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$702,055</u>	<u>\$267,529</u>	<u>(\$12,476)</u>	<u>\$55,664</u>	<u>\$47,776</u>

D.A.R.E.	Bullet Proof Vest	FEMA Fire Act	Federal Grants	C.O.P.S.	Public Safety Equipment
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
17,806	0	0	0	94,744	0
2,005	0	0	0	0	0
<u>19,811</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>94,744</u>	<u>0</u>
0	0	0	0	0	0
15,057	0	0	1	94,375	1,838
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>15,057</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>94,375</u>	<u>1,838</u>
4,754	0	0	(1)	369	(1,838)
0	0	0	0	12,626	0
4,754	0	0	(1)	12,995	(1,838)
8,105	354	1,027	1	(12,995)	9,120
<u>\$12,859</u>	<u>\$354</u>	<u>\$1,027</u>	<u>\$0</u>	<u>\$0</u>	<u>\$7,282</u>

(continued)

City of Brooklyn, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2012

	Federal Drug Forfeiture	Law Enforcement	Mandatory Drug Law	Termination Leave Payment	Domino Trust
Revenues					
Municipal Income Taxes	\$0	\$0	\$0	\$308,349	\$0
Property Taxes	0	0	0	0	0
Local Taxes	0	0	0	0	0
Charges for Services	0	0	0	0	0
Fines, Licenses and Permits	66,632	1,298	7,468	0	0
Intergovernmental	0	0	0	0	0
Other	0	0	0	0	0
<i>Total Revenues</i>	<u>66,632</u>	<u>1,298</u>	<u>7,468</u>	<u>308,349</u>	<u>0</u>
Expenditures					
Current:					
General Government	0	0	0	101,264	0
Security of Persons and Property	0	1,820	0	0	0
Transportation	0	0	0	0	0
Community Environment	0	0	0	0	0
Basic Utility Services	0	0	0	0	0
Leisure Time Activities	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	8,104	0	0
Interest and Fiscal Charges	0	0	526	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>1,820</u>	<u>8,630</u>	<u>101,264</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	66,632	(522)	(1,162)	207,085	0
Other Financing Sources					
Transfers In	0	0	0	0	0
<i>Net Change in Fund Balances</i>	66,632	(522)	(1,162)	207,085	0
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>27,903</u>	<u>20,654</u>	<u>98,580</u>	<u>123,008</u>	<u>77,286</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$94,535</u>	<u>\$20,132</u>	<u>\$97,418</u>	<u>\$330,093</u>	<u>\$77,286</u>

Groeger Trust	Court Computer	Juvenile Diversion	P.O.P.A.S.	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$308,349
0	0	0	0	118,781
0	0	0	0	32,311
0	0	1,950	0	1,950
0	13,140	0	101,937	190,475
0	0	6,000	0	1,009,917
0	0	0	0	2,005
0	13,140	7,950	101,937	1,663,788
0	10,191	0	0	111,455
0	0	10,200	131,340	254,631
0	0	0	0	467,538
0	0	0	0	73,378
0	0	0	0	163,777
3,250	0	0	0	3,250
0	0	0	0	8,104
0	0	0	0	526
3,250	10,191	10,200	131,340	1,082,659
(3,250)	2,949	(2,250)	(29,403)	581,129
0	0	0	0	73,126
(3,250)	2,949	(2,250)	(29,403)	654,255
5,005	59,723	5,139	245,063	1,330,255
\$1,755	\$62,672	\$2,889	\$215,660	\$1,984,510

City of Brooklyn, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2012

	Tiedeman Road	Safety Forces Construction	Total Nonmajor Capital Projects Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$51,502	\$8	\$51,510
Fund Balances			
Restricted	\$0	\$8	\$8
Committed	51,502	0	51,502
<i>Total Liabilities and Fund Balances</i>	<u>\$51,502</u>	<u>\$8</u>	<u>\$51,510</u>

City of Brooklyn, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012

	Tiedeman Road	Biddulph Road	Safety Forces Construction	Total Nonmajor Capital Projects Funds
Revenues				
Municipal Income Taxes	\$100,538	\$0	\$0	\$100,538
Property Taxes	30,284	0	0	30,284
Interest	11	0	0	11
<i>Total Revenues</i>	130,833	0	0	130,833
Expenditures	0	0	0	0
<i>Excess of Revenues Over Expenditures</i>	130,833	0	0	130,833
Other Financing Sources (Uses)				
Transfers In	0	126,558	309,942	436,500
Transfers Out	(150,000)	0	(309,942)	(459,942)
<i>Total Other Financing Sources (Uses)</i>	(150,000)	126,558	0	(23,442)
<i>Net Change in Fund Balances</i>	(19,167)	126,558	0	107,391
<i>Fund Balances (Deficit) Beginning of Year</i>	70,669	(126,558)	8	(55,881)
<i>Fund Balances End of Year</i>	\$51,502	\$0	\$8	\$51,510

Fund Descriptions - Fiduciary Funds

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City has no trust funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Agency Funds

Required Deposits Fund - This fund accounts for deposits made by citizens, contractors or vendors held by the City to ensure compliance with various City ordinances.

Building Assessment Fees Fund - This fund was established in accordance with Senate Bill 359 that states that all political subdivisions that collect fees for acceptance and approval of plans for commercial and industrial building must collect and remit monthly 3 percent of building permit fees collected each month to the State on behalf of the Ohio Board of Building Standards.

City of Brooklyn, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2012

	Balance 12/31/11	Additions	Reductions	Balance 12/31/12
<i>Required Deposits</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$122,618	\$11,925	\$11,025	\$123,518
Liabilities				
Deposits Held and Due to Others	\$122,618	\$11,925	\$11,025	\$123,518
<i>Building Assessment Fees</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$2,093	\$1,596	\$1,524	\$2,165
Liabilities				
Intergovernmental Payable	\$2,093	\$1,596	\$1,524	\$2,165
<i>Totals - All Agency Funds</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$124,711	\$13,521	\$12,549	\$125,683
Liabilities				
Intergovernmental Payable	\$2,093	\$1,596	\$1,524	\$2,165
Deposits Held and Due to Others	122,618	11,925	11,025	123,518
<i>Total Liabilities</i>	\$124,711	\$13,521	\$12,549	\$125,683

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

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Taxes	\$11,955,236	\$12,255,000	\$13,332,712	\$1,077,712
Property Taxes	610,785	720,000	613,442	(106,558)
Local Taxes	249,012	265,000	297,795	32,795
Charges for Services	924,131	905,500	1,088,525	183,025
Fines, Licenses and Permits	511,807	426,500	373,260	(53,240)
Intergovernmental	1,168,834	773,000	750,097	(22,903)
Interest	90,745	5,000	18,514	13,514
Other	55,150	124,000	156,395	32,395
<i>Total Revenues</i>	<i>15,565,700</i>	<i>15,474,000</i>	<i>16,630,740</i>	<i>1,156,740</i>
Expenditures				
Current:				
General Government:				
Council:				
Wages and Benefits	131,180	132,180	131,946	234
Other	11,183	11,183	10,894	289
Total Council	142,363	143,363	142,840	523
Mayor:				
Wages and Benefits	211,850	221,850	221,693	157
Other	12,491	12,491	10,398	2,093
Total Mayor	224,341	234,341	232,091	2,250
Legal:				
Wages and Benefits	311,985	311,985	310,123	1,862
Other	132,668	137,668	127,650	10,018
Total Legal	444,653	449,653	437,773	11,880
Finance:				
Wages and Benefits	301,280	296,280	286,574	9,706
Other	260,978	277,978	254,488	23,490
Total Finance	562,258	574,258	541,062	33,196
Civil Service:				
Wages and Benefits	12,000	12,000	11,458	542
Other	33,207	33,207	10,819	22,388
Total Civil Service	\$45,207	\$45,207	\$22,277	\$22,930

(continued)

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Engineering:				
Wages and Benefits	\$26,000	\$26,000	\$25,976	\$24
Other	148,167	148,167	92,535	55,632
Total Engineering	174,167	174,167	118,511	55,656
Data System:				
Other	51,354	51,354	50,021	1,333
Miscellaneous:				
Other	453,845	453,845	405,508	48,337
Total General Government	2,098,188	2,126,188	1,950,083	176,105
Security of Persons and Property:				
Public Safety:				
Wages and Benefits	3,583,300	3,408,300	3,369,150	39,150
Other	280,320	368,820	355,684	13,136
Total Public Safety	3,863,620	3,777,120	3,724,834	52,286
Fire Department:				
Wages and Benefits	2,482,560	2,591,560	2,540,719	50,841
Other	261,054	311,054	284,953	26,101
Total Fire Department	2,743,614	2,902,614	2,825,672	76,942
Total Security of Persons and Property	6,607,234	6,679,734	6,550,506	129,228
Community Environment:				
Public Lands and Buildings:				
Wages and Benefits	10,000	36,360	33,959	2,401
Other	1,093,764	1,143,764	1,097,494	46,270
Total Public Lands and Buildings	1,103,764	1,180,124	1,131,453	48,671
Public Service:				
Wages and Benefits	114,500	133,500	128,842	4,658
Other	47,900	47,900	16,631	31,269
Total Public Service	162,400	181,400	145,473	35,927
Building Department:				
Wages and Benefits	154,860	159,860	153,693	6,167
Other	5,000	6,000	5,841	159
Total Building Department	\$159,860	\$165,860	\$159,534	\$6,326

(continued)

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Recycling:				
Wages and Benefits	\$14,500	\$4,500	\$0	\$4,500
Landfill:				
Other	2,500	2,500	997	1,503
Total Community Environment	1,443,024	1,534,384	1,437,457	96,927
Basic Utility Services:				
Garage:				
Wages and Benefits	1,612,090	1,572,090	1,543,457	28,633
Other	155,958	155,958	136,097	19,861
Total Basic Utility Services	1,768,048	1,728,048	1,679,554	48,494
Leisure Time Activities:				
Recreation Center:				
Wages and Benefits	600,940	675,940	656,328	19,612
Other	160,553	170,553	162,555	7,998
Total Recreation Center	761,493	846,493	818,883	27,610
Indoor/Outdoor Pool:				
Wages and Benefits	399,040	324,040	316,294	7,746
Other	115,872	115,872	107,997	7,875
Total Indoor/Outdoor Pool	514,912	439,912	424,291	15,621
Parks:				
Wages and Benefits	46,030	46,030	45,934	96
Other	31,500	31,500	26,707	4,793
Total Parks	77,530	77,530	72,641	4,889
Senior Services:				
Wages and Benefits	254,495	219,495	204,331	15,164
Other	90,493	90,493	85,744	4,749
Total Senior Services	344,988	309,988	290,075	19,913
Total Leisure Time Activities	\$1,698,923	\$1,673,923	\$1,605,890	\$68,033

(continued)

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Debt Service:				
Principal Retirement	\$800	\$800	\$800	\$0
Interest and Fiscal Charges	227	227	227	0
Total Debt Service	1,027	1,027	1,027	0
<i>Total Expenditures</i>	<i>13,616,444</i>	<i>13,743,304</i>	<i>13,224,517</i>	<i>518,787</i>
<i>Excess of Revenues Over Expenditures</i>	<i>1,949,256</i>	<i>1,730,696</i>	<i>3,406,223</i>	<i>1,675,527</i>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	5,000	217,450	212,450
Advances In	0	0	67,025	67,025
Advances Out	0	(20,000)	(20,000)	0
Transfers In	100,000	166,700	0	(166,700)
Transfers Out	(4,102,700)	(4,644,527)	(4,436,769)	207,758
<i>Total Other Financing Sources (Uses)</i>	<i>(4,002,700)</i>	<i>(4,492,827)</i>	<i>(4,172,294)</i>	<i>320,533</i>
<i>Net Change in Fund Balance</i>	<i>(2,053,444)</i>	<i>(2,762,131)</i>	<i>(766,071)</i>	<i>1,996,060</i>
<i>Fund Balance Beginning of Year</i>	<i>10,864,842</i>	<i>10,864,842</i>	<i>10,864,842</i>	<i>0</i>
Prior Year Encumbrances Appropriated	248,034	248,034	248,034	0
<i>Fund Balance End of Year</i>	<i>\$9,059,432</i>	<i>\$8,350,745</i>	<i>\$10,346,805</i>	<i>\$1,996,060</i>

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Pension Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$369,779	\$325,000	\$291,370	(\$33,630)
Intergovernmental	26,708	0	48,586	48,586
<i>Total Revenues</i>	<u>396,487</u>	<u>325,000</u>	<u>339,956</u>	<u>14,956</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Other	466,758	466,758	436,395	30,363
Debt Service:				
Principal Retirement	1,222	1,222	1,222	0
Interest and Fiscal Charges	2,020	2,020	2,020	0
<i>Total Expenditures</i>	<u>470,000</u>	<u>470,000</u>	<u>439,637</u>	<u>30,363</u>
<i>Excess of Revenues Under Expenditures</i>	(73,513)	(145,000)	(99,681)	45,319
Other Financing Sources				
Transfers In	79,707	151,194	145,000	(6,194)
<i>Net Change in Fund Balance</i>	6,194	6,194	45,319	39,125
<i>Fund Balance Beginning of Year</i>	<u>25,342</u>	<u>25,342</u>	<u>25,342</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$31,536</u></u>	<u><u>\$31,536</u></u>	<u><u>\$70,661</u></u>	<u><u>\$39,125</u></u>

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Pension Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$331,194	\$400,000	\$325,316	(\$74,684)
Intergovernmental	47,422	0	54,246	54,246
<i>Total Revenues</i>	378,616	400,000	379,562	(20,438)
Expenditures				
Current:				
Security of Persons and Property:				
Fire Pension:				
Other	475,000	475,000	463,013	11,987
<i>Excess of Revenues Under Expenditures</i>	(96,384)	(75,000)	(83,451)	(8,451)
Other Financing Sources				
Transfers In	96,163	74,779	110,000	35,221
<i>Net Change in Fund Balance</i>	(221)	(221)	26,549	26,770
<i>Fund Balance Beginning of Year</i>	52,741	52,741	52,741	0
<i>Fund Balance End of Year</i>	<u>\$52,520</u>	<u>\$52,520</u>	<u>\$79,290</u>	<u>\$26,770</u>

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Improvements Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Taxes	\$2,178,609	\$1,544,789	\$1,550,311	\$5,522
Intergovernmental	184,878	10,166	131,560	121,394
Other	3,715	204	2,644	2,440
<i>Total Revenues</i>	<u>2,367,202</u>	<u>1,555,159</u>	<u>1,684,515</u>	<u>129,356</u>
Expenditures				
Capital Outlay:				
Capital Improvements:				
Other	2,855,907	2,952,108	2,861,786	90,322
Debt Service:				
Principal Retirement	276,224	276,224	276,224	0
Interest and Fiscal Charges	70,860	70,860	70,860	0
<i>Total Expenditures</i>	<u>3,202,991</u>	<u>3,299,192</u>	<u>3,208,870</u>	<u>90,322</u>
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	<u>(835,789)</u>	<u>(1,744,033)</u>	<u>(1,524,355)</u>	<u>219,678</u>
Other Financing Sources				
Advances In	109,892	6,042	78,200	72,158
Transfers In	0	1,052,094	1,078,201	26,107
<i>Total Other Financing Sources</i>	<u>109,892</u>	<u>1,058,136</u>	<u>1,156,401</u>	<u>98,265</u>
<i>Net Change in Fund Balance</i>	(725,897)	(685,897)	(367,954)	317,943
<i>Fund Balance Beginning of Year</i>	1,717,512	1,717,512	1,717,512	0
Prior Year Encumbrances Appropriated	455,796	455,796	455,796	0
<i>Fund Balance End of Year</i>	<u>\$1,447,411</u>	<u>\$1,487,411</u>	<u>\$1,805,354</u>	<u>\$317,943</u>

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Maintenance and Repair Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$560,000	\$560,000	\$721,100	\$161,100
Expenditures				
Current:				
Transportation:				
Street Maintenance and Repair:				
Wages and Benefits	261,872	261,872	251,189	10,683
Other	276,636	276,636	219,660	56,976
<i>Total Expenditures</i>	538,508	538,508	470,849	67,659
<i>Net Change in Fund Balance</i>	21,492	21,492	250,251	228,759
<i>Fund Balance Beginning of Year</i>	331,506	331,506	331,506	0
Prior Year Encumbrances Appropriated	26,636	26,636	26,636	0
<i>Fund Balance End of Year</i>	\$379,634	\$379,634	\$608,393	\$228,759

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$42,000	\$42,000	\$58,468	\$16,468
Expenditures				
Current:				
Transportation:				
Garage:				
Wages and Benefits	6,000	6,000	0	6,000
Other	25,000	25,000	10,000	15,000
<i>Total Expenditures</i>	<u>31,000</u>	<u>31,000</u>	<u>10,000</u>	<u>21,000</u>
<i>Net Change in Fund Balance</i>	11,000	11,000	48,468	37,468
<i>Fund Balance Beginning of Year</i>	<u>211,687</u>	<u>211,687</u>	<u>211,687</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$222,687</u></u>	<u><u>\$222,687</u></u>	<u><u>\$260,155</u></u>	<u><u>\$37,468</u></u>

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Development Block Grant Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$37,400	\$0	\$0	\$0
Expenditures				
Current:				
Community Environment:				
Community Development Block Grant:				
Other	<u>116,666</u>	<u>78,483</u>	<u>75,632</u>	<u>2,851</u>
<i>Excess of Revenues Under Expenditures</i>	(79,266)	(78,483)	(75,632)	2,851
Other Financing Uses				
Advances Out	<u>(13,523)</u>	<u>(13,523)</u>	<u>(13,000)</u>	<u>523</u>
<i>Net Change in Fund Balance</i>	(92,789)	(92,006)	(88,632)	3,374
<i>Fund Balance Beginning of Year</i>	<u>93,313</u>	<u>93,313</u>	<u>93,313</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$524</u></u>	<u><u>\$1,307</u></u>	<u><u>\$4,681</u></u>	<u><u>\$3,374</u></u>

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Lighting Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$135,050	\$120,000	\$118,781	(\$1,219)
Intergovernmental	0	20,000	19,842	(158)
<i>Total Revenues</i>	135,050	140,000	138,623	(1,377)
Expenditures				
Current:				
Basic Utility Services:				
Street Lighting:				
Other	230,392	230,392	178,407	51,985
<i>Excess of Revenues Under Expenditures</i>	(95,342)	(90,392)	(39,784)	50,608
Other Financing Sources				
Transfers In	60,500	55,550	60,500	4,950
<i>Net Change in Fund Balance</i>	(34,842)	(34,842)	20,716	55,558
<i>Fund Balance Beginning of Year</i>	24,556	24,556	24,556	0
Prior Year Encumbrances Appropriated	10,392	10,392	10,392	0
<i>Fund Balance End of Year</i>	<u>\$106</u>	<u>\$106</u>	<u>\$55,664</u>	<u>\$55,558</u>

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Motor Vehicle License Tax Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local Taxes	\$26,000	\$26,000	\$32,052	\$6,052
Expenditures				
Current:				
Transportation:				
Motor Vehicle License Tax:				
Other	36,671	36,671	24,254	12,417
<i>Net Change in Fund Balance</i>	(10,671)	(10,671)	7,798	18,469
<i>Fund Balance Beginning of Year</i>	33,762	33,762	33,762	0
Prior Year Encumbrances Appropriated	1,671	1,671	1,671	0
<i>Fund Balance End of Year</i>	<u>\$24,762</u>	<u>\$24,762</u>	<u>\$43,231</u>	<u>\$18,469</u>

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
D.A.R.E. Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$13,500	\$13,500	\$17,806	\$4,306
Other	0	0	2,005	2,005
<i>Total Revenues</i>	13,500	13,500	19,811	6,311
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Wages and Benefits	13,750	13,750	13,696	54
Other	2,500	2,500	1,361	1,139
<i>Total Expenditures</i>	16,250	16,250	15,057	1,193
<i>Net Change in Fund Balance</i>	(2,750)	(2,750)	4,754	7,504
<i>Fund Balance Beginning of Year</i>	8,105	8,105	8,105	0
<i>Fund Balance End of Year</i>	\$5,355	\$5,355	\$12,859	\$7,504

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
FEMA Fire Act Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$10,000	\$0	\$0	\$0
Expenditures				
Security of Persons and Property:				
Fire:				
Other	15,000	0	0	0
<i>Excess of Revenues Under Expenditures</i>	(5,000)	0	0	0
Other Financing Uses				
Advances Out	0	(45,200)	(45,200)	0
<i>Net Change in Fund Balance</i>	(5,000)	(45,200)	(45,200)	0
<i>Fund Balance Beginning of Year</i>	46,227	46,227	46,227	0
<i>Fund Balance End of Year</i>	<u>\$41,227</u>	<u>\$1,027</u>	<u>\$1,027</u>	<u>\$0</u>

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
C.O.P.S. Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$87,000	\$148,122	\$140,820	(\$7,302)
Expenditures				
Current:				
Security of Persons and Property:				
Public Safety Equipment:				
Other	<u>25,000</u>	<u>102,250</u>	<u>102,094</u>	<u>156</u>
<i>Excess of Revenues</i>				
<i>Over Expenditures</i>	<u>62,000</u>	<u>45,872</u>	<u>38,726</u>	<u>(7,146)</u>
Other Financing Sources (Uses)				
Advances Out	(65,000)	(65,000)	(65,000)	0
Transfers In	<u>0</u>	<u>5,480</u>	<u>12,626</u>	<u>7,146</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(65,000)</u>	<u>(59,520)</u>	<u>(52,374)</u>	<u>7,146</u>
<i>Net Change in Fund Balance</i>	(3,000)	(13,648)	(13,648)	0
<i>Fund Balance Beginning of Year</i>	<u>13,648</u>	<u>13,648</u>	<u>13,648</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$10,648</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

City of Brooklyn, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Public Safety Equipment Fund
For the Year Ended December 31, 2012*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Security of Persons and Property:				
Public Safety Equipment:				
Other	4,338	4,338	1,838	2,500
<i>Net Change in Fund Balance</i>	(4,338)	(4,338)	(1,838)	2,500
<i>Fund Balance Beginning of Year</i>	7,282	7,282	7,282	0
Prior Year Encumbrances Appropriated	1,838	1,838	1,838	0
<i>Fund Balance End of Year</i>	\$4,782	\$4,782	\$7,282	\$2,500

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Federal Drug Forfeiture Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines, Licenses and Permits	\$25,000	\$25,000	\$66,632	\$41,632
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	25,000	25,000	66,632	41,632
<i>Fund Balance Beginning of Year</i>	<u>27,903</u>	<u>27,903</u>	<u>27,903</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$52,903</u></u>	<u><u>\$52,903</u></u>	<u><u>\$94,535</u></u>	<u><u>\$41,632</u></u>

City of Brooklyn, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Fund
For the Year Ended December 31, 2012*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines, Licenses and Permits	\$800	\$800	\$1,238	\$438
Expenditures				
Current:				
Security of Persons and Property:				
Law Enforcement:				
Other	<u>5,000</u>	<u>5,000</u>	<u>1,820</u>	<u>3,180</u>
<i>Net Change in Fund Balance</i>	(4,200)	(4,200)	(582)	3,618
<i>Fund Balance Beginning of Year</i>	<u>20,654</u>	<u>20,654</u>	<u>20,654</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$16,454</u></u>	<u><u>\$16,454</u></u>	<u><u>\$20,072</u></u>	<u><u>\$3,618</u></u>

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Mandatory Drug Law Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines, Licenses and Permits	\$20,000	\$20,000	\$7,468	(\$12,532)
Expenditures				
Current:				
Security of Persons and Property:				
Mandatory Drug Law:				
Other	6,370	6,370	0	6,370
Debt Service:				
Principal Retirement	8,104	8,104	8,104	0
Interest and Fiscal Charges	526	526	526	0
<i>Total Expenditures</i>	<u>15,000</u>	<u>15,000</u>	<u>8,630</u>	<u>6,370</u>
<i>Net Change in Fund Balance</i>	5,000	5,000	(1,162)	(6,162)
<i>Fund Balance Beginning of Year</i>	<u>98,580</u>	<u>98,580</u>	<u>98,580</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$103,580</u>	<u>\$103,580</u>	<u>\$97,418</u>	<u>(\$6,162)</u>

City of Brooklyn, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Termination Leave Payment Fund
For the Year Ended December 31, 2012*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Municipal Income Taxes	\$285,000	\$285,000	\$310,062	\$25,062
Expenditures				
Current:				
General Government:				
Wages and Benefits	<u>150,000</u>	<u>150,000</u>	<u>101,264</u>	<u>48,736</u>
<i>Net Change in Fund Balance</i>	135,000	135,000	208,798	73,798
<i>Fund Balance Beginning of Year</i>	<u>76,265</u>	<u>76,265</u>	<u>76,265</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$211,265</u></u>	<u><u>\$211,265</u></u>	<u><u>\$285,063</u></u>	<u><u>\$73,798</u></u>

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Domino Trust Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Contributions and Donations	\$200	\$200	\$0	(\$200)
Expenditures				
Current:				
Leisure Time Activities:				
Other	77,000	77,000	0	77,000
<i>Net Change in Fund Balance</i>	(76,800)	(76,800)	0	76,800
<i>Fund Balance Beginning of Year</i>	77,286	77,286	77,286	0
<i>Fund Balance End of Year</i>	\$486	\$486	\$77,286	\$76,800

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Groeger Trust Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Interest	\$5	\$5	\$0	(\$5)
Expenditures				
Current:				
Leisure Time Activities:				
Groeger Trust:				
Other	1,000	5,000	5,000	0
<i>Net Change in Fund Balance</i>	(995)	(4,995)	(5,000)	(5)
<i>Fund Balance Beginning of Year</i>	5,005	5,005	5,005	0
<i>Fund Balance End of Year</i>	<u>\$4,010</u>	<u>\$10</u>	<u>\$5</u>	<u>(\$5)</u>

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Computer Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines, Licenses and Permits	\$16,000	\$16,000	\$13,870	(\$2,130)
Expenditures				
Current:				
General Government:				
Courts:				
Other	13,100	24,100	18,893	5,207
<i>Net Change in Fund Balance</i>	2,900	(8,100)	(5,023)	3,077
<i>Fund Balance Beginning of Year</i>	58,333	58,333	58,333	0
Prior Year Encumbrances Appropriated	100	100	100	0
<i>Fund Balance End of Year</i>	<u>\$61,333</u>	<u>\$50,333</u>	<u>\$53,410</u>	<u>\$3,077</u>

City of Brooklyn, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Juvenile Diversion Fund
For the Year Ended December 31, 2012*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$3,628	\$4,200	\$1,950	(\$2,250)
Intergovernmental	8,372	7,800	4,500	(3,300)
<i>Total Revenues</i>	12,000	12,000	6,450	(5,550)
Expenditures				
Current:				
Security of Persons and Property:				
Juvenile Diversion:				
Other	10,750	10,750	10,750	0
<i>Excess of Revenues Over (Under) Expenditures</i>	1,250	1,250	(4,300)	(5,550)
Other Financing Uses				
Advances Out	0	(2,025)	(2,025)	0
<i>Net Change in Fund Balance</i>	1,250	(775)	(6,325)	(5,550)
<i>Fund Balance Beginning of Year</i>	7,164	7,164	7,164	0
<i>Fund Balance End of Year</i>	\$8,414	\$6,389	\$839	(\$5,550)

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
P.O.P.A.S. Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines, Licenses and Permits	<u>\$160,000</u>	<u>\$160,000</u>	<u>\$109,747</u>	<u>(\$50,253)</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Wages and Benefits	70,000	70,000	44,315	25,685
Other	<u>187,897</u>	<u>187,897</u>	<u>112,832</u>	<u>75,065</u>
<i>Total Expenditures</i>	<u>257,897</u>	<u>257,897</u>	<u>157,147</u>	<u>100,750</u>
<i>Net Change in Fund Balance</i>	(97,897)	(97,897)	(47,400)	50,497
<i>Fund Balance Beginning of Year</i>	230,188	230,188	230,188	0
Prior Year Encumbrances Appropriated	<u>27,897</u>	<u>27,897</u>	<u>27,897</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$160,188</u></u>	<u><u>\$160,188</u></u>	<u><u>\$210,685</u></u>	<u><u>\$50,497</u></u>

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Underground Storage Tank Fund
For the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Community Environment:				
Underground Storage Tank:				
Other	5,000	18,000	17,900	100
<i>Excess of Revenues Under Expenditures</i>	(5,000)	(18,000)	(17,900)	100
Other Financing Sources				
Transfers In	1,000	14,000	13,000	(1,000)
<i>Net Change in Fund Balance</i>	(4,000)	(4,000)	(4,900)	(900)
<i>Fund Balance Beginning of Year</i>	8,346	8,346	8,346	0
<i>Fund Balance End of Year</i>	\$4,346	\$4,346	\$3,446	(\$900)

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Budget Stabilization Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$0	\$0	\$0	\$0
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	0	0	0	0
Other Financing Sources				
Transfers In	<u>850,000</u>	<u>850,000</u>	<u>850,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	850,000	850,000	850,000	0
<i>Fund Balance Beginning of Year</i>	<u>745,000</u>	<u>745,000</u>	<u>745,000</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,595,000</u></u>	<u><u>\$1,595,000</u></u>	<u><u>\$1,595,000</u></u>	<u><u>\$0</u></u>

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Economic Development Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$0	\$0	\$0	\$0
Expenditures	0	0	0	0
<i>Excess of Revenues Over Expenditures</i>	0	0	0	0
Other Financing Sources				
Transfers In	99,500	99,500	95,000	(4,500)
<i>Net Change in Fund Balance</i>	99,500	99,500	95,000	(4,500)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$99,500</u>	<u>\$99,500</u>	<u>\$95,000</u>	<u>(\$4,500)</u>

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Obligation Bond Retirement Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$268,568	\$350,000	\$282,884	(\$67,116)
Intergovernmental	44,783	60,000	47,170	(12,830)
Interest	8,196	8,000	8,633	633
<i>Total Revenues</i>	321,547	418,000	338,687	(79,313)
Expenditures				
Debt Service:				
Principal Retirement	2,280,597	2,283,776	2,283,776	0
Interest and Fiscal Charges	278,453	278,789	278,776	13
<i>Total Expenditures</i>	2,559,050	2,562,565	2,562,552	13
<i>Excess of Revenues Under Expenditures</i>	(2,237,503)	(2,144,565)	(2,223,865)	(79,300)
Other Financing Sources				
General Obligation Notes Issued	0	1,770,000	0	(1,770,000)
Transfers In	2,273,453	407,000	2,222,442	1,815,442
<i>Total Other Financing Sources</i>	2,273,453	2,177,000	2,222,442	45,442
<i>Net Change in Fund Balance</i>	35,950	32,435	(1,423)	(33,858)
<i>Fund Balance Beginning of Year</i>	48,671	48,671	48,671	0
<i>Fund Balance End of Year</i>	\$84,621	\$81,106	\$47,248	(\$33,858)

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Tiedeman Road Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Taxes	\$128,000	\$128,000	\$124,053	(\$3,947)
Property Taxes	32,000	32,000	30,284	(1,716)
Interest	0	0	9	9
<i>Total Revenues</i>	160,000	160,000	154,346	(5,654)
Expenditures	0	0	0	0
<i>Excess of Revenues Over Expenditures</i>	160,000	160,000	154,346	(5,654)
Other Financing Uses				
Transfers Out	(150,000)	(150,000)	(150,000)	0
<i>Net Change in Fund Balance</i>	10,000	10,000	4,346	(5,654)
<i>Fund Balance Beginning of Year</i>	47,154	47,154	47,154	0
<i>Fund Balance End of Year</i>	<u>\$57,154</u>	<u>\$57,154</u>	<u>\$51,500</u>	<u>(\$5,654)</u>

City of Brooklyn, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Safety Forces Construction Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$0	\$0	\$0	\$0
Expenditures	0	0	0	0
<i>Excess of Revenues Over Expenditures</i>	0	0	0	0
Other Financing Sources (Uses)				
Transfers In	340,000	325,000	309,942	(15,058)
Transfers Out	(325,000)	(325,000)	(309,942)	15,058
<i>Total Other Financing Sources (Uses)</i>	15,000	0	0	0
<i>Net Change in Fund Balance</i>	15,000	0	0	0
<i>Fund Balance Beginning of Year</i>	8	8	8	0
<i>Fund Balance End of Year</i>	<u>\$15,008</u>	<u>\$8</u>	<u>\$8</u>	<u>\$0</u>

City of Brooklyn, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Retrospective Medical Claims Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Municipal Income Taxes	\$285,000	\$285,000	\$310,062	\$25,062
Expenses				
Contractual Services	175,000	175,000	137,203	37,797
Claims	118,000	118,000	117,118	882
<i>Total Expenses</i>	<u>293,000</u>	<u>293,000</u>	<u>254,321</u>	<u>38,679</u>
<i>Net Change in Fund Equity</i>	(8,000)	(8,000)	55,741	63,741
<i>Fund Equity Beginning of Year</i>	<u>412,143</u>	<u>412,143</u>	<u>412,143</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$404,143</u></u>	<u><u>\$404,143</u></u>	<u><u>\$467,884</u></u>	<u><u>\$63,741</u></u>



STATISTICAL SECTION

CITY OF BROOKLYN, OHIO

Statistical Section

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

Contents	Pages(s)
<i>Financial Trends</i>	S2 – S11
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	S12 – S19
These schedules contain information to help the reader assess the City’s most significant local revenues, the property tax and the municipal income tax.	
<i>Debt Capacity</i>	S20 - S26
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
<i>Economic and Demographic Information</i>	S27 - S29
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place.	
<i>Operating Information</i>	S30 - S39
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	

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

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

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Governmental Activities				
Net Investment in Capital Assets	\$23,908,767	\$21,324,188	\$21,125,879	\$21,616,798
Restricted:				
Capital Projects	447,019	924,712	2,666,804	2,146,491
Debt Service	46,618	16,177	0	0
Street Construction, Maintenance and Repair	869,775	531,517	415,740	346,999
State Highway	282,201	230,903	195,863	166,341
Street Lighting	0	0	0	0
Court Computer	62,672	59,723	49,752	30,078
Police Programs	527,641	441,248	532,946	425,525
Landfill	4,319,476	4,141,873	3,954,812	3,833,085
Other Purposes	210,306	193,850	233,034	246,223
Unrestricted (Deficit)	<u>5,310,835</u>	<u>3,830,394</u>	<u>(799,210)</u>	<u>(6,263,918)</u>
<i>Total Governmental Activities Net Position</i>	<u><u>\$35,985,310</u></u>	<u><u>\$31,694,585</u></u>	<u><u>\$28,375,620</u></u>	<u><u>\$22,547,622</u></u>

2008	2007	2006	2005	2004	2003
\$22,732,949	\$22,893,430	\$21,907,993	\$15,357,773	\$20,264,115	\$19,081,359
1,722,815	1,860,948	2,104,553	5,687,329	1,796,796	2,014,319
82,902	0	0	160,808	174,909	344,880
352,507	290,459	298,241	223,557	429,095	331,950
152,741	130,675	114,162	77,558	78,242	0
0	0	0	0	0	148,860
17,081	16,534	46,779	61,576	66,078	58,014
161,770	100,494	75,024	77,307	86,937	0
3,686,087	3,501,863	3,297,895	3,109,403	2,867,371	2,544,955
181,782	150,493	170,522	145,292	92,640	134,707
(4,040,525)	(3,446,068)	(1,296,375)	(2,664,024)	(3,028,569)	(1,815,446)
<u>\$25,050,109</u>	<u>\$25,498,828</u>	<u>\$26,718,794</u>	<u>\$22,236,579</u>	<u>\$22,827,614</u>	<u>\$22,843,598</u>

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

	2012	2011	2010	2009
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$200,637	\$138,097	\$102,807	\$103,950
Security of Persons and Property	809,040	820,180	1,032,438	953,949
Community Environment	0	209,212	79,481	84,495
Basic Utility Services	2,056	2,760	1,990	2,601
Leisure Time Activities	680,775	661,434	621,789	685,917
Subtotal - Charges for Services	<u>1,692,508</u>	<u>1,831,683</u>	<u>1,838,505</u>	<u>1,830,912</u>
Operating Grants and Contributions:				
General Government	42,710	52,059	105,242	92,616
Security of Persons and Property	245,393	321,250	658,332	439,532
Transportation	819,917	634,485	670,206	576,481
Community Environment	75,632	0	0	0
Basic Utility Services	16,852	21,051	48,777	48,320
Leisure Time Activities	0	77,286	0	0
Subtotal - Operating Grants and Contributions	<u>0</u>	<u>1,106,131</u>	<u>1,482,557</u>	<u>1,156,949</u>
Capital Grants and Contributions:				
Security of Persons and Property	0	0	0	0
Transportation	118,367	434,258	518,592	25,503
<i>Total Governmental Activities Program Revenues</i>	<u>3,011,379</u>	<u>3,372,072</u>	<u>3,839,654</u>	<u>3,013,364</u>
Expenses				
Governmental Activities:				
General Government	2,159,779	2,304,429	2,619,663	2,416,591
Security of Persons and Property	8,363,930	8,342,890	8,466,060	8,821,940
Transportation	963,461	851,242	224,314	972,791
Community Environment	1,554,439	1,707,686	959,325	4,430,941
Basic Utility Services	2,159,415	2,219,956	2,332,882	2,583,382
Leisure Time Activities	2,207,282	2,403,861	2,159,394	2,513,099
Interest and Fiscal Charges	385,123	314,400	398,123	439,959
<i>Total Governmental Activities Expenses</i>	<u>17,793,429</u>	<u>18,144,464</u>	<u>17,159,761</u>	<u>22,178,703</u>
Net (Expense)/Revenue				
Governmental Activities	<u>(\$14,782,050)</u>	<u>(\$14,772,392)</u>	<u>(\$13,320,107)</u>	<u>(\$19,165,339)</u>

2008	2007	2006	2005	2004	2003
\$85,736	\$118,104	\$70,964	\$49,926	\$29,684	\$33,508
1,001,928	681,396	760,677	674,340	722,691	810,495
97,191	100,064	136,206	124,325	108,532	132,797
6,795	1,763	233	338	6,368	13,456
717,232	578,526	655,500	632,046	651,953	613,409
<u>1,908,882</u>	<u>1,479,853</u>	<u>1,623,580</u>	<u>1,480,975</u>	<u>1,519,228</u>	<u>1,603,665</u>
134,129	112,470	22,059	22,886	27,316	26,647
271,357	326,059	147,644	201,212	256,546	85,474
704,662	735,436	659,244	604,328	621,256	468,008
104,157	0	4,741	33,546	100,603	82,277
41,084	32,579	0	0	0	0
0	0	0	0	0	0
<u>1,255,389</u>	<u>1,206,544</u>	<u>833,688</u>	<u>861,972</u>	<u>1,005,721</u>	<u>662,406</u>
0	0	0	35,093	0	0
217,646	191,381	0	0	0	0
<u>3,381,917</u>	<u>2,877,778</u>	<u>2,457,268</u>	<u>2,378,040</u>	<u>2,524,949</u>	<u>2,266,071</u>
2,079,281	1,980,326	1,492,020	2,022,846	1,780,771	1,728,888
8,812,504	8,930,741	7,010,400	8,768,021	7,445,195	7,434,844
1,246,843	1,900,474	252,414	1,291,187	796,490	865,328
1,884,187	1,837,776	1,784,567	1,741,243	1,565,039	1,600,235
3,090,199	3,342,106	2,854,851	3,012,207	3,019,920	2,982,030
2,743,950	2,689,422	2,309,476	2,305,614	2,423,794	2,430,608
448,354	471,505	494,153	234,754	222,601	229,090
<u>20,305,318</u>	<u>21,152,350</u>	<u>16,197,881</u>	<u>19,375,872</u>	<u>17,253,810</u>	<u>17,271,023</u>
<u>(\$16,923,401)</u>	<u>(\$18,274,572)</u>	<u>(\$13,740,613)</u>	<u>(\$16,997,832)</u>	<u>(\$14,728,861)</u>	<u>(\$15,004,952)</u>

(continued)

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

	2012	2011	2010	2009
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	\$589,697	\$642,734	\$635,942	\$1,139,534
Street Lighting	117,165	124,163	122,467	146,974
Police Pension	294,198	307,511	300,336	380,023
Fire Pension	314,100	343,337	335,327	424,296
Debt Service	279,037	298,553	291,588	368,955
Capital Outlay	30,284	38,584	38,032	46,642
Municipal Income Taxes levied for:				
General Purposes	13,857,423	12,463,632	14,238,025	11,518,038
Termination Leave Payment	322,180	296,719	327,790	99,046
Retrospective Medical Claims	322,180	296,148	348,837	102,987
Debt Service	0	0	0	0
Capital Outlay	1,711,161	1,730,787	1,010,760	856,179
Local Taxes	343,503	300,522	268,085	266,960
Grants and Entitlements not Restricted to				
Specific Programs	538,085	1,058,307	1,115,478	1,115,311
Investment Income	22,604	31,083	47,982	99,672
Gain on Sale of Capital Assets	0	43,705	0	17,990
Other	113,708	115,572	67,456	80,245
<i>Total General Revenues</i>	18,855,325	18,091,357	19,148,105	16,662,852
Special Item				
Sale of Brooklyn Library	217,450	0	0	0
<i>Total General Revenues and Special Item</i>	19,072,775	18,091,357	19,148,105	16,662,852
<i>Total Change in Net Position</i>	\$4,290,725	\$3,318,965	\$5,827,998	(\$2,502,487)

2008	2007	2006	2005	2004	2003
\$1,037,895	\$1,215,894	\$1,118,624	\$1,106,813	\$1,024,867	\$966,181
137,985	165,820	148,264	92,175	93,809	88,999
338,390	290,911	485,973	377,898	302,767	283,463
377,815	451,697	444,776	468,419	396,573	371,627
328,534	337,536	370,645	363,739	375,228	418,061
55,543	74,059	79,210	79,441	78,087	38,071
10,472,331	10,348,944	11,873,518	10,505,190	9,273,873	10,045,460
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	300,239
1,790,878	2,124,235	1,844,414	1,640,193	1,914,683	1,774,897
171,729	0	0	0	0	0
1,307,344	1,442,977	1,228,147	1,278,859	1,015,766	1,021,200
324,568	445,581	654,993	412,082	184,372	135,906
0	9,126	0	2,696	0	0
131,670	147,826	81,341	79,292	52,852	23,490
16,474,682	17,054,606	18,329,905	16,406,797	14,712,877	15,467,594
0	0	0	0	0	0
16,474,682	17,054,606	18,329,905	16,406,797	14,712,877	15,467,594
(\$448,719)	(\$1,219,966)	\$4,589,292	(\$591,035)	(\$15,984)	\$462,642

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

	2012	2011	2010	2009
General Fund				
Reserved	\$0	\$0	\$0	\$3,939,871
Unreserved	0	0	0	1,899,926
Nonspendable	201,253	178,280	161,412	0
Restricted	4,319,476	4,141,873	3,954,812	0
Committed	93,526	8,346	23,525	0
Assigned	1,437,919	1,835,737	134,328	0
Unassigned	7,829,763	7,339,376	6,368,863	0
Total General Fund	13,881,937	13,503,612	10,642,940	5,839,797
All Other Governmental Funds				
Reserved	0	0	0	215,124
Unreserved, Undesignated, Reported in:				
Special Revenue funds	0	0	0	665,902
Debt Service fund (Deficit)	0	0	0	78,725
Capital Projects funds (Deficit)	0	0	0	1,936,063
Restricted	1,714,149	1,234,979	792,665	0
Committed	2,653,602	1,233,360	2,673,211	0
Unassigned (Deficit)	(115,338)	(578,809)	(67,537)	0
Total All Other Governmental Funds	4,252,413	1,889,530	3,398,339	2,895,814
Total Governmental Funds	\$18,134,350	\$15,393,142	\$14,041,279	\$8,735,611

Note: During 2011, the City implemented GASB 54.

2008	2007	2006	2005	2004	2003
\$3,863,104	\$3,612,905	\$3,394,205	\$3,193,942	\$2,992,365	\$2,879,861
1,898,890	3,055,408	3,730,445	2,886,049	2,438,056	3,099,650
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
5,761,994	6,668,313	7,124,650	6,079,991	5,430,421	5,979,511
353,067	551,386	866,964	740,211	108,771	282,601
369,699	143,250	202,336	214,407	342,258	252,050
79,715	(21,841)	(4,438)	239,145	230,600	296,290
1,379,650	1,288,226	1,216,437	4,946,139	1,703,137	1,756,892
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
2,182,131	1,961,021	2,281,299	6,139,902	2,384,766	2,587,833
\$7,944,125	\$8,629,334	\$9,405,949	\$12,219,893	\$7,815,187	\$8,567,344

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

	2012	2011	2010	2009
Revenues				
Municipal Income Taxes	\$15,216,780	\$14,603,931	\$15,378,165	\$12,247,285
Property Taxes	1,647,181	1,804,935	1,786,658	2,351,370
Local Taxes	342,430	298,257	269,488	263,665
Charges for Services	1,064,828	1,024,204	957,232	1,054,257
Fines, Licenses and Permits	568,145	750,068	824,573	719,955
Intergovernmental	1,963,016	2,564,402	2,940,363	2,444,270
Special Assessments	0	0	0	0
Contributions and Donations	0	197,257	132,286	2,404
Interest	22,604	31,083	47,982	99,672
Rentals	59,535	57,411	56,700	56,700
Other	113,708	115,572	67,456	76,276
<i>Total Revenues</i>	<u>20,998,227</u>	<u>21,447,120</u>	<u>22,460,903</u>	<u>19,315,854</u>
Expenditures				
Current:				
General Government	2,008,179	2,103,845	2,473,487	2,246,485
Security of Persons and Property	7,628,890	7,537,790	7,729,531	7,892,278
Transportation	467,538	520,129	627,981	598,620
Community Environment	1,353,477	1,529,276	801,511	2,233,166
Basic Utilities Services	1,816,695	1,843,794	2,038,735	2,212,848
Leisure Time Activities	1,549,473	1,675,711	1,523,363	1,827,384
Capital Outlay	2,445,492	1,972,515	455,840	1,271,760
Debt Service:				
Principal Retirement	894,126	2,612,289	879,056	798,932
Principal Retirement - Current Refunding	0	0	0	0
Interest and Fiscal Charges	318,324	343,613	422,074	428,645
Bond Issuance Costs	0	0	0	0
<i>Total Expenditures</i>	<u>18,482,194</u>	<u>20,138,962</u>	<u>16,951,578</u>	<u>19,510,118</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,516,033</u>	<u>1,308,158</u>	<u>5,509,325</u>	<u>(194,264)</u>
Other Financing Sources (Uses)				
Bond Premium	0	0	0	0
Bonds Issued	0	0	0	0
General Obligation Notes Issued	0	0	1,676,000	1,815,000
Current Refunding	0	0	(1,815,000)	(575,000)
Inception of Capital Lease	7,725	0	24,343	0
Sale of Capital Assets	0	43,705	0	18,750
Transfers In	3,938,711	1,168,018	1,136,440	1,054,192
Transfers Out	(3,938,711)	(1,168,018)	(1,225,440)	(1,327,192)
<i>Total Other Financing Sources (Uses)</i>	<u>7,725</u>	<u>43,705</u>	<u>(203,657)</u>	<u>985,750</u>
Special Item				
Sale of Brooklyn Library	217,450	0	0	0
<i>Net Change in Fund Balances</i>	<u>\$2,741,208</u>	<u>\$1,351,863</u>	<u>\$5,305,668</u>	<u>\$791,486</u>
Debt Service as a Percentage of Noncapital Expenditures	7.5%	16.4%	8.0%	6.8%

2008	2007	2006	2005	2004	2003
\$12,102,414	\$12,891,860	\$13,477,404	\$12,251,146	\$11,282,075	\$11,774,432
2,371,912	2,393,975	2,436,189	2,502,769	2,264,418	2,150,305
170,301	0	0	0	0	0
1,079,706	771,638	825,376	802,328	837,834	822,895
772,476	651,515	781,275	678,647	681,394	780,770
2,690,551	2,647,967	2,045,099	2,113,217	1,916,555	1,669,861
0	0	0	0	85,000	75,000
17,273	22,551	24,850	25,677	30,107	30,381
324,568	445,581	654,993	412,082	184,372	135,906
56,700	56,700	16,929	0	0	0
131,670	147,826	81,341	79,292	52,852	23,490
19,717,571	20,029,613	20,343,456	18,865,158	17,334,607	17,463,040
1,945,424	1,777,101	2,007,973	1,658,777	1,713,115	1,543,745
8,483,728	8,122,257	7,739,321	7,379,730	7,051,268	6,773,741
854,362	747,293	535,888	713,054	518,645	587,379
1,690,952	1,599,877	1,639,827	1,409,089	1,474,151	1,364,005
2,873,084	2,901,785	2,490,055	2,612,506	2,636,120	2,526,614
2,159,751	2,071,857	1,917,722	1,970,298	2,023,864	1,955,914
1,203,029	3,964,960	5,893,082	2,501,641	1,516,301	1,388,901
1,027,789	983,395	955,504	1,150,667	3,158,241	3,344,804
75,000	230,000	0	0	0	0
451,937	473,568	529,353	213,261	219,310	245,970
0	0	113,472	0	0	0
20,765,056	22,872,093	23,822,197	19,609,023	20,311,015	19,731,073
(1,047,485)	(2,842,480)	(3,478,741)	(743,865)	(2,976,408)	(2,268,033)
0	0	299,477	0	0	0
0	0	5,255,000	0	0	0
575,000	650,000	880,000	5,800,000	1,910,000	2,400,000
(575,000)	(650,000)	(5,800,000)	(1,500,000)	0	0
0	2,054,515	0	845,875	310,650	245,635
0	11,350	30,320	2,696	3,601	0
1,181,245	1,250,779	903,321	769,054	764,070	477,475
(1,181,245)	(1,250,779)	(903,321)	(769,054)	(764,070)	(477,475)
0	2,065,865	664,797	5,148,571	2,224,251	2,645,635
0	0	0	0	0	0
(\$1,047,485)	(\$776,615)	(\$2,813,944)	\$4,404,706	(\$752,157)	\$377,602
7.9%	7.8%	10.5%	8.7%	21.9%	24.3%

City of Brooklyn, Ohio
Assessed Valuation and Estimated True Values of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2012	\$123,298,120	\$150,481,690	\$782,228,029	\$18,145,400	\$20,619,773
2011	147,141,060	169,170,360	903,746,914	17,001,890	19,320,330
2010	147,383,380	164,623,650	891,448,657	16,770,910	19,057,852
2009	147,578,400	166,211,610	896,542,886	16,902,930	19,207,875
2008	162,454,880	167,532,300	942,820,514	16,502,840	18,753,227
2007	162,295,170	166,548,580	939,553,570	17,787,020	20,212,523
2006	148,042,060	152,992,920	860,099,942	17,752,200	20,172,955
2005	147,931,850	152,600,270	858,663,200	18,798,000	21,361,364
2004	147,673,370	149,627,960	849,432,371	19,429,120	22,078,545
2003	137,296,000	149,030,280	818,075,086	19,451,050	22,103,466

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax was phased out beginning in 2006.

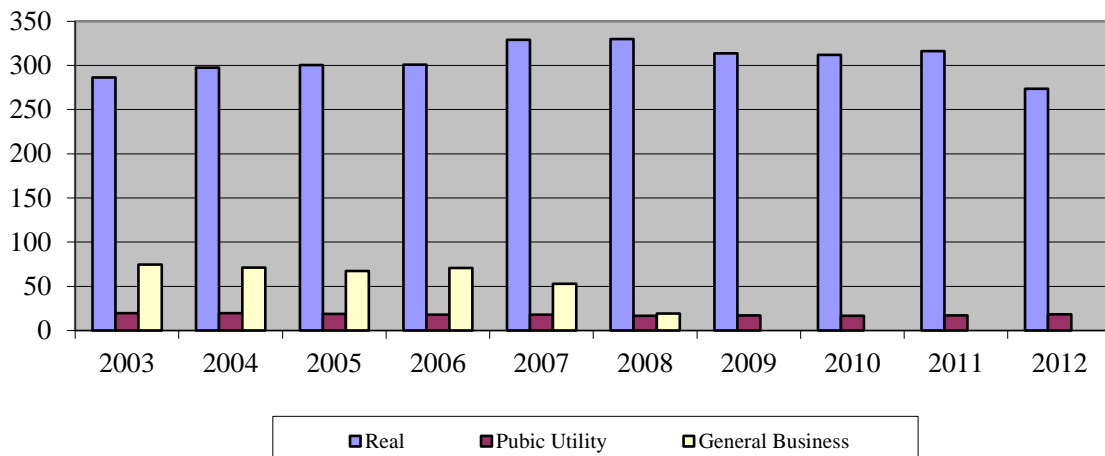
The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by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

Source: Office of the County Fiscal Officer, Cuyahoga County, Ohio

Tangible Personal Property

General Business		Total			
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	Tax Rate
\$0	\$0	\$291,925,210	\$802,847,801	36 %	\$5.90
0	0	333,313,310	923,067,244	36	5.90
0	0	328,777,940	910,506,509	36	5.90
0	0	330,692,940	915,750,761	36	6.90
19,201,489	307,223,824	365,691,509	1,268,797,566	29	6.90
52,837,854	422,702,832	399,468,624	1,382,468,926	29	6.90
70,888,141	378,070,085	389,675,321	1,258,342,983	31	6.90
67,156,690	268,626,760	386,486,810	1,148,651,324	34	5.40
71,086,443	284,345,772	387,816,893	1,155,856,689	34	5.40
74,455,744	297,822,976	380,233,074	1,138,001,528	33	5.40

**Assessed Values
(In Millions of Dollars)**



City of Brooklyn, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Amounts Represent Mills)
Last Ten Years

	2012	2011	2010	2009
Inside Millage				
Operating	\$2.30000	\$2.30000	\$2.30000	\$2.30000
Fire Pension	0.90000	0.90000	0.90000	0.90000
Police Pension	0.70000	0.70000	0.70000	0.70000
<i>Total Inside Millage</i>	<u>3.90000</u>	<u>3.90000</u>	<u>3.90000</u>	<u>3.90000</u>
Charter Millage				
1976 Charter/Bond Retirement	1.00000	1.00000	1.00000	1.00000
1976 Charter/Street Lighting	0.42000	0.42000	0.42000	0.42000
1976 Charter/Current Expense	0.00000	0.00000	0.00000	0.00000
1976 Charter/Fire Pension	0.25000	0.25000	0.25000	0.25000
1976 Charter/Police Pension	0.33000	0.33000	0.33000	0.33000
<i>Total Charter Millage</i>	<u>2.00000</u>	<u>2.00000</u>	<u>2.00000</u>	<u>2.00000</u>
Total Millage	<u>\$5.90000</u>	<u>\$5.90000</u>	<u>\$5.90000</u>	<u>\$5.90000</u>

Overlapping Rates by Taxing District

Brooklyn City School District				
Residential/Agricultural Real	\$40.1574	\$35.3261	\$35.2990	\$35.0838
Commercial/Industrial and Public Utility Real	37.4639	34.3551	34.2130	33.8602
General Business and Public Utility Personal	48.7000	47.2000	47.2000	47.0000
Cuyahoga County Commissioners				
Residential/Agricultural Real	13.2200	13.1182	13.1866	13.1789
Commercial/Industrial and Public Utility Real	12.9968	12.7845	12.8413	12.8457
General Business and Public Utility Personal	13.2200	13.2200	13.3200	13.3200
Special Taxing Districts (1)				
Residential/Agricultural Real	9.8920	9.6903	9.6720	9.1880
Commercial/Industrial and Public Utility Real	9.5936	9.4061	9.3581	8.9194
General Business and Public Utility Personal	9.9800	9.9800	9.9800	9.6800

Source: Cuyahoga County Fiscal Officer

Note: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

The City's basic property tax rate may be increased only by a majority vote of the City's residents.

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

Real property tax rates are reduced so that inflationary increases in value do not generate additional revenue.

The City has 12 mills (including inside millage) of charter millage authorized; through 2012 only 5.9 mills has been levied. The 5.9 mills includes 3.9 mills of inside millage.

- (1) Metro Parks, Port Authority, County Library, Community College, and Polaris Joint Vocational School District. 2003 include the Metro Parks, County Library, and Polaris Joint Vocational School District. 2004 - 2012 Port Authority and Community College added.

2008	2007	2006	2005	2004	2003
\$2.30000	\$2.30000	\$2.30000	\$2.30000	\$2.30000	\$2.30000
0.90000	0.90000	0.90000	0.90000	0.90000	0.90000
0.70000	0.70000	0.70000	0.70000	0.70000	0.70000
3.90000	3.90000	3.90000	3.90000	3.90000	3.90000
1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
0.42000	0.42000	0.40000	0.25000	0.25000	0.25000
1.00000	1.00000	1.00000	1.00000	0.00000	0.00000
0.25000	0.25000	0.30000	0.40000	0.15000	0.15000
0.33000	0.33000	0.30000	0.35000	0.10000	0.10000
3.00000	3.00000	3.00000	3.00000	1.50000	1.50000
\$6.90000	\$6.90000	\$6.90000	\$6.90000	\$5.40000	\$5.40000
\$32.9276	\$26.0149	\$26.0281	\$26.0273	\$26.0257	\$29.9529
33.1222	26.2242	26.5609	26.4834	26.5447	30.1638
46.4000	39.5000	39.5000	39.5000	39.5000	43.4000
12.6607	11.8689	11.7227	10.9754	10.9899	12.4609
12.8153	12.4536	12.5762	11.9846	12.0433	12.8764
13.3200	13.5200	13.5200	13.5200	13.5200	14.6500
8.6597	7.9675	8.2900	8.2880	6.7784	4.5323
8.8972	8.2518	8.5685	8.5067	7.1811	4.5497
9.6800	9.1800	9.1800	9.1800	8.2800	5.3500

City of Brooklyn, Ohio
Property Tax Levies And Collections (1)
Last Ten Years

Collection Year	Current Tax Levy (2)	Current Tax Collections (2)	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections
2012	\$1,953,233	\$1,748,685	89.53 %	\$62,870
2011	1,945,297	1,876,656	96.47	49,092
2010	1,953,844	1,884,608	96.46	57,067
2009	2,409,896	2,294,076	95.19	52,834
2008	2,402,660	2,334,188	97.15	84,929
2007	2,352,293	2,218,073	94.29	43,686
2006	2,188,363	2,129,842	97.33	25,608
2005	2,197,399	2,126,897	96.79	38,450
2004	1,721,897	1,674,028	97.22	60,099
2003	1,658,287	1,590,902	95.94	30,891

Source: Cuyahoga County, Ohio; Fiscal Officer

- (1) Information for Real and Public Utility only.
- (2) State reimbursement of rollback and homestead exemptions are included.
- (3) Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs.

Note: The County does not maintain delinquency information by tax year.

<u>Total Tax Collections (1)</u>	<u>Percent of Total Tax Collections to Current Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes (3)</u>	<u>Percentage of Delinquent Taxes to Total Tax Levy</u>
\$1,811,555	92.75 %	\$167,712	8.59 %
1,925,748	99.00	60,500	3.11
1,941,675	99.38	39,502	2.02
2,346,910	97.39	77,109	3.20
2,419,117	100.68	72,798	3.03
2,261,759	96.15	98,172	4.17
2,155,450	98.50	47,654	2.18
2,165,347	98.54	44,522	2.03
1,734,127	100.71	50,073	2.91
1,621,793	97.80	62,151	3.75

City of Brooklyn, Ohio
Principal Real Property Taxpayers
2012 and 2003

<i>2012</i>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Plain Dealer Publishing Company	\$16,365,160	5.98 %
Ameritrust Co National Association	14,279,660	5.22
Cleveland Electric Illuminating	11,810,530	4.31
Ridge Park Square LLC	8,137,200	2.97
American Greetings Corporation	6,501,850	2.37
American Transmission System	5,646,510	2.06
Westedge Residential, LLC	5,483,890	2.00
Troy CMBS Property LLC	5,387,070	1.97
Terraces at Northridge LTD	4,819,400	1.76
Northcliff Shopping	3,923,400	1.44
Total	\$82,354,670	30.08 %
Total Real Property Assessed Valuation	\$273,779,810	

<i>2003</i>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Plain Dealer Publishing Company	\$21,000,000	7.33 %
Cleveland Electric Illuminating	9,511,530	3.32
American Transmission System	7,585,660	2.65
Ameritrust Co National Association	6,953,030	2.43
Ridge Park Square LLC	6,754,410	2.36
American Greetings Corporation	6,559,000	2.29
Troy CMBS Property LLC	5,209,580	1.82
Westbrook Apartments	5,139,370	1.79
Terraces at Northridge LTD	4,395,720	1.54
Biddulph Ridge Extension LLC	4,057,660	1.42
Total	\$77,165,960	26.95 %
Total Real Property Assessed Valuation	\$286,326,280	

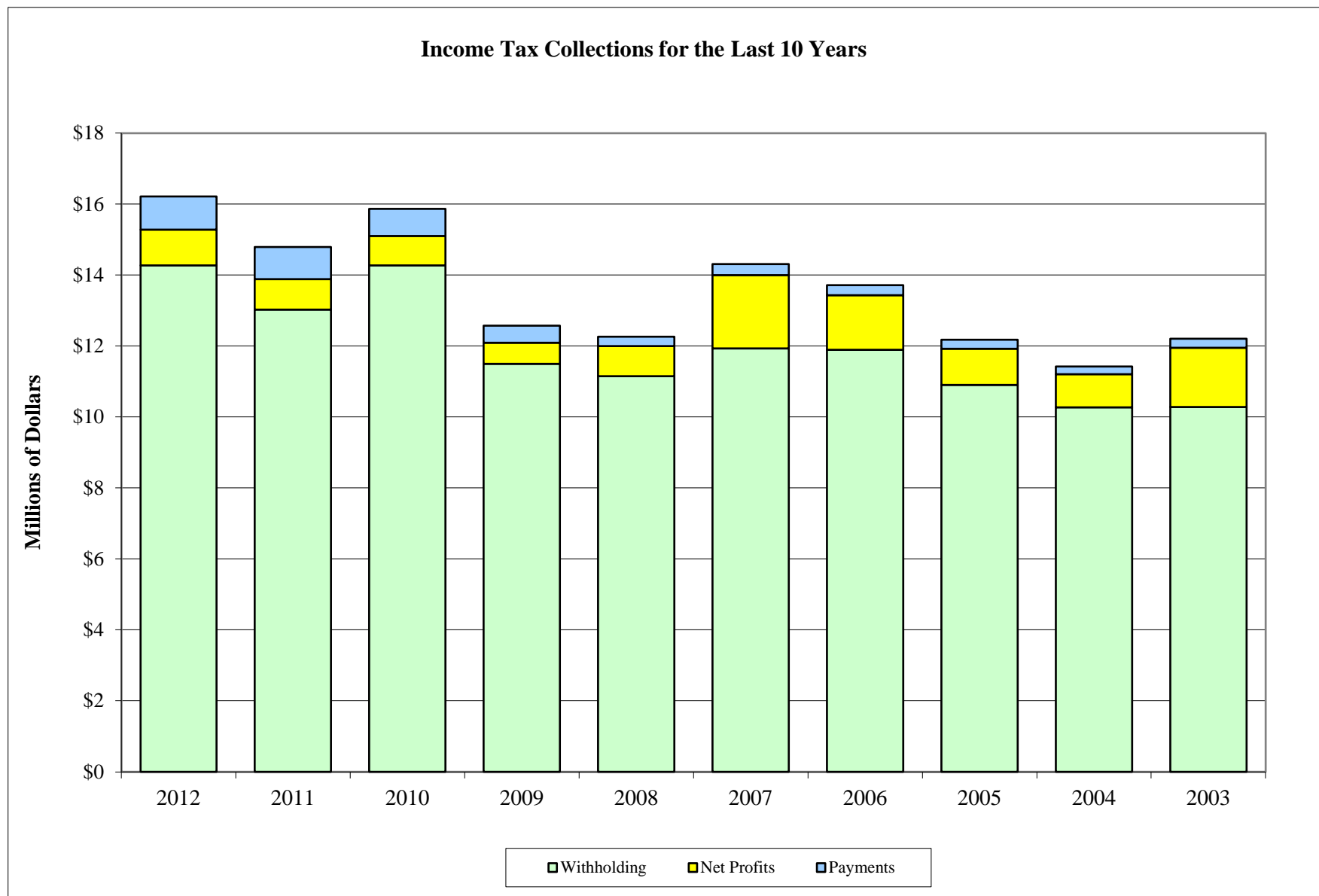
Source: Cuyahoga County Fiscal Officer

City of Brooklyn, Ohio
Income Tax Revenue Base and Collections
Last Ten Years

Tax Year (1)	Tax Rate (2)	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individual Payments	Percentage of Taxes from Individual Payments
2012	2.50%	\$16,212,944	\$14,267,050	88.00%	\$1,014,801	6.26%	\$931,093	5.74%
2011	2.50	14,790,033	13,026,141	88.07	861,775	5.83	902,117	6.10
2010	2.50	15,865,212	14,271,733	89.96	831,687	5.24	761,792	4.80
2009	2.50	12,576,250	11,496,947	91.42	598,243	4.75	481,060	3.83
2008	2.00	12,263,209	11,147,257	90.90	853,519	6.96	262,433	2.14
2007	2.00	12,473,179	11,928,400	95.63	2,070,648	16.60	310,489	2.49
2006	2.00	13,717,932	11,896,241	86.72	1,535,556	11.19	286,135	2.09
2005	2.00	12,145,383	10,900,207	89.75	1,022,100	8.42	255,146	2.10
2004	2.00	11,188,556	10,271,627	91.80	929,723	8.31	224,559	2.01
2003	2.00	12,120,596	10,278,308	84.80	1,669,103	13.77	258,849	2.14

- (1) 2003 through 2012 are on an Accrual Basis
- (2) Effective June 1, 2009 City of Brooklyn Electors voted to increase the City income tax by .50 percent to generate proceeds to be used for the governmental expenses.
- (3) The City is statutorily prohibited from presenting individual taxpayer information.

Source: City Income Tax Department Records for years 2003 through 2008
Regional Income Tax Agency Records for year 2009 through 2012



City of Brooklyn, Ohio
*Ratio of Outstanding Debt to
Total Personal Income and Debt Per Capita
Last Ten Years*

Year	Governmental Activities				
	General Obligation Bonds	Special Assessment Bonds	OPWC Loans	Capital Leases	Police and Fire Pension
2012	\$4,209,187	\$0	\$137,425	\$1,470,014	\$46,618
2011	4,775,606	0	192,395	1,747,417	47,840
2010	5,369,218	0	274,850	2,020,079	49,012
2009	5,942,831	0	329,820	2,258,699	50,135
2008	6,481,444	0	357,305	2,504,069	51,212
2007	7,010,057	0	412,275	2,823,720	52,245
2006	7,513,670	0	467,245	1,032,018	53,235
2005	2,522,806	0	522,215	1,215,926	54,184
2004	2,832,806	0	577,185	587,647	55,094
2003	3,127,806	85,000	632,155	450,256	55,967

Notes:

Population and Personal Income data are presented on page S28

Honeywell Loan	Long-Term Notes	Total Debt	Percentage of Personal Income	Per Capita
\$0	\$0	\$5,863,244	2.47%	\$525
0	0	6,763,258	2.85	606
0	1,676,000	9,389,159	3.96	841
0	1,815,000	10,396,485	4.25	897
0	575,000	9,969,030	4.07	860
137,135	650,000	11,085,432	4.53	957
311,757	880,000	10,257,925	4.19	885
477,434	5,800,000	10,592,565	4.33	914
634,625	1,910,000	6,597,357	2.70	569
783,764	2,400,000	7,534,948	3.08	650

City of Brooklyn, Ohio
*Ratio of General Obligation Bonded Debt to Estimated Actual
 Value and Bonded Debt Per Capita
 Last Ten Years*

Year	Population (1)	Estimated Actual Values of Taxable Property (2)	Bonded Debt
2012	11,169	\$802,847,801	\$4,209,187
2011	11,169	923,067,244	4,775,606
2010	11,169	910,506,509	5,369,218
2009	11,586	915,750,761	5,942,831
2008	11,586	1,268,797,566	6,481,444
2007	11,586	1,382,468,926	7,010,057
2006	11,586	1,258,342,983	7,513,670
2005	11,586	1,148,651,324	2,522,806
2004	11,586	1,155,856,689	2,832,806
2003	11,586	1,138,001,528	3,127,806

Sources:

(1) 2003-2009: 2000 U. S. Bureau of Census, Census of Population.

2010-2012: 2010 U.S. Bureau of Census, Census Population

(2) Cuyahoga County Fiscal Officer

<u>Ratio of Bonded Debt to Estimated Actual Values of Taxable Property</u>	<u>Bonded Debt Per Capita</u>
0.52%	\$376.86
0.52	427.58
0.59	480.73
0.65	512.93
0.51	559.42
0.51	605.05
0.60	648.51
0.22	217.75
0.25	244.50
0.27	269.96

City of Brooklyn, Ohio
Legal Debt Margin
Last Ten Years

	2012	2011	2010	2009
Total Assessed Property Value	<u>\$291,925,210</u>	<u>\$333,313,310</u>	<u>\$328,777,940</u>	<u>\$330,692,940</u>
General Bonded Debt Outstanding:				
General Obligation Bonds	\$4,005,000	\$4,557,806	\$5,137,806	\$5,697,806
Special Assessment Bonds	0	0	0	0
Bond Anticipation Notes	0	1,676,000	1,815,000	1,920,000
Honeywell Loan	0	0	0	0
OPWC Loans	<u>137,425</u>	<u>192,395</u>	<u>274,850</u>	<u>329,820</u>
Total Gross Indebtedness	4,142,425	6,426,201	7,227,656	7,947,626
Less:				
Special Assessment Bonds	0	0	0	0
Honeywell Loan	0	0	0	0
OPWC Loans	(137,425)	(192,395)	(274,850)	(329,820)
General Obligation Bond Retirement Fund Balance	<u>(47,248)</u>	<u>0</u>	<u>0</u>	<u>(106,210)</u>
Total Net Debt Applicable to Debt Limit	<u>3,957,752</u>	<u>6,233,806</u>	<u>6,952,806</u>	<u>7,511,596</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>30,652,147</u>	<u>34,997,898</u>	<u>34,521,684</u>	<u>34,722,759</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$26,694,395</u>	<u>\$28,764,092</u>	<u>\$27,568,878</u>	<u>\$27,211,163</u>
Legal Debt Margin as a Percentage of the Debt Limit	87.09%	82.19%	79.86%	78.37%
Unvoted Debt Limitation 5 ½ % of Assessed Valuation	<u>\$16,055,887</u>	<u>\$18,332,232</u>	<u>\$18,082,787</u>	<u>\$18,188,112</u>
Total Gross Indebtedness	4,142,425	6,426,201	7,227,656	7,947,626
Less:				
Special Assessment Bonds	0	0	0	0
Honeywell Loan	0	0	0	0
OPWC Loans	(137,425)	(192,395)	(274,850)	(329,820)
General Obligation Bond Retirement Fund Balance	<u>(47,248)</u>	<u>0</u>	<u>0</u>	<u>(106,210)</u>
Net Debt Within 5 ½ % Limitations	<u>3,957,752</u>	<u>6,233,806</u>	<u>6,952,806</u>	<u>7,511,596</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$12,098,135</u>	<u>\$12,098,426</u>	<u>\$11,129,981</u>	<u>\$10,676,516</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	75.35%	66.00%	61.55%	58.70%

Source: City Financial Records

2008	2007	2006	2005	2004	2003
<u>\$365,691,509</u>	<u>\$399,468,624</u>	<u>\$389,675,321</u>	<u>\$386,486,810</u>	<u>\$387,816,893</u>	<u>\$380,233,074</u>
\$6,222,806	\$6,737,806	\$7,227,806	\$2,522,806	\$2,832,806	\$3,127,806
0	0	0	0	0	85,000
650,000	880,000	1,120,000	5,800,000	1,910,000	2,400,000
0	137,135	311,757	477,434	634,625	783,764
357,305	412,275	467,245	522,215	577,185	632,155
7,230,111	8,167,216	9,126,808	9,322,455	5,954,616	7,028,725
0	0	0	0	0	(85,000)
0	(137,135)	(311,757)	(477,434)	(634,625)	(783,764)
(357,305)	(412,275)	(467,245)	(522,215)	(577,185)	(632,155)
(79,715)	0	(190,562)	(239,145)	(230,600)	(296,290)
<u>6,793,091</u>	<u>7,617,806</u>	<u>8,157,244</u>	<u>8,083,661</u>	<u>4,512,206</u>	<u>5,231,516</u>
<u>38,397,608</u>	<u>41,944,206</u>	<u>40,915,909</u>	<u>40,581,115</u>	<u>40,720,774</u>	<u>39,924,473</u>
<u>\$31,604,517</u>	<u>\$34,326,400</u>	<u>\$32,758,665</u>	<u>\$32,497,454</u>	<u>\$36,208,568</u>	<u>\$34,692,957</u>
82.31%	81.84%	80.06%	80.08%	88.92%	86.90%
<u>\$20,113,033</u>	<u>\$21,970,774</u>	<u>\$21,432,143</u>	<u>\$21,256,775</u>	<u>\$21,329,929</u>	<u>\$20,912,819</u>
7,230,111	8,167,216	9,126,808	9,322,455	5,954,616	7,028,725
0	0	0	0	0	(85,000)
0	(137,135)	(311,757)	(477,434)	(634,625)	(783,764)
(357,305)	(412,275)	(467,245)	(522,215)	(577,185)	(632,155)
(79,715)	0	(190,562)	(239,145)	(230,600)	(296,290)
<u>6,793,091</u>	<u>7,617,806</u>	<u>8,157,244</u>	<u>8,083,661</u>	<u>4,512,206</u>	<u>5,231,516</u>
<u>\$13,319,942</u>	<u>\$14,352,968</u>	<u>\$13,274,899</u>	<u>\$13,173,114</u>	<u>\$16,817,723</u>	<u>\$15,681,303</u>
66.23%	65.33%	61.94%	61.97%	78.85%	74.98%

City of Brooklyn, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
 December 31, 2012

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City of Brooklyn
Direct Debt:			
City of Brooklyn			
General Obligation Bonds	\$4,209,187	100.00 %	\$4,209,187
OPWC Loans	137,425	100.00	137,425
Capital Leases	<u>1,470,014</u>	100.00	<u>1,470,014</u>
<i>Total Direct Debt</i>	<u>5,816,626</u>		<u>5,816,626</u>
Overlapping Debt:			
Cuyahoga County			
General Obligation Bonds	352,896,785	1.12	3,952,444
Revenue Bonds	441,559,586	1.12	4,945,467
Capital Lease Obligations	98,268,690	1.12	1,100,609
Loans Payable	7,269,902	1.12	81,423
Greater Cleveland Regional Transit Authority			
General Obligation Bonds	134,123,371	1.12	1,502,182
Capital Lease Obligations	<u>17,793,437</u>	1.12	<u>199,286</u>
<i>Total Overlapping Debt</i>	<u>1,051,911,771</u>		<u>11,781,411</u>
<i>Total Direct and Overlapping Debt</i>	<u><u>\$1,057,728,397</u></u>		<u><u>\$17,598,037</u></u>

Source: Cuyahoga County, Ohio; County Fiscal Officer

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

City of Brooklyn, Ohio
Principal Employers
Current Year and Three Years Ago

2012

Employer	Employees	Percentage of Total City Employment
Keybank National Association	2,520	21.39%
American Greetings Corporation	1,957	16.61
Arrow International, Incorporated	580	4.92
Plain Dealer Publishing Company	522	4.43
Wal-Mart/Sam's Club	400	3.40
Riser Foods Company	375	3.18
City of Brooklyn (1)	283	2.40
Brooklyn City School District	273	2.32
USF Holland, Incorporated	206	1.75
Vendors Exchange International	169	1.44
Total	7,285	61.84%
Total Employment within the City	11,781	

2009 (2)

Employer	Employees	Percentage of Total City Employment
Keybank National Association	2,537	24.69%
American Greetings Corporation	2,040	19.85
Arrow International, Incorporated	629	6.12
Plain Dealer Publishing Company	482	4.69
Hugo Boss	421	4.10
Wal-Mart/Sam's Club	410	3.99
City of Brooklyn (1)	309	3.01
AGCM, Inc.	299	2.90
Brooklyn City School District	274	2.67
USF Holland, Incorporated	143	1.39
Total	7,544	73.41%
Total Employment within the City	10,277	

Source: Regional Income Tax Agency

(1) Includes seasonal employees

(2) 2009 information is the latest available

City of Brooklyn, Ohio
Demographic and Economic Statistics
Last Ten Years

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (5)</u>	<u>Personal Income Per Capita (1)</u>	<u>Median Household Income (1)</u>	<u>Median Age (1)</u>
2012	11,169	\$236,939,166	\$21,214	\$39,859	42.9
2011	11,169	236,939,166	21,214	39,859	42.9
2010	11,169	236,939,166	21,214	39,859	42.9
2009	11,586	244,777,422	21,127	46,696	41.8
2008	11,586	244,777,422	21,127	46,696	41.8
2007	11,586	244,777,422	21,127	46,696	41.8
2006	11,586	244,777,422	21,127	46,696	41.8
2005	11,586	244,777,422	21,127	46,696	41.8
2004	11,586	244,777,422	21,127	46,696	41.8
2003	11,586	244,777,422	21,127	46,696	41.8

(1) Source: for 2010 - 2012 years: 2010 U.S. Census; 2003 - 2009: 2000 U. S. Census

(2) Source: Ohio Department of Education Website: <http://www.ode.state.oh.us>

(3) Cuyahoga County Planning Commission

(4) Source: Cuyahoga County Fiscal Officer

(5) Computation of per capita personal income multiplied by population

<u>School Enrollment (2)</u>	<u>Cuyahoga County Unemployment Rate (3)</u>	<u>Average Sales Price of Residential Property (4)</u>	<u>Total Assessed Property Value (4)</u>
1,483	6.6%	\$80,689	\$291,925,210
1,456	7.1	97,498	333,313,310
1,463	9.4	98,964	328,777,940
1,506	9.0	102,941	330,692,940
1,413	6.8	113,529	365,691,509
1,507	6.3	119,433	399,468,624
1,452	6.1	125,194	389,675,321
1,380	5.9	129,631	386,486,810
1,359	6.6	122,369	387,816,893
1,351	6.2	127,680	380,233,074

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

Function/Program	2012	2011	2010	2009
General Government				
Council	7.00	7.00	7.00	7.00
Mayor	1.00	1.00	1.00	1.00
Administration	1.50	2.50	2.50	2.00
Law	1.50	1.50	1.50	1.50
Finance	4.00	4.00	4.00	3.00
Tax	0.00	0.00	0.00	2.00
Public Building	1.50	1.50	1.50	2.00
Public Service	2.00	2.00	2.00	1.00
Engineer	0.50	0.50	1.00	1.00
Civil Service	3.00	3.00	3.00	3.00
Court	2.00	2.00	2.00	2.00
Data System	0.00	0.00	0.00	0.00
Security of Persons and Property				
Police	30.00	30.00	32.00	32.00
Dispatchers	6.00	6.00	6.00	7.00
Jailers	1.00	1.00	1.00	1.00
Fire	25.00	24.00	26.00	29.00
Fire Secretary	0.00	0.00	0.00	0.00
Safety Director	0.50	0.50	0.50	1.00
Leisure Time Activities				
Recreation	5.00	5.00	5.00	5.00
Pool	0.00	2.00	2.00	2.00
Senior Service	3.00	3.00	4.00	4.00
Community Development				
Building	0.00	0.00	0.00	2.00
Transportation				
Recycling	0.00	0.00	1.00	1.00
Service	18.00	19.00	20.00	22.00
Street Maintenance and Repair	3.00	3.00	3.00	4.00
Totals:	<u>115.50</u>	<u>118.50</u>	<u>126.00</u>	<u>135.50</u>

Source: City of Brooklyn payroll department (based on payroll record sheets)
Method: Using 1.0 for each full-time employee and 0.50 for each part-time employee at December 31. Seasonal employees are not included.

2008	2007	2006	2005	2004	2003
7.00	7.00	7.00	7.00	7.00	7.00
1.00	1.00	1.00	1.00	1.00	1.00
2.00	2.00	3.00	3.00	3.00	3.00
1.50	1.50	1.50	1.50	1.50	1.50
3.00	3.00	3.00	3.00	3.00	3.00
2.00	3.00	3.00	3.00	3.00	3.00
3.00	2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00	2.00
1.00	1.00	1.00	0.00	0.00	0.00
3.00	3.00	3.00	3.00	3.00	3.00
2.00	2.00	2.00	2.00	2.00	2.00
1.00	1.00	1.00	0.00	0.00	0.00
27.00	32.00	32.00	32.00	32.00	32.00
7.00	7.00	7.00	7.00	7.00	7.00
1.00	1.00	1.00	1.00	1.00	1.00
29.00	29.00	29.00	29.00	29.00	29.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
6.00	6.00	5.00	5.00	8.00	8.00
2.00	2.00	3.00	3.00	3.00	3.00
4.00	4.00	4.00	4.00	4.00	4.00
3.00	3.00	3.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00	1.00	1.00
28.00	29.00	29.00	29.00	31.00	31.00
4.00	4.00	4.00	4.00	4.00	4.00
<u>142.50</u>	<u>148.50</u>	<u>149.50</u>	<u>147.50</u>	<u>152.50</u>	<u>152.50</u>

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

Function/Program	2012	2011	2010	2009
General Government				
<i>Council and Clerk</i>				
Number of Ordinances Passed	86	78	74	76
Number of Resolutions Passed	18	15	11	20
Number of Planning Commission docket items	14	21	31	18
Zoning Board of Appeals docket items	22	20	13	14
<i>Finance Department</i>				
Number of checks/ vouchers issued	2,694	2,733	2,590	2,446
Amount of checks written	\$9,159,844	\$8,645,301	\$7,651,560	\$8,169,432
Interest earnings for fiscal year (cash basis)	\$18,523	\$23,631	\$73,435	\$241,233
Number of Receipts issued	903	825	921	1,003
Agency Ratings - Moody's Financial Services	A1	A1	A1	A1
Health Insurance Costs vs. General Fund Expenditures %	8.89%	9.40%	10.64%	9.71%
General Fund Receipts (cash basis in thousands)	\$16,814	\$16,963	\$17,320	\$14,392
General Fund Expenditures (cash basis in thousands)	\$17,412	\$14,472	\$13,884	\$15,020
General Fund Cash Balances (in thousands)	\$6,023	\$6,726	\$4,086	\$861
<i>Income Tax Department</i>				
Number of Individual Returns	n/a	n/a	n/a	n/a
Number of Business Returns	n/a	n/a	n/a	n/a
Number of business withholding accounts	n/a	n/a	n/a	n/a
Amount of Refunds Issued	n/a	n/a	\$97,044	\$100,676
Number of 1099's Issued	n/a	n/a	n/a	n/a
<i>Mayor's Court</i>				
Number of Felony Citations	0	0	0	0
Number of Criminal Citations	668	569	627	564
Number of Traffic Citations	2,770	3,641	5,841	6,419
Number of Juvenile Citations	38	46	55	65
Number of Parking Citations	275	840	700	823
Total Revenue	\$269,595	\$317,802	\$488,556	\$665,838
<i>Civil Service</i>				
Number of police entry tests administered	1	1	0	0
Number of fire entry tests administered	0	1	0	0
Number of police promotional tests administered	0	1	0	0
Number of fire promotional tests administered	0	0	1	0
Number of civil service examinations	0	0	0	0
Number of school tests	1	0	0	0
Number of Police Officers hired	2	0	0	0
Number of Fire/Medics hired	1	0	0	0
Number of promotions in police	3	0	0	0
<i>Building Department Indicators</i>				
New Construction Permits Issued	0	2	0	0
Estimated Value of Construction	\$11,704,170	\$24,128,027	\$8,378,986	\$5,801,180
Number of electrical/plumbing/remodeling permits issued	624	621	952	618
Amount of Revenue generated from permits	\$49,731	\$163,218	\$70,070	\$68,201
Number of contract registrations issued (A)	437	338	411	425
Annual Apartment/Rooming House License Fees (B)	\$33,750	\$8,900	\$8,650	\$9,300
Revenue generated from above (A, B)	\$99,525	\$34,825	\$40,675	\$41,175

2008	2007	2006	2005	2004	2003
88	51	71	55	73	77
31	19	19	19	22	20
18	24	35	22	20	34
10	17	36	22	23	34
2,797	3,081	3,100	3,044	2,967	3,034
\$9,060,087	\$10,220,358	\$12,064,205	\$8,473,798	\$8,100,991	\$7,551,707
\$321,456	\$464,337	\$510,298	\$251,240	\$139,729	\$135,353
891	949	1,086	1,072	1,154	1,271
A1	A1	A1	A2	A2	A2
9.65%	9.15%	9.08%	8.96%	8.28%	7.42%
\$15,262	\$16,059	\$15,112	\$14,128	\$12,856	\$13,519
\$15,818	\$15,064	\$14,817	\$14,063	\$14,092	\$13,287
\$1,920	\$2,893	\$2,363	\$1,957	\$1,835	\$2,826
4,157	4,657	4,849	4,779	4,743	4,698
996	1,676	1,816	1,811	1,807	1,786
823	1,048	1,106	1,094	1,111	1,109
\$185,543	\$176,052	\$257,208	\$231,328	\$207,298	\$196,270
356	411	461	411	481	516
0	185	153	161	136	206
567	645	616	502	547	612
3,695	3,005	3,677	4,044	4,001	4,031
51	49	80	70	55	39
1,122	1,101	1,994	862	990	1,023
\$547,338	\$456,144	\$667,447	\$608,812	\$646,182	\$694,052
0	1	1	2	0	1
0	0	0	1	0	1
1	0	0	0	1	0
0	0	0	2	0	0
0	0	0	0	2	0
0	0	0	5	2	1
3	2	2	1	0	1
0	1	1	0	0	0
0	2	2	1	1	0
5	7	488	556	558	561
\$7,136,267	\$9,139,960	\$13,531,809	\$7,296,831	\$6,491,267	\$9,034,092
744	745	1,185	1,175	1,124	1,159
\$75,561	\$75,561	\$118,706	\$68,896	\$97,973	\$106,429
492	483	471	515	488	563
\$8,200	\$7,250	\$5,550	\$0	\$0	\$0
\$45,100	\$43,475	\$35,325	\$38,650	\$36,600	\$42,225

(continued)

City of Brooklyn, Ohio
Operating Indicators by Function/Program (continued)
Last Ten Years

Function/Program	2012	2011	2010	2009
Security of Persons and Property				
<i>Police</i>				
Total Calls for Services	26,748	19,388	50,059	40,039
Number of traffic citations issued	2,770	3,582	5,841	6,382
Number of parking citations issued	615	840	343	823
Number of criminal arrests	668	569	627	564
Number of accident reports completed	503	307	653	494
Animal Warden service calls responded to per annual report	800	529	616	306
Police Dept. Auxiliary hours worked	1,169	798	994	983
DUI Arrests	65	59	51	37
Prisoners	1,244	1,177	1,361	1,315
Motor Vehicle Accidents	503	307	653	494
Property damage accidents	n/a	n/a	381	n/a
Fatalities from Motor Vehicle Accidents	0	0	1	1
Community Diversion Program Youths	26	30	32	45
Community Diversion Program - community service hours	444	404	396	492
<i>Fire</i>				
EMS Calls	1,702	1,560	1,462	1,525
Ambulance Billing Collections (net)	\$365,103	\$305,718	\$326,009	\$313,020
Fire Calls	722	647	606	611
Fires with Loss	22	14	11	12
Fires with Losses exceeding \$10,000	6	14	6	3
Fire Losses \$	\$321,150	\$156,200	\$128,500	\$296,500
Fire Safety Inspections	744	247	346	343
Number of times Mutual Aid given to Fire and EMS	24	22	27	21
Number of times Mutual Aid received for Fire and EMS	57	44	12	6
Leisure Time Activities				
<i>Recreation</i>				
Skating Rink Receipts	\$436,100	\$455,303	\$431,420	\$484,384
Recreation Swimming pool receipts	159,572	143,067	102,236	95,762
Senior Center Fees	85,103	88,991	88,133	105,771
Total Recreation Department receipts	<u>\$680,775</u>	<u>\$687,361</u>	<u>\$621,789</u>	<u>\$685,917</u>
Basic Utility Services				
Refuse disposal per year (in tons) August through July	3,229	3,273	3,921	3,743
Refuse disposal costs per year August through July	\$123,622	\$125,588	\$102,491	\$20,701
Percentage of waste recycled	20.49%	21.00%	16.00%	17.00%
Annual recycling tonnage (excluding leaf and compost items)	662	701	628	636
Transportation				
Street Improvements - asphalt overlay (linear feet)	3,540	3,925	3,250	2,675
Rejuvenating Spray on Streets (Miles)	0.00	0.74	1.08	0.00
Crackseal Coating Program (Miles)	0.00	0.00	1.88	0.00
Paint Striping (annual cost)	\$16,386	\$49,803	\$47,423	\$43,500
Sewer and Sanitary calls for service	246	298	332	286
Sewer Crew (hours)	398	402	447	359
Sewer jet, Vac-all, other services (hours)	473	543	586	395
Number of Trees Planted per year	1	0	17	21
Tons of snow melting salt purchased (Nov-Mar)	1,779	2,020	1,836	2,316
Cost of salt purchased	\$88,345	\$102,975	\$91,350	\$128,491

Source: City of Brooklyn Departments

Note: In 2009, the City began using the Regional Income Tax Agency to collect income taxes

n/a: Information not available

2008	2007	2006	2005	2004	2003
34,558	29,365	18,228	11,662	12,222	11,859
3,695	3,005	3,677	4,044	4,001	4,031
1,122	1,101	1,994	862	990	1,023
567	873	616	502	547	612
957	934	584	613	676	602
374	n/a	638	444	16	8
1,778	n/a	1,687	2,070	5,662	4,444
52	n/a	48	66	82	44
1,211	1,311	1,494	1,354	1,141	1,290
957	934	584	613	676	602
n/a	n/a	454	438	532	468
1	n/a	1	0	0	1
58	31	34	24	24	25
572	355	326	260	392	545
1,554	1,486	1,416	1,467	1,474	1,552
\$322,823	\$150,750	\$118,795	\$133,095	\$141,793	\$163,455
604	690	692	778	741	771
15	16	20	24	20	22
4	5	4	5	5	2
\$205,100	\$109,200	\$124,000	\$239,600	\$186,000	\$61,300
359	363	366	340	333	474
7	5	4	3	1	2
30	12	17	6	13	10
\$487,315	\$390,057	\$447,500	\$425,022	\$454,410	\$408,530
123,700	108,027	122,532	121,913	116,161	125,529
102,747	76,562	81,071	80,190	77,036	74,830
<u>\$713,762</u>	<u>\$574,646</u>	<u>\$651,103</u>	<u>\$627,125</u>	<u>\$647,607</u>	<u>\$608,889</u>
3,836	3,873	4,764	4,890	4,864	4,862
\$19,179	\$19,365	\$17,903	\$15,252	\$13,376	\$12,366
18.41%	19.00%	15.97%	16.15%	15.15%	15.22%
866	934	761	792	737	740
0	6,758	4,000	n/a	n/a	n/a
0.00	1.28	0.75	n/a	n/a	n/a
0.69	n/a	1.30	n/a	n/a	n/a
\$47,325	\$51,662	\$44,761	\$35,800	\$38,250	\$37,050
360	435	463	329	286	343
490	n/a	356	399	203	221
252	284	83	0	0	0
92	145	140	150-160	150-160	150-160
2,596	3,102	1,826	4,664	2,582	6,161
\$112,473	\$102,273	\$60,199	\$146,678	\$78,617	\$183,276

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

Function/Program	2012	2011	2010	2009
General Government				
City Hall and Police Station (square footage occupied)	38,167	38,167	38,167	38,167
Historical Museum (square feet)	8,083	8,083	8,083	8,083
Records Storage - 4476 Ridge Road (square feet)	N/A	4,869	4,869	4,869
City Service Garage (square feet)	31,280	31,280	31,280	31,280
City Service Garage - Salt Storage Building (square feet)	3,630	3,630	3,630	3,630
City Service Garage - Sod Storage (square feet)	525	525	525	525
Administrative Vehicles	8	8	8	8
Inspection Vehicles	2	2	3	3
Police				
Stations	1	1	1	1
Vehicles	18	15	20	19
Motorcycles	2	4	4	4
Fire				
Stations	1	1	1	1
Square Footage of Building	24,323	24,323	24,323	24,323
Vehicles	3	3	2	2
Aerial Ladder Truck	1	1	1	1
Pumpers	2	3	3	3
Ambulances	3	3	3	3
Recreation				
Ice Rink and Indoor Pool (Square Footage Occupied)	84,734	84,734	84,734	84,734
Outdoor Swimming Pool (square feet)	2,494	2,494	2,494	2,494
Outdoor Wading Pool (square feet)	479	479	479	479
Community/Senior Center (square feet)	15,717	15,717	15,717	15,717
Number of Parks	4	4	2	2
Number of Pools	4	4	3	3
Number of Ice Rinks	1	1	1	1
Number of Tennis Courts	4	4	4	4
Number of Skateboarding Areas	1	1	1	1
Number of Baseball Diamonds	5	5	4	4
Number of Common Areas	2	2	2	2
Number of Picnic Pavilions	4	4	3	3
Number of Playgrounds	5	5	3	3
Number of Playgrounds with Learning Center	1	1	1	1
Number of Basketball Courts	2	2	2	2
Number of Volleyball Courts	1	1	0	0
Number of Bocci Ball Courts	2	2	2	2
Number of Horseshoe Pits	2	2	2	2
Number of Soccer Fields	1	1	1	1
Number of Nature Trails	2	2	2	2

2008	2007	2006	2005	2004	2003
38,167	38,167	38,167	38,167	38,167	38,167
8,083	8,083	8,083	8,083	8,083	8,083
4,869	4,869	4,869	4,869	4,869	4,869
31,280	31,280	31,280	31,280	31,280	31,280
3,630	3,630	3,630	3,630	3,630	3,630
525	525	525	525	525	525
8	7	7	7	7	7
3	2	2	2	2	2
1	1	1	1	1	1
23	19	16	16	16	16
4	4	4	4	4	4
1	1	1	1	1	1
24,323	24,323	24,323	(a)	(a)	(a)
3	3	2	2	2	2
1	1	1	1	1	1
3	3	3	3	3	3
2	2	3	3	3	3
84,734	84,734	84,734	84,734	84,734	84,734
2,494	2,494	2,494	2,494	2,494	2,494
479	479	479	479	479	479
15,717	15,717	15,717	15,717	15,717	15,717
2	2	2	2	2	2
3	3	3	3	3	3
1	1	1	1	1	1
4	4	4	4	4	4
1	1	1	1	1	1
4	4	4	4	4	4
2	2	2	2	2	2
3	3	3	3	3	3
3	3	3	3	3	3
1	1	1	1	1	1
2	2	2	2	2	2
0	1	1	1	1	1
2	2	2	2	2	2
2	2	2	2	2	2
1	1	1	1	1	1
2	2	2	2	2	2

(continued)

City of Brooklyn, Ohio
Capital Assets Statistics by Function/Program (continued)
Last Ten Years

Function/Program	2012	2011	2010	2009
Other Public Works				
Streets (miles)	87.1	87.1	87.1	87.1
Average age of roadways	50	49	48	47
Light Trucks	10	11	20	20
Service Department Large Vehicles/Trucks	5	5	8	8
Garbage Packers	4	3	3	3
Bucket Truck	1	1	1	1
Street Sweepers	2	2	2	2
Bombardiers - Sidewalk Snow Plows	12	12	12	12
Heavy Equipment - Landfill	2	2	3	3
Recycle Truck	1	1	1	1
Wastewater				
Sanitary Sewers (linear feet)	147,917	147,917	147,917	147,917
Average age of sanitary sewers	50	48	48	47
Storm Sewers (miles)	106,342	106,342	106,342	106,342
Average age of storm sewers	54	52	52	51
Water Department				
Water Lines (linear feet)	174,725	174,725	174,725	174,725
Average age of water lines	54	52	52	51

Source: City of Brooklyn Departments

(a) Prior to 2006, the one fire station is included with City Hall

2008	2007	2006	2005	2004	2003
87.1	87.1	87.1	87.1	87.1	87.1
46	45	44	43	42	41
14	13	12	12	11	11
7	7	7	7	7	7
5	4	4	4	4	3
1	1	1	1	1	1
2	2	2	1	1	1
12	12	12	12	12	12
6	8	8	8	8	8
0	0	0	0	0	1
147,917	147,917	147,917	147,917	147,917	147,917
46	45	44	43	42	41
106,342	106,342	106,342	106,342	106,342	106,342
50	49	48	47	46	45
174,725	174,725	174,725	174,725	174,725	174,725
50	49	48	47	46	45

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The City of
Brooklyn·Ohio

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216.351.2133 // WWW.BROOKLYNOHIO.GOV

RICHARD BALBIER, MAYOR



Dave Yost • Auditor of State

CITY OF BROOKLYN

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JULY 11, 2013