

**CITY OF BROOKLYN  
CUYAHOGA COUNTY, OHIO**

**AUDIT REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2013**

***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, 2013 through December 31, 2013. 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

September 2, 2014

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**CITY OF BROOKLYN  
CUYAHOGA COUNTY, OHIO  
AUDIT REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2013**

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

*Certified Public Accountants*

*5240 East 98<sup>th</sup> Street*

*Garfield Hts., Ohio 44125*

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**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, 2013, 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 June 20, 2014, wherein we noted the City restated its December 31, 2012 net position of governmental activities due to corrections to the City's capital assets.

**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 City's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses 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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**James G. Zupka**  
CPA, President



Digitally signed by James G. Zupka, CPA,  
President  
DN: cn=James G. Zupka, CPA, President,  
o=James G. Zupka, CPA, Inc.,  
ou=Accounting,  
email=jgzcpa@sbcglobal.net, c=US  
Date: 2014.06.30 10:15:14 -04'00'

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

June 20, 2014

**CITY OF BROOKLYN  
CUYAHOGA COUNTY, OHIO  
STATUS OF PRIOR FINDINGS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

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The prior audit report, as of December 31, 2012, included no citations or instances of noncompliance. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.



# CITY OF BROOKLYN, OHIO



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FOR THE YEAR ENDED DECEMBER 31, 2013

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# COMPREHENSIVE ANNUAL FINANCIAL REPORT

# CITY OF BROOKLYN, OHIO



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COMPREHENSIVE ANNUAL FINANCIAL REPORT

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# INTRODUCTORY SECTION

**City of Brooklyn, Ohio**

*Comprehensive Annual Financial Report*

For The Year Ended December 31, 2013

Prepared by:

Daniel J. Enovitch  
Director of Finance

**City of Brooklyn, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2013*  
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*The City of*  
**Brooklyn · Ohio**

**Mayor**  
Richard H. Balbier

**Council**  
Kathleen M. Pucci  
Antony E. DeMarco  
Kevin Tanski  
Ron Van Kirk  
Mary L. Balbier  
Katherine A. Gallagher  
Andy Celcherts

June 20, 2014

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, 2013, 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 31<sup>st</sup>. 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 long standing 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 2013 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, Sheetz, and the Hooley House), Key Commons (Cracker Barrel, Panera's, Carrabba's Italian Grill, Buffalo Wild Wings, 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 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.



The City of Brooklyn was officially notified on May 20, 2011 that American Greetings would be moving their headquarters to Westlake, Ohio. With this announcement, the City of Brooklyn, over the past three years, has worked in tandem with the State of Ohio, Cuyahoga County, Team NEO, and various developers who are interested in this site. The vision of the City of Brooklyn is to have a diversified campus. This 100 hundred acre park with 900,000 square feet under roof, and approximately 40 acres of developable acreage, is prime for multi end users. We anticipate headquarters, research and development, business services, warehousing, and/or manufacturing sectors will be located in the park.

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.

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 2013, the City of Brooklyn welcomed the major expansions of Key Bank which included a \$7 million capital investment and proposed new 500 jobs; the Plain Dealer made major expansions of \$2 million to house their graphic and design team creating an additional 300 jobs to the distribution/operations center. Arrow International has completed Phase 1, which is located on the north side of their existing headquarters, printing, assembly and packaging facility of their expansion project, retaining 470 jobs and creating an additional 25 new jobs. Phase II will be completed in 2014, located on the south side which is designed to handle all the logistics. The combined investment will be well over \$2 million. Sheetz gas station constructed a new facility and opened its doors on their new MTO/service center at Cascade Crossings. This \$4 million, 6,500 square feet facility created 30 new jobs.

In 2013, The City of Brooklyn welcomed Vision Works and Ashley Furniture to Ridge Park Square. There were major investments in redevelopment upgrades for AMC Theater, Dress Barn, and Dunkin Donuts. Sherwood Valve, Ziegler Tire, and PetroAlliance relocated to space in the former Terex Building; Gold's Gym opened in Biddulph Plaza; Sam's Club, Arhaus Furniture, Home Depot, and LaVilla Center made major investments to upgrade their facilities on Brookpark Road.

The City of Brooklyn reconstructed Associate Drive, an industrial corridor, with the financial assistance of the State of Ohio's Department of Development and Commerce Division of the State of Ohio's Transportation Department. This new upgraded construction project of approximately \$155,000 retained the six existing businesses located on this industrial corridor and the retention of 213 jobs.

For 2014, the City of Brooklyn has reviewed and approved plans for a new Senior Assisted Living and Skilled Nursing Facility. This project will be an investment of \$24 million, and 110,000 square feet, creating approximately 80 new medically related positions. This new facility is proposed for completion in December 2015. L.A. Fitness will be completing its new facility located in Key Bank Plaza. This project is an investment of \$9 million on 3.26 acres (including new infrastructure), 45,000 square feet (2 story) full equipped health facility, creating 75 new jobs. Loving Cups Kids Academy of Brooklyn has been approved by Planning for a new \$350,000 expansion, which will house headquarters, inside gymnasium, and more toddler rooms. This expansion is a 5,500 square foot addition to the existing 4,750 square foot facility.

## **LONG-TERM FINANCIAL PLANNING**

The City undertakes projects only after adequate funding sources are assured. A portion of the income tax collections is designated for the capital improvement fund to facilitate pay-as-you-go financing of capital projects.

The City has a very favorable debt profile and amortizes debt quickly. In April 2013, City Council voted for an issuance of Bond Anticipation Notes (BAN's) in the amount of \$1,375,000. The 2013 BAN's provided for a new City Hall Roof, the 2013 Street Program, and a new Parking Lot for the John M. Coyne Recreation Center.

## **MAJOR INITIATIVES**

The City of Brooklyn is committed to maintaining and improving the City's infrastructure, especially the City's roadways. The City of Brooklyn's 2013 Street Repair Project included repair/resurfacing to Northcliff Avenue (West), Idlewood (North), Glencoe Avenue (West), and Associate Avenue along with the repair of the Idlewood/Autumn intersection drainage.

In 2013, in conjunction with Cuyahoga County, a three year resurfacing project of Ridge Road from Memphis Avenue to I-480 commenced. The City of Brooklyn has committed monies to the improvement of Memphis Avenue which is scheduled to take place in 2016. Also in 2013 the Ohio Department of Transportation announced that the upgrade of the east and west bound ramps at the I-480/Tiedeman Road Interchange is scheduled for 2014.

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. 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 a 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 gain efficiencies. 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.

The City has implemented programs designed to lower its liabilities with respect to property and casualty insurance and workers' compensation expenses. 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.

The City created a termination leave fund that deals with separation payments of employees outside the general fund. This fund is 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.

## 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, 2012. This was the twenty fourth (24th) 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.

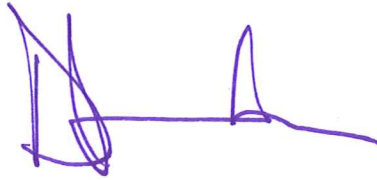
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

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



Daniel J. Enovitch  
Director of Finance

# CITY OF BROOKLYN, OHIO

## Principal Officials

Mayor

Richard H. Balbier

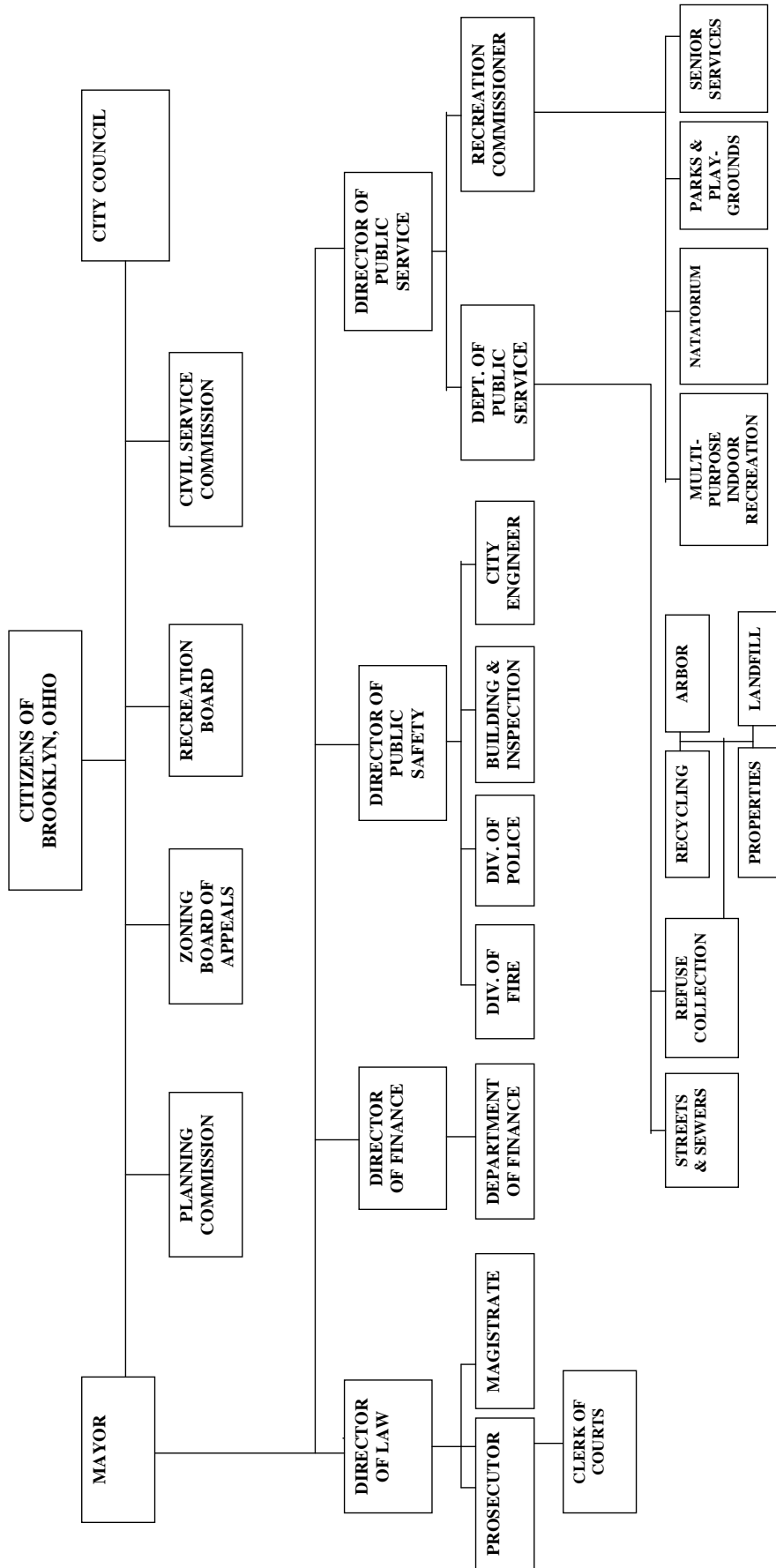
Council President  
Council-At-Large  
Council-At-Large  
Council-At-Large  
Council-At-Large  
Council-At-Large  
Council-At-Large

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

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.  
Daniel J. Enovitch  
Edward F. Fitzgerald  
Scott Mielke  
Joseph Zemek

# CITY OF BROOKLYN, OHIO ORGANIZATION CHART





Government Finance Officers Association

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, 2012**

Executive Director/CEO

# CITY OF BROOKLYN, OHIO



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COMPREHENSIVE ANNUAL FINANCIAL REPORT

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## FINANCIAL SECTION

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

*Certified Public Accountants*

*5240 East 98<sup>th</sup> Street*

*Garfield Hts., Ohio 44125*

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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, 2013, 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 City'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, 2013, and the respective changes in financial position, and, where applicable, cash flows 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, the City restated its December 31, 2012 net position of governmental activities due to corrections to the City's capital assets. 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 basic 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 basic 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 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 June 20, 2014, 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

June 20, 2014

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**City of Brooklyn, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2013*  
*Unaudited*

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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, 2013. 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 2013 are:

- In 2013, 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 significant increases to staffing levels in the various departments.
- Total assets increased by \$5,273,014, which is attributed mainly to increases in cash and cash equivalents and capital assets.
- In May 2013, the City issued \$1,375,000 in bond anticipation notes for the 2013 street program, a new roof for City Hall and a new parking lot at the recreation center.

**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.

**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 2013?" 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.

**City of Brooklyn, Ohio**  
*Management's Discussion and Analysis*  
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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.

#### ***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.

**City of Brooklyn, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2013*  
*Unaudited*

***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 2013 compared to 2012.

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

	Governmental Activities		
	2013	Restated 2012	Change
<b>Assets</b>			
Current and Other Assets	\$27,968,968	\$23,746,519	\$4,222,449
Capital Assets, Net	29,483,236	28,432,671	1,050,565
<i>Total Assets</i>	<u>57,452,204</u>	<u>52,179,190</u>	<u>5,273,014</u>
<b>Liabilities</b>			
Current and Other Liabilities	1,768,183	1,741,708	26,475
Long-Term Liabilities			
Due Within One Year	562,300	543,828	18,472
Due in More Than One Year	14,584,865	13,903,649	681,216
<i>Total Liabilities</i>	<u>16,915,348</u>	<u>16,189,185</u>	<u>726,163</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	1,415,804	1,417,532	(1,728)
<b>Net Position</b>			
Net Investment in Capital Assets	23,035,062	22,495,930	539,132
Restricted:			
Capital Projects	8	447,019	(447,011)
Debt Service	0	46,618	(46,618)
Street Maintenance and Repair	1,409,048	869,775	539,273
State Highway	357,164	282,201	74,963
Termination Payments	659,593	0	659,593
Court Computer	57,804	62,672	(4,868)
Police Programs	211,458	527,641	(316,183)
Landfill	4,486,843	4,319,476	167,367
Other Purposes	500,208	210,306	289,902
Unrestricted	8,403,864	5,310,835	3,093,029
<i>Total Net Position</i>	<u>\$39,121,052</u>	<u>\$34,572,473</u>	<u>\$4,548,579</u>

Total assets increased as a result of an increase in cash on hand and capital assets. The increase in cash is primarily associated with revenues increasing at a larger rate compared to the increase in expenses.

The increase in total liabilities is primarily due to the issuance of the 2013 bond anticipation notes. No new major projects were implemented or initiated in 2013 that required the dedication of additional debt.

**City of Brooklyn, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2013*  
*Unaudited*

Table 2 shows the changes in net position for the year ended December 31, 2013. Comparisons between the last two years are shown below:

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

	Governmental Activities		
	2013	Restated 2012	Change
<b>Revenues:</b>			
Program Revenues:			
Charges for Services	\$2,252,031	\$1,692,508	\$559,523
Operating Grants and Contributions	1,341,135	1,200,504	140,631
Capital Grants and Contributions	0	118,367	(118,367)
Total Program Revenues	<u>3,593,166</u>	<u>3,011,379</u>	<u>581,787</u>
General Revenues:			
Property Taxes	1,425,136	1,624,481	(199,345)
Municipal Income Taxes	17,038,227	16,212,944	825,283
Local Taxes	321,292	343,503	(22,211)
Grants and Entitlements	820,078	538,085	281,993
Investment Earnings	11,994	22,604	(10,610)
Other	78,282	113,708	(35,426)
Total General Revenues	<u>19,695,009</u>	<u>18,855,325</u>	<u>839,684</u>
Total Revenues	<u>23,288,175</u>	<u>21,866,704</u>	<u>1,421,471</u>
<b>Program Expenses</b>			
General Government	2,432,195	2,159,779	(272,416)
Security of Persons and Property	8,724,511	8,363,930	(360,581)
Transportation	817,588	963,461	145,873
Community Environment	1,630,517	1,554,439	(76,078)
Basic Utility Services	2,345,282	2,159,415	(185,867)
Leisure Time Activities	2,542,635	2,207,282	(335,353)
Interest and Fiscal Charges	246,868	385,123	138,255
Total Program Expenses	<u>18,739,596</u>	<u>17,793,429</u>	<u>(946,167)</u>
<b>Special Item</b>			
Sale of Library	0	217,450	(217,450)
Change in Net Position	4,548,579	4,290,725	257,854
Net Position Beginning of Year - - Restated (See Note 3)	<u>34,572,473</u>	<u>30,281,748</u>	<u>4,290,725</u>
Net Position End of Year	<u>\$39,121,052</u>	<u>\$34,572,473</u>	<u>\$4,548,579</u>

**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 a 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.

**City of Brooklyn, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2013*  
*Unaudited*

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The City has historically placed a strong focus on economic development programs in an effort to maintain and expand the business community. During 2013, the City continued to feel the economic impact of the recession as businesses in Brooklyn were faced with a myriad of financial challenges. The City administration was notified in May 2011 that American Greetings, one of their largest employers, had elected to relocate to Westlake, Ohio, effective by 2016. 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 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.

Total revenues increased by \$1,421,471 primarily due to increases in charges for services and income tax revenues. Income tax revenues account for 73.16 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 increased due to more charges for services and operating grants received compared to 2012.

Charges for services are the second significant revenue contributor. The City's Recreation Center, houses its natatorium and ice rink. The increase is primarily due to increased building department permit fees resulting from an updated fee schedule in 2013.

General revenues from grants and entitlements, such as local government funds, are also revenue generators. Grants and entitlements increased by \$281,993 compared to last year's levels due to a workers' compensation refund received in 2013. Interest income decreased due to the overall decline in the interest environment.

Total expenses increased by \$946,167. The City received an overall 3.25 percent increase in pay. Security of persons and property expense showed the largest increase, followed by general government and leisure time activities.

The general government account comprises costs for the Mayor's office, City Council, law, finance, data system, engineering and civil service. The increase in the general government expense category is due to additional legal costs in relation to negotiations in 2013.

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.



**City of Brooklyn, Ohio**  
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Security of persons and property increased compared to 2012 mainly due to additional salary costs in relation to the pay 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 increased compared to 2012 mainly due to additional salary costs in relation to the pay increase.

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 2011 and 2012 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. The increase is due to additional costs for snow removal, due to the harsh winter, as well as additional repairs to equipment.

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 expenses increased in 2013 due to additional salary costs and payments to vendors.

In 2013, 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 the Administration for the potential benefit of workers' compensation premium reductions 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 \$22,934,785 and expenditures of \$19,899,394. Income tax is the City's largest revenue source. Income tax accounted for about 73.48 percent of the total revenue for the year. Income tax collections increased by 10.75 percent as a result of an increase in withholding tax received in 2013 compared to 2012.

**City of Brooklyn, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2013*  
*Unaudited*

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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 \$17,303,334, of which \$184,956 was nonspendable because of inventory and prepaids, \$4,486,857 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, \$141,877 was committed to underground storage and future commitments, \$2,105,895 was assigned to the gap in 2014 appropriations, purchases on order and budget stabilization, and \$10,383,749 was unassigned for financial reporting purposes. Total fund balance of the City's general fund increased by \$3,421,397. Revenues exceeded expenditures by \$4,730,667 on a modified accrual basis. 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 2012 was \$2,272,007. The balance decreased by \$378,655 to \$1,893,352 in 2013 resulting from additional expenditures for capital improvements.

For all funds, the end of year balances increased for the year by \$4,150,516. Total fund balances increased from \$18,134,350 to \$22,284,866. The City has a fund balance of \$17,798,009 without the restriction for landfill closure and post-closure care. The total fund balance for the City is 111.99 percent of the total expenditures for 2013. 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 \$15,306,428, and \$17,797,074, respectively. Actual revenues of \$17,799,398 were \$2,324 higher than the final projections. This variance is primarily due to an increase in revenue as a result of a conservative approach of estimated revenue receipts.

During 2013, the City amended its general fund budget throughout the year. The original budgeted expenditures were \$14,205,747 and final budgeted expenditures were \$14,504,290 for the year. Actual expenditures for 2013 were \$13,874,733 on a budgetary basis. Expenditures were \$629,557 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 2013.

**City of Brooklyn, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2013*  
*Unaudited*

**Capital Assets and Debt Administration**

***Capital Assets***

At December 31, 2013, capital asset balances were as follows:

**Table 3**  
 Capital Assets  
 (Net of Depreciation)

	Governmental	
	2013	Restated 2012
Land	\$2,937,821	\$2,937,821
Construction In Progress	1,686,522	197,010
Buildings	10,221,125	10,601,327
Improvements	5,361,882	5,297,843
Machinery and Equipment	1,110,696	1,044,749
Vehicles	2,395,643	2,349,963
Infrastructure:		
Roads and Sidewalks	5,274,932	5,490,796
Sanitary Sewers	40,692	41,953
Storm Sewers	366,644	375,837
Water Lines	16,965	17,394
Traffic Signals	70,314	77,978
Total	\$29,483,236	\$28,432,671

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 2013, this meant that, on a cash basis, \$1,677,359 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 8 of the basic financial statements for additional information on capital assets.

***Debt***

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

**Table 4**  
 Outstanding Debt at End of Year

	Governmental	
	2013	2012
General Obligation Bonds	\$4,000,575	\$4,209,187
OPWC Loan	82,455	137,425
Police and Fire Pension	45,344	46,618
Bond Anticipation Notes	1,379,698	0
Capital Leases	1,180,719	1,470,014
Totals	\$6,688,791	\$5,863,244

**City of Brooklyn, Ohio**  
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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 15 and 16 of the basic financial statements for additional information on debt.

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.

The City also had a various improvement bond anticipation note issued in 2013. The outstanding balance for all notes paid during 2013 was \$1,375,000, plus \$4,698 in premium.

### **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 \$13,881,937 to \$17,303,334. Overall fund balances increased from \$18,134,350 to \$22,284,866. As of the end of 2013, the City has a balance in the general fund that is 127.13 percent of annual general fund expenditures. The unassigned balance is 77.43 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 2013 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 four 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, Daniel J. Enovitch, 7619 Memphis Avenue, Brooklyn, Ohio 44144, telephone (216) 351-2133 or the City website at [www.brooklynohio.gov](http://www.brooklynohio.gov).

**City of Brooklyn, Ohio**  
*Statement of Net Position*  
December 31, 2013

	Governmental Activities
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$16,831,841
Cash and Cash Equivalents:	
In Segregated Accounts	97,800
Restricted Assets:	
Cash and Cash Equivalents in Segregated Accounts	1,623,744
Cash and Cash Equivalents with a Trustee	2,863,113
Materials and Supplies Inventory	143,041
Accounts Receivable	174,169
Intergovernmental Receivable	850,736
Prepaid Items	41,915
Municipal Income Taxes Receivable	3,743,305
Property Taxes Receivable	1,576,499
Local Taxes Receivable	22,805
Nondepreciable Capital Assets	4,624,343
Depreciable Capital Assets, Net	24,858,893
<i>Total Assets</i>	57,452,204
<b>Liabilities</b>	
Accounts Payable	433,906
Accrued Wages and Benefits	435,722
Intergovernmental Payable	309,766
Vacation Benefits Payable	82,831
Notes Payable	265,000
Accrued Interest Payable	23,085
Unearned Revenue	163,721
Claims Payable	54,152
Long-Term Liabilities:	
Due Within One Year	562,300
Due In More Than One Year	14,584,865
<i>Total Liabilities</i>	16,915,348
<b>Deferred Inflows of Resources</b>	
Property Taxes	1,415,804
<b>Net Position</b>	
Net Investment in Capital Assets	23,035,062
Restricted for:	
Capital Projects	8
Street Construction, Maintenance and Repair	1,409,048
State Highway	357,164
Termination Payments	659,593
Court Computer	57,804
Police Programs	211,458
Landfill	4,486,857
Other Purposes	500,208
Unrestricted	8,403,850
<i>Total Net Position</i>	\$39,121,052

See accompanying notes to the basic financial statements

**City of Brooklyn, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2013

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>				
General Government	\$2,432,195	\$312,433	\$0	(\$2,119,762)
Security of Persons and Property	8,724,511	1,195,021	167,552	(7,361,938)
Transportation	817,588	0	1,000,736	183,148
Community Environment	1,630,517	214,894	150,000	(1,265,623)
Basic Utility Services	2,345,282	287,527	22,847	(2,034,908)
Leisure Time Activities	2,542,635	242,156	0	(2,300,479)
Interest and Fiscal Charges	246,868	0	0	(246,868)
<i>Totals</i>	<u>\$18,739,596</u>	<u>\$2,252,031</u>	<u>\$1,341,135</u>	<u>(15,146,430)</u>
<b>General Revenues</b>				
Property Taxes Levied for:				
				558,932
				93,822
				369,960
				369,167
				33,255
Municipal Income Taxes Levied for:				
				14,718,569
				342,295
				265,899
				1,711,464
Local Taxes				321,292
Grants and Entitlements not Restricted to Specific Programs				820,078
Investment Earnings				11,994
Other				78,282
<i>Total General Revenues</i>				<u>19,695,009</u>
Change in Net Position				4,548,579
<i>Net Position Beginning of Year - Restated (See Note 3)</i>				<u>34,572,473</u>
<i>Net Position End of Year</i>				<u>\$39,121,052</u>

See accompanying notes to the basic financial statements

**City of Brooklyn, Ohio**

*Balance Sheet*

*Governmental Funds*

*December 31, 2013*

	General	Police Pension	Fire Pension	Capital Improvements
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$10,962,306	\$198,837	\$176,295	\$2,109,204
Cash and Cash Equivalents:				
in Segregated Accounts	97,800	0	0	0
Restricted Assets:				
Cash and Cash Equivalents in Segregated Accounts	1,623,744	0	0	0
Cash and Cash Equivalents with a Trustee	2,863,113	0	0	0
Materials and Supplies Inventory	143,041	0	0	0
Accounts Receivable	169,460	0	0	0
Intergovernmental Receivable	278,989	30,747	31,175	25,000
Prepaid Items	41,915	0	0	0
Municipal Income Taxes Receivable	3,284,940	0	0	381,971
Property Taxes Receivable	614,577	382,088	387,450	0
Local Taxes Receivable	12,257	0	0	0
<i>Total Assets</i>	<u>\$20,092,142</u>	<u>\$611,672</u>	<u>\$594,920</u>	<u>\$2,516,175</u>
<b>Liabilities</b>				
Accounts Payable	\$143,576	\$0	\$0	\$241,859
Accrued Wages and Benefits	428,064	0	0	0
Intergovernmental Payable	215,916	36,717	52,370	0
Notes Payable	0	0	0	265,000
Accrued Interest Payable	0	0	0	1,480
Unearned Revenue	163,721	0	0	0
<i>Total Liabilities</i>	<u>951,277</u>	<u>36,717</u>	<u>52,370</u>	<u>508,339</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	551,928	343,146	347,955	0
Unavailable Revenue	1,285,603	69,689	70,670	114,484
<i>Total Deferred Inflows of Resources</i>	<u>1,837,531</u>	<u>412,835</u>	<u>418,625</u>	<u>114,484</u>
<b>Fund Balances</b>				
Nonspendable	184,956	0	0	0
Restricted	4,486,857	162,120	123,925	0
Committed	141,877	0	0	1,893,352
Assigned	2,105,895	0	0	0
Unassigned	10,383,749	0	0	0
<i>Total Fund Balances</i>	<u>17,303,334</u>	<u>162,120</u>	<u>123,925</u>	<u>1,893,352</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$20,092,142</u>	<u>\$611,672</u>	<u>\$594,920</u>	<u>\$2,516,175</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, 2013*

Other Governmental Funds	Total Governmental Funds		
		<b>Total Governmental Fund Balances</b>	\$22,284,866
		<i>Amounts reported for governmental activities in the statement of net position are different because</i>	
\$2,701,813	\$16,148,455	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	29,483,236
0	97,800		
0	1,623,744	Other long-term assets are not available to pay for current- period expenditures and therefore are reported as	
0	2,863,113	unavailable revenue in the funds.	
0	143,041	Delinquent Property Taxes	160,695
4,709	174,169	Municipal Income Taxes	1,121,940
484,825	850,736	Local Taxes	6,248
0	41,915	Intergovernmental	632,232
76,394	3,743,305	Charges for Services	54,202
192,384	1,576,499	Total	1,975,317
10,548	22,805		
<u>\$3,470,673</u>	<u>\$27,285,582</u>	In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(21,605)
\$48,471	\$433,906	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.	(82,831)
7,658	435,722		
4,763	309,766	Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
0	265,000	General Obligation Bonds	(3,810,000)
0	1,480	Bond Premium	(190,575)
0	163,721	OPWC Loan	(82,455)
<u>60,892</u>	<u>1,609,595</u>	Various Improvements Note	(1,110,000)
172,775	1,415,804	Note Premium	(4,698)
434,871	1,975,317	Police and Fire Pension	(45,344)
		Capital Leases	(1,180,719)
		Landfill Closure and Postclosure Care	(7,194,230)
		Compensated Absences Payable	(1,529,144)
		Total	(15,147,165)
0	184,956	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.	629,234
2,165,439	6,938,341		
636,696	2,671,925		
0	2,105,895		
0	10,383,749		
<u>2,802,135</u>	<u>22,284,866</u>	<i>Net Position of Governmental Activities</i>	<u>\$39,121,052</u>
<u>\$3,470,673</u>	<u>\$27,285,582</u>		



**City of Brooklyn, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2013*

	General	Police Pension	Fire Pension	Capital Improvements
<b>Revenues</b>				
Municipal Income Taxes	\$14,789,310	\$0	\$0	\$1,719,689
Property Taxes	626,437	389,304	394,749	0
Local Taxes	296,825	0	0	0
Charges for Services	1,224,834	0	0	0
Fines, Licenses and Permits	800,270	0	0	0
Intergovernmental	499,405	56,232	57,018	200,907
Interest	11,881	0	0	0
Rentals	62,961	0	0	0
Other	29,169	0	0	49,113
<i>Total Revenues</i>	<u>18,341,092</u>	<u>445,536</u>	<u>451,767</u>	<u>1,969,709</u>
<b>Expenditures</b>				
Current:				
General Government	2,091,535	0	0	0
Security of Persons and Property	6,894,157	456,676	479,610	0
Transportation	0	0	0	0
Community Environment	1,254,680	0	0	0
Basic Utility Services	1,822,348	0	0	0
Leisure Time Activities	1,545,944	0	0	0
Capital Outlay	0	0	0	3,531,163
Debt Service:				
Principal Retirement	1,430	1,274	0	287,865
Interest and Fiscal Charges	331	1,968	0	60,698
Bond Issuance Costs	0	0	0	0
<i>Total Expenditures</i>	<u>13,610,425</u>	<u>459,918</u>	<u>479,610</u>	<u>3,879,726</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,730,667</u>	<u>(14,382)</u>	<u>(27,843)</u>	<u>(1,910,017)</u>
<b>Other Financing Sources (Uses)</b>				
Notes Issued	0	0	0	1,110,000
Note Premium	0	0	0	0
Transfers In	0	227,280	203,852	421,362
Transfers Out	(1,309,270)	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(1,309,270)</u>	<u>227,280</u>	<u>203,852</u>	<u>1,531,362</u>
<i>Net Change in Fund Balances</i>	3,421,397	212,898	176,009	(378,655)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>13,881,937</u>	<u>(50,778)</u>	<u>(52,084)</u>	<u>2,272,007</u>
<i>Fund Balances End of Year</i>	<u>\$17,303,334</u>	<u>\$162,120</u>	<u>\$123,925</u>	<u>\$1,893,352</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, 2013*

Other Governmental Funds	Total Governmental Funds		
		<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$4,150,516</b>
		<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.	
\$343,939	\$16,852,938	Capital Asset Additions	2,993,028
187,824	1,598,314	Current Year Depreciation	(1,869,932)
32,439	329,264	Total	1,123,096
1,125	1,225,959		
108,639	908,909		
1,052,602	1,866,164		
113	11,994		
0	62,961		
0	78,282		
<u>1,726,681</u>	<u>22,934,785</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.	(72,531)
		Revenues in the statement of activities that do not provide current financial resources are not reported as revenues.	
57,234	2,148,769	Delinquent Property Taxes	(173,178)
122,971	7,953,414	Municipal Income Taxes	(80,610)
399,653	399,653	Local Taxes	(7,972)
168,129	1,422,809	Intergovernmental	189,299
197,575	2,019,923	Charges for Services	54,202
78,752	1,624,696	Total	(18,259)
0	3,531,163		
249,970	540,539	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.	540,539
192,376	255,373		
3,055	3,055		
<u>1,469,715</u>	<u>19,899,394</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.	
256,966	3,035,391	Accrued Interest on Bonds	(5,534)
0	1,110,000	Amortization of Bond Premium	13,612
5,125	5,125	Amortization of Note Premium	427
788,781	1,641,275	Total	8,505
(332,005)	(1,641,275)	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.	
461,901	1,115,125	Compensated Absences	(18,883)
718,867	4,150,516	Landfill	(120,258)
2,083,268	18,134,350	Vacation Benefits Payable	(54,824)
<u>\$2,802,135</u>	<u>\$22,284,866</u>	Total	(193,965)
		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.	125,803
		Other financing sources in the governmental funds increased long-term liabilities in the statement of net assets.	
		Notes Proceeds	(1,110,000)
		Notes Premium	(5,125)
		Total	(1,115,125)
		<i>Change in Net Assets of Governmental Activities</i>	<u><u>\$4,548,579</u></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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Municipal Income Taxes	\$12,406,785	\$14,425,275	\$14,425,283	\$8
Property Taxes	538,781	626,435	626,437	2
Local Taxes	255,349	296,850	296,892	42
Charges for Services	1,064,440	1,236,679	1,237,617	938
Fines, Licenses and Permits	616,427	716,705	716,715	10
Intergovernmental	386,347	449,060	449,203	143
Interest	8,147	11,120	11,150	30
Rentals	2,946	3,425	3,426	1
Other	27,206	31,525	32,675	1,150
<i>Total Revenues</i>	15,306,428	17,797,074	17,799,398	2,324
<b>Expenditures</b>				
Current:				
General Government	2,091,968	2,187,046	2,061,043	126,003
Security of Persons and Property	7,169,391	7,253,117	6,986,089	267,028
Community Environment	1,516,099	1,539,790	1,433,863	105,927
Basic Utility Services	1,739,155	1,839,405	1,802,723	36,682
Leisure Time Activities	1,687,373	1,683,171	1,589,254	93,917
Debt Service:				
Principal Retirement	1,430	1,430	1,430	0
Interest and Fiscal Charges	331	331	331	0
<i>Total Expenditures</i>	14,205,747	14,504,290	13,874,733	629,557
<i>Excess of Revenues Over Expenditures</i>	1,100,681	3,292,784	3,924,665	631,881
<b>Other Financing Sources (Uses)</b>				
Advances In	0	0	92,789	92,789
Transfers In	166,700	0	0	0
Transfers Out	(1,954,178)	(1,309,270)	(1,309,270)	0
<i>Total Other Financing Sources (Uses)</i>	(1,787,478)	(1,309,270)	(1,216,481)	92,789
<i>Net Change in Fund Balance</i>	(686,797)	1,983,514	2,708,184	724,670
<i>Fund Balance Beginning of Year</i>	10,346,805	10,346,805	10,346,805	0
Prior Year Encumbrances Appropriated	399,384	399,384	399,384	0
<i>Fund Balance End of Year</i>	\$10,059,392	\$12,729,703	\$13,454,373	\$724,670

See accompanying notes to the basic financial statements

**City of Brooklyn, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police Pension Fund*  
*For the Year Ended December 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property Taxes	\$373,705	\$389,300	\$389,304	\$4
Intergovernmental	131,295	56,225	56,232	7
<i>Total Revenues</i>	<u>505,000</u>	<u>445,525</u>	<u>445,536</u>	<u>11</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	546,759	569,039	541,398	27,641
Debt Service:				
Principal Retirement	1,274	1,274	1,274	0
Interest and Fiscal Charges	1,968	1,968	1,968	0
<i>Total Expenditures</i>	<u>550,001</u>	<u>572,281</u>	<u>544,640</u>	<u>27,641</u>
<i>Excess of Revenues Under Expenditures</i>	(45,001)	(126,756)	(99,104)	27,652
<b>Other Financing Sources</b>				
Transfers In	0	227,280	227,280	0
<i>Net Change in Fund Balance</i>	(45,001)	100,524	128,176	27,652
<i>Fund Balance Beginning of Year</i>	<u>70,661</u>	<u>70,661</u>	<u>70,661</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$25,660</u>	<u>\$171,185</u>	<u>\$198,837</u>	<u>\$27,652</u>

See accompanying notes to the basic financial statements

**City of Brooklyn, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Pension Fund*  
*For the Year Ended December 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property Taxes	\$378,931	\$394,745	\$394,749	\$4
Intergovernmental	121,069	57,005	57,018	13
<i>Total Revenues</i>	500,000	451,750	451,767	17
<b>Expenditures</b>				
Current:				
Security of Persons and Property	555,500	584,352	558,614	25,738
<i>Excess of Revenues Under Expenditures</i>	(55,500)	(132,602)	(106,847)	25,755
<b>Other Financing Sources</b>				
Transfers In	0	203,852	203,852	0
<i>Net Change in Fund Balance</i>	(55,500)	71,250	97,005	25,755
<i>Fund Balance Beginning of Year</i>	79,290	79,290	79,290	0
<i>Fund Balance End of Year</i>	<u>\$23,790</u>	<u>\$150,540</u>	<u>\$176,295</u>	<u>\$25,755</u>

See accompanying notes to the basic financial statements

**City of Brooklyn, Ohio**  
*Statement of Fund Net Position*  
*Internal Service Fund*  
*December 31, 2013*

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	<u>Retrospective Medical Claims</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$683,386</u>
<i>Total Assets</i>	683,386
<b>Liabilities</b>	
Claims Payable	<u>54,152</u>
<b>Net Position</b>	
Unrestricted	<u><u>\$629,234</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, 2013*

	Retrospective Medical Claims
<b>Operating Revenues</b>	
Municipal Income Taxes	\$265,899
Intergovernmental	105,750
<i>Total Operating Revenues</i>	371,649
<b>Operating Expenses</b>	
Contractual Services	118,103
Claims	127,743
<i>Total Operating Expenses</i>	245,846
<i>Change in Net Position</i>	125,803
<i>Net Position Beginning of Year</i>	503,431
<i>Net Position End of Year</i>	\$629,234

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, 2013

	Retrospective Medical Claims
<i><b>Increase (Decrease) in Cash and Cash Equivalents</b></i>	
<b>Cash Flows from Operating Activities</b>	
Cash Received from Municipal Income Taxes	\$335,470
Cash Received from Intergovernmental Sources	105,750
Cash Payments for Goods and Services	(118,103)
Cash Payments for Claims	(107,615)
<i>Net Increase in Cash and Cash Equivalents</i>	215,502
<i>Cash and Cash Equivalents Beginning of Year</i>	467,884
<i>Cash and Cash Equivalents End of Year</i>	\$683,386
 <b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>	
<i>Operating Income</i>	\$125,803
Increase in Municipal Income Taxes Receivable	69,571
Decrease in Claims Payable	20,128
<i>Net Cash Provided by Operating Activities</i>	\$215,502

See accompanying notes to the basic financial statements



**City of Brooklyn, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Agency Funds*  
*December 31, 2013*

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<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u><u>\$148,443</u></u>
<b>Liabilities</b>	
Intergovernmental Payable	\$2,325
Deposits Held and Due to Others	<u>146,118</u>
<i>Total Liabilities</i>	<u><u>\$148,443</u></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, 2013*

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**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 which are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burden on, the primary government. 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 19 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, 2013*

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***Government-wide Financial Statements*** The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to “avoid” doubling up revenues and expenses. These statements 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.

**City of Brooklyn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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***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.

***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, 2013*

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***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 7) Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On 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. The City did not have any deferred outflows of resources in 2013.

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, 2013, but which were levied to finance year 2014 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, 2013*

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***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 2013, 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, 2013*

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Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2013 amounted to \$11,881, which includes \$3,579 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 law through constitutional provisions. 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, 2013, 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:

**City of Brooklyn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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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

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:



**City of Brooklyn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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***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).

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 (ordinance or resolution, as both are equally binding) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance or resolution, 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 2014’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.

**City of Brooklyn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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***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.

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. There were no extraordinary or special items in 2013.

***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.

**City of Brooklyn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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

*Changes in Accounting Principles*

For 2013, the City has implemented Governmental Accounting Standard Board (GASB) Statement No. 61, “The Financial Reporting Entity: Omnibus an amendment of GASB Statements 14 and 34.” This Statement modifies existing requirements for the assessment of potential component units in determining what should be included in the financial reporting entity and financial reporting entity display and disclosure requirements. The implementation of the statement did not result in any change in the City’s financial statements.

*Restatement of Prior Year’s Net Position*

During 2013, it was determined that capital assets were overstated by \$1,412,837. This change decreased governmental net position from \$35,985,310 to \$34,572,473 at December 31, 2012.

**Note 4 – 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
<u>Nonspendable:</u>						
Prepays	\$41,915	\$0	\$0	\$0	\$0	\$41,915
Inventory	143,041	0	0	0	0	143,041
<i>Total Nonspendable</i>	<u>184,956</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>184,956</u>
<u>Restricted for:</u>						
Street Improvements	0	0	0	0	1,467,856	1,467,856
Street Lighting	0	0	0	0	99,945	99,945
Community Development	0	0	0	0	1,136	1,136
Police Programs	0	162,120	0	0	325,838	487,958
Fire Fighting Programs	0	0	123,925	0	0	123,925
Drug and Law Enforcement	0	0	0	0	144,720	144,720
Juvenile Diversion Program	0	0	0	0	1,752	1,752
EPA Landfill	4,486,857	0	0	0	0	4,486,857
Recreation and Senior Centers	0	0	0	0	289	289
Court Computer	0	0	0	0	57,804	57,804
Safety Forces Construction	0	0	0	0	8	8
Debt Service Payments	0	0	0	0	66,091	66,091
<i>Total Restricted</i>	<u>\$4,486,857</u>	<u>\$162,120</u>	<u>\$123,925</u>	<u>\$0</u>	<u>\$2,165,439</u>	<u>\$6,938,341</u>

**City of Brooklyn, Ohio**  
*Notes to the Basic Financial Statements*  
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Fund Balances	General Fund	Police Pension	Fire Pension	Capital Improvements	Other Governmental Funds	Total
<b><u>Committed to:</u></b>						
Termination Leave Payment	\$0	\$0	\$0	\$0	\$636,696	\$636,696
Capital Improvements	0	0	0	1,893,352	0	1,893,352
Underground Storage	5,386	0	0	0	0	5,386
Purchases on Order	136,491	0	0	0	0	136,491
<b>Total Committed</b>	<b>141,877</b>	<b>0</b>	<b>0</b>	<b>1,893,352</b>	<b>636,696</b>	<b>2,671,925</b>
<b><u>Assigned to:</u></b>						
Year 2014 Appropriations	261,770	0	0	0	0	261,770
Budget Stabilization	1,690,000	0	0	0	0	1,690,000
Purchases on Order	154,125	0	0	0	0	154,125
<b>Total Assigned</b>	<b>2,105,895</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,105,895</b>
Unassigned	10,383,749	0	0	0	0	10,383,749
<b>Total Fund Balances</b>	<b>\$17,303,334</b>	<b>\$162,120</b>	<b>\$123,925</b>	<b>\$1,893,352</b>	<b>\$2,802,135</b>	<b>\$22,284,866</b>

**Note 5 - Budgetary Basis of Accounting**

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP 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 underground storage tank and economic development and budget stabilization funds are reclassified to the general fund for GAAP Reporting.

**City of Brooklyn, Ohio**  
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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.

	<u>General</u>	<u>Police Pension</u>	<u>Fire Pension</u>
GAAP Basis	\$3,421,397	\$212,898	\$176,009
Net Adjustment for Revenue Accruals	(1,136,793)	0	0
Beginning Adjustment for Unrecorded Cash	1,164	0	0
Ending Adjustment for Unrecorded Cash	(1,365)	0	0
Advances In	92,789	0	0
Net Adjustment for Expenditure Accruals	242,364	0	0
Perspective Differences:	0	(84,722)	(79,004)
Underground Storage Tank	(7,174)	0	0
Budget Stabilization	400,000	0	0
Economic Development	95,300	0	0
Adjustment for Encumbrances	(399,498)	0	0
Budget Basis	<u>\$2,708,184</u>	<u>\$128,176</u>	<u>\$97,005</u>

**Note 6 - 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. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

**City of Brooklyn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 25 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

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

***Deposits***

Based on criteria described \$17,194,569 of the City's bank balance of \$18,844,768 was uninsured and uncollateralized, while \$1,650,199 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, 2013, the City had investments in Victory Federal Money Market Mutual Funds with a fair value of \$2,863,114.

***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.

**City of Brooklyn, Ohio**  
*Notes to the Basic Financial Statements*  
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***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.

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

## **Note 7 - Receivables**

Receivables at December 31, 2013, 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 2013 for real and public utility property taxes represents collections of the 2012 taxes. Property tax payments received during 2013 for tangible personal property (other than public utility property) are for 2013 taxes.

2013 real property taxes are levied after October 1, 2013, on the assessed value as of January 1, 2013, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2013 real property taxes are collected in and intended to finance 2014.

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. 2013 public utility property taxes which became a lien December 31, 2012, are levied after October 1, 2013, and are collected in 2014 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2013, was \$5.90 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2013 property tax receipts were based as follows:

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	Assessed Valuation
Real Estate	
Residential/Agriculture	\$123,066,630
Commercial Industrial/Public Utility	154,225,240
Tangible Personal Property	
Public Utility	19,480,320
Total	\$296,772,190

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 measurable as of December 31, 2013 and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2013 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.

***Intergovernmental Receivable***

A summary of the principal items of intergovernmental receivables follows:

	Amount
<b>Governmental Activities:</b>	
Motor Vehicle Registration	\$233,171
Local Government	171,897
Gasoline Excise Tax	155,039
Gasoline Tax	80,133
Homestead and Rollback	71,298
Estate Tax	57,448
CAT Tax	45,390
Grant	25,000
Public Utility Reimbursement	10,168
Other	1,000
Utility Excise Tax	192
<b>Total Governmental Activities</b>	<b>\$850,736</b>



**City of Brooklyn, Ohio**  
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**Note 8 - Capital Assets**

Capital asset activity for the year ended December 31, 2013, was as follows:

	Restated Balance 12/31/12	Additions	Deletions	Balance 12/31/13
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$2,937,821	\$0	\$0	\$2,937,821
Construction in Progress	197,010	1,863,194	(373,682)	1,686,522
<i>Total Capital Assets, not being depreciated</i>	<u>3,134,831</u>	<u>1,863,194</u>	<u>(373,682)</u>	<u>4,624,343</u>
<i>Capital Assets, being depreciated:</i>				
Buildings	18,876,628	0	0	18,876,628
Improvements	13,644,584	766,648	(8,173)	14,403,059
Machinery and Equipment	3,415,648	258,057	(165,132)	3,508,573
Vehicles	5,012,703	330,318	(355,765)	4,987,256
Infrastructure:				
Roads and Sidewalks	14,889,684	148,493	0	15,038,177
Sanitary Sewer	2,704,231	0	0	2,704,231
Storm Sewer	2,102,640	0	0	2,102,640
Water Lines	2,446,344	0	0	2,446,344
Traffic Signals	2,091,771	0	0	2,091,771
<i>Total Capital Assets, being depreciated</i>	<u>65,184,233</u>	<u>1,503,516</u>	<u>(529,070)</u>	<u>66,158,679</u>
Less Accumulated Depreciation:				
Buildings	(8,275,301)	(380,202)	0	(8,655,503)
Improvements	(8,346,741)	(696,888)	2,452	(9,041,177)
Machinery and Equipment	(2,370,899)	(173,085)	146,107	(2,397,877)
Vehicles	(2,662,740)	(236,853)	307,980	(2,591,613)
Infrastructure:				
Roads and Sidewalks	(9,398,888)	(364,357)	0	(9,763,245)
Sanitary Sewer	(2,662,278)	(1,261)	0	(2,663,539)
Storm Sewer	(1,726,803)	(9,193)	0	(1,735,996)
Water Lines	(2,428,950)	(429)	0	(2,429,379)
Traffic Signals	(2,013,793)	(7,664)	0	(2,021,457)
<i>Total Accumulated Depreciation</i>	<u>(39,886,393)</u>	<u>(1,869,932)</u>	<u>456,539</u>	<u>(41,299,786)</u>
<i>Total Capital Assets, being depreciated, net</i>	<u>25,297,840</u>	<u>(366,416)</u>	<u>(72,531)</u>	<u>24,858,893</u>
Governmental Activities Capital Assets, Net	<u>\$28,432,671</u>	<u>\$1,496,778</u>	<u>(\$446,213)</u>	<u>\$29,483,236</u>

Depreciation expense was charged to governmental functions as follow:

General Government	\$131,379
Security of Persons and Property	382,870
Transportation	364,356
Community Environment	61,159
Basic Utility Services	262,624
Leisure Time Activities	667,544
Total Depreciation Expense	<u>\$1,869,932</u>

**City of Brooklyn, Ohio**  
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**Note 9 - 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 10 - 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 2013, 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	\$41,936,471
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)	1,000,000
Police Professional Liability	1,000,000
Public Employee Dishonesty	100,000
Inland Marine	4,252,885
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 2013. 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 \$54,152 have been accrued as a liability at December 31, 2013, based on an estimate by the City's third party administrator. The claims liability of \$54,152 reported at December 31, 2013 for Workers'

**City of Brooklyn, Ohio**  
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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 2012 and 2013 are as follows:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2012	\$48,673	\$102,469	\$117,118	\$34,024
2013	34,024	127,743	107,615	54,152

**Note 11 - 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, 2013 consisted of the following:

	Transfer From		
Transfer To	General	Other Governmental Funds	Total
Major Funds:			
Police Pension	\$227,280	\$0	\$227,280
Fire Pension	203,852	0	203,852
Capital Improvements	421,362	0	421,362
Other Governmental Funds	456,776	332,005	788,781
<i>Total Governmental Activities</i>	<u>\$1,309,270</u>	<u>\$332,005</u>	<u>\$1,641,275</u>

The transfer of \$332,005 from the other governmental funds to the general obligation bond retirement fund was to cover debt principal payments. The general fund transferred \$227,280 and \$203,852, 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 \$421,362 from general fund to the capital improvements major capital projects fund was to provide additional fund balance for street and other capital improvements and for payment of 2012 notes. The transfer of \$456,776 from the general fund to the other governmental funds consisted of \$33,535 to the general obligation bond retirement fund to supplement available funds for debt service payments, and \$423,241 in transfers to the other governmental funds to supplement the funds available for maintaining the programs in those funds.

**City of Brooklyn, Ohio**  
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**Note 12 - 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>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides 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. For the year ended December 31, 2013, members in state and local divisions contributed 10 percent of covered payroll. Members in the state and local divisions may participate in all three plans. For 2013, member and employer contribution rates were consistent across all three plans.

The City's 2013 contribution rate was 14.0 percent. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. For 2013, the portion of employer contribution allocated to health care was 1.00 percent for members in the Traditional Plan and the Combined Plan. Effective January 1, 2014, the portion of employer contributions allocated to health care increased to 2 percent. 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, 2013, 2012, and 2011 were \$478,656, 366,087, and \$386,889, respectively. For 2013, 88.17 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2012 and 2011. Contributions to the Member-Directed Plan for 2013 were \$9,256 made by the City and \$6,611 made by plan members.

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***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.

Funding Policy – Employer and employee contribution rates are set by the Ohio Revised Code. From January 1, 2013, thru July 1, 2013, plan members were required to contribute 10 percent of their annual covered salary. From July 2, 2013, thru December 31, 2013, plan members were required to contribute 10.75 percent of their annual covered salary. Throughout 2013, employers were required to contribute 19.5 percent and 24 percent respectively for police officers and 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. For January 1 2013, thru May 31, 2013, the portion of employer contributions used to fund pension benefits was 14.81 percent of covered payroll for the police officers and 19.31 percent of covered payroll for firefighters. For June 1, 2013, thru December 31, 2013, the portion of employer contributions used to fund pension benefits was 16.65 percent of covered payroll for police officers and 21.15 percent of covered payroll for firefighters. The City's contributions to OP&F for police and firefighters were \$299,655 and \$343,554 for the year ended December 31, 2013, \$286,204 and \$335,625 for the year ended December 31, 2012, and \$307,947 and \$344,644 for the year ended December 31, 2011, respectively. For 2013, 72.83 percent for police and 71.99 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 2012 and 2011.

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, 2013, the unfunded liability of the City was \$45,344 payable in semi-annual payments through the year of 2035. This is an accounting liability of the City which will not vary.

**Note 13 - 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

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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>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

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

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2013, state and local employers contributed at a rate of 14.0 percent of covered payroll. 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. For 2013, the portion of employer contributions allocated to health care for members in the Traditional Plan and the Combined Plan was 1.0 percent. Effective January 1, 2014, the portion of employer contributions allocated to healthcare was raised to 2 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, 2013, 2012, and 2011 were \$36,820, \$149,997, and \$156,051, respectively. For 2013, 88.17 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2012 and 2011.

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

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

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

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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](http://www.op-f.org).

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required by 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 January 1, 2013, thru May 31, 2013, the employer contribution allocated to the health care plan was 4.69 percent of covered payroll. For June 1, 2013, thru December 31, 2013, the employer contribution allocated to the health care plan was 2.85 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 \$158,640 and \$134,434 for the year ended December 31, 2013, \$151,520 and \$131,332 for the year ended December 31, 2012, and \$163,031 and \$134,861 for the year ended December 31, 2011, respectively. For 2013, 72.83 percent for police and 71.99 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 2012 and 2011.

**City of Brooklyn, Ohio**  
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**Note 14 - 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 \$7,194,230 reported as landfill closure and postclosure care liability at December 31, 2013, 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 2013. 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.

The City had restricted \$1,623,744 in segregated accounts and an additional \$2,863,113 with a trustee to provide a total of \$4,486,857 for the landfill closure and postclosure care costs as of December 31, 2013.

**Note 15 – Short-Term Obligations**

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

<b>Types / Issues</b>	Balance 12/31/2011	Additions	Reductions	Balance 12/31/2012
Various Improvement	\$0	\$265,000	\$0	\$265,000

The note is backed by the full faith and credit of the City of Brooklyn and matures within one year. The note liability is reflected in the funds which received the proceeds. All note proceeds have been fully expended. The notes mature on June 11, 2014. The note will be 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.



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**Note 16 - 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:

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
<b>Governmental Activities:</b>			
Fire Station Improvement Bonds - 2006	3.50-5.00 %	\$5,255,000	December 1, 2027
Sanitary Landfill Improvement OPWC Loan - 1992	0.00	1,099,400	January 1, 2015
Various Improvements Note	1.00	1,375,000	June 12, 2014
Police and Fire Pension - 1988	4.50	70,770	May 15, 2035

Changes in long-term obligations of the City during 2013 are as follows:

	Outstanding 12/31/2012	Additions	Reductions	Outstanding 12/31/2013	Due in One Year
<b>Governmental Activities:</b>					
<b>General Obligation Bonds:</b>					
Fire Station Improvement Bonds	\$4,005,000	\$0	\$195,000	\$3,810,000	\$200,000
Premium on Bonds	204,187	0	13,612	190,575	0
<i>Total General Obligation Bonds</i>	<u>4,209,187</u>	<u>0</u>	<u>208,612</u>	<u>4,000,575</u>	<u>200,000</u>
<b>Other Long-Term Obligations:</b>					
OPWC Loan	137,425	0	54,970	82,455	54,970
Various Improvement Note	0	1,110,000	0	1,110,000	0
Note Premium	0	5,125	427	4,698	0
Police and Fire Pension	46,618	0	1,274	45,344	1,329
Capital Leases	1,470,014	0	289,295	1,180,719	301,506
Landfill	7,073,972	120,258	0	7,194,230	0
Compensated Absences	1,510,261	348,744	329,861	1,529,144	4,495
<i>Total Other Long-Term Obligations</i>	<u>10,238,290</u>	<u>1,584,127</u>	<u>675,827</u>	<u>11,146,590</u>	<u>362,300</u>
<i>Total Governmental Activities</i>	<u>\$14,447,477</u>	<u>\$1,584,127</u>	<u>\$884,439</u>	<u>\$15,147,165</u>	<u>\$562,300</u>

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.

On May 30, 2013, the City issued \$1,110,000 of bond anticipation notes at a rate of 1.0 percent maturing on June, 12, 2014. These notes were used for the 2013 street program, a new roof at City Hall and for a new parking lot at the recreation center. The notes are backed by the full faith and credit of the City of Brooklyn.

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*For the Year Ended December 31, 2013*

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 14).

The City's overall legal debt margin was \$26,042,171 at December 31, 2013. The unvoted legal debt margin was \$11,203,561. Principal and interest requirements to retire the long-term obligations as of December 31, 2013, are as follows:

	General Obligation Bonds		OPWC Loan	Police and Fire Pension	
	Principal	Interest	Principal	Principal	Interest
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	240,000	142,650	0	1,573	1,669
2019-2023	1,365,000	540,800	0	8,937	7,273
2024-2028	1,350,000	172,500	0	11,028	5,182
2029-2033	0	0	0	13,609	2,601
2034-2035	0	0	0	4,528	191
<b>Total</b>	<b>\$3,810,000</b>	<b>\$1,522,750</b>	<b>\$82,455</b>	<b>\$45,344</b>	<b>\$24,215</b>

**Note 17 - 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, 2013.

**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.

**City of Brooklyn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

**Note 18 - Capital Leases**

In prior years, the City entered into lease agreements for a copier, pool improvements, a fire truck and additional building improvements. The leases meet the criteria for a capital lease and have been recorded on the government – wide statements. Capital assets acquired by leases currently being paid have been capitalized and depreciated as follows as of December 31, 2013:

<b>Governmental Activities</b>	
<i>Capital Leases, being depreciated:</i>	
Improvements	\$2,054,515
Equipment	7,725
Vehicles	<u>830,000</u>
<i>Total Capital Leases, being depreciated</i>	<u>2,892,240</u>
Less Accumulated Depreciation:	
Improvements	(1,369,677)
Equipment	(1,545)
Vehicles	<u>(300,875)</u>
<i>Total Accumulated Depreciation</i>	<u>(1,672,097)</u>
<i>Carrying Value</i>	<u><u>\$1,220,143</u></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, 2013.

Year Ending December 30,	Governmental Activities
2014	\$348,844
2015	348,844
2016	348,844
2017	<u>245,023</u>
Total	1,291,555
Less: Amount Representing Interest	<u>(110,836)</u>
Present Value of Net Minimum Lease Payments	<u><u>\$1,180,719</u></u>

**City of Brooklyn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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**Note 19 - 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 2013, 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.

***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 2013, 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 31360 Solon Road, Suite 33 Solon, Ohio 44139 or at the website [www.nopecinfo.org](http://www.nopecinfo.org).

**City of Brooklyn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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**Note 20 – Significant Commitments**

*Contractual Commitments*

At December 31, 2013, the City had \$384,756 in contractual commitments for various improvements within the City. Remaining commitment amounts were encumbered at year end.

*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	\$399,498
Capital Improvements	589,447
Other Governmental Funds	<u>102,192</u>
Total	<u><u>\$1,091,137</u></u>

**Note 21 – Subsequent Event**

On June 11, 2014, the City repaid \$1,375,000 in bond anticipation notes, and reissued them in the amount of \$1,110,000 with a maturity date of June 10, 2015.

**Combining and Individual Fund  
Statements and Schedules**

## *Fund Descriptions – Nonmajor Governmental Funds*

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### *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 2013, therefore, budgetary information is not provided.

***FEMA Fund*** - This fund accounts for and reports Federal monies restricted for restoration of areas hit by natural disasters.

***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.

***Law Enforcement Fund*** - This fund accounts for and report 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.

(continued)

## *Fund Descriptions – Nonmajor Governmental Funds (continued)*

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***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.

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

***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, 2013*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$2,635,714	\$66,091	\$8	\$2,701,813
Accounts Receivable	4,709	0	0	4,709
Intergovernmental Receivable	478,374	6,451	0	484,825
Municipal Income Taxes Receivable	76,394	0	0	76,394
Property Taxes Receivable	112,221	80,163	0	192,384
Local Taxes Receivable	10,548	0	0	10,548
<i>Total Assets</i>	<u>\$3,317,960</u>	<u>\$152,705</u>	<u>\$8</u>	<u>\$3,470,673</u>
<b>Liabilities</b>				
Accounts Payable	\$48,471	\$0	\$0	\$48,471
Accrued Wages and Benefits	7,658	0	0	7,658
Intergovernmental Payable	4,763	0	0	4,763
<i>Total Liabilities</i>	<u>60,892</u>	<u>0</u>	<u>0</u>	<u>60,892</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	100,784	71,991	0	172,775
Unavailable Revenue	420,248	14,623	0	434,871
<i>Total Deferred Inflows of Resources</i>	<u>521,032</u>	<u>86,614</u>	<u>0</u>	<u>607,646</u>
<b>Fund Balances</b>				
Restricted	2,099,340	66,091	8	2,165,439
Committed	636,696	0	0	636,696
<i>Total Fund Balances</i>	<u>2,736,036</u>	<u>66,091</u>	<u>8</u>	<u>2,802,135</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$3,317,960</u>	<u>\$152,705</u>	<u>\$8</u>	<u>\$3,470,673</u>

**City of Brooklyn, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2013*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Municipal Income Taxes	\$343,939	\$0	\$0	\$343,939
Property Taxes	106,152	81,672	0	187,824
Local Taxes	32,439	0	0	32,439
Charges for Services	1,125	0	0	1,125
Fines, Licenses and Permits	108,639	0	0	108,639
Intergovernmental	1,040,805	11,797	0	1,052,602
Interest	0	110	3	113
<i>Total Revenues</i>	<u>1,633,099</u>	<u>93,579</u>	<u>3</u>	<u>1,726,681</u>
<b>Expenditures</b>				
Current:				
General Government	57,234	0	0	57,234
Security of Persons and Property	122,971	0	0	122,971
Transportation	399,653	0	0	399,653
Community Environment	168,129	0	0	168,129
Basic Utility Services	197,575	0	0	197,575
Leisure Time Activities	78,752	0	0	78,752
Debt Service:				
Principal Retirement	0	249,970	0	249,970
Interest and Fiscal Charges	0	192,376	0	192,376
Bond Issuance Costs	0	3,055	0	3,055
<i>Total Expenditures</i>	<u>1,024,314</u>	<u>445,401</u>	<u>0</u>	<u>1,469,715</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>608,785</u>	<u>(351,822)</u>	<u>3</u>	<u>256,966</u>
<b>Other Financing Sources (Uses)</b>				
Premium on Debt Issuance	0	5,125	0	5,125
Transfers In	142,741	365,540	280,500	788,781
Transfers Out	0	0	(332,005)	(332,005)
<i>Total Other Financing Sources (Uses)</i>	<u>142,741</u>	<u>370,665</u>	<u>(51,505)</u>	<u>461,901</u>
<i>Net Change in Fund Balances</i>	751,526	18,843	(51,502)	718,867
<i>Fund Balances Beginning of Year</i>	<u>1,984,510</u>	<u>47,248</u>	<u>51,510</u>	<u>2,083,268</u>
<i>Fund Balances End of Year</i>	<u><u>\$2,736,036</u></u>	<u><u>\$66,091</u></u>	<u><u>\$8</u></u>	<u><u>\$2,802,135</u></u>

**City of Brooklyn, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2013*

	Street Maintenance and Repair	State Highway	Community Development Block Grant	Street Lighting
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$1,027,443	\$320,505	\$1,136	\$115,570
Accounts Receivable	0	0	0	0
Intergovernmental Receivable	431,684	36,659	0	9,031
Municipal Income Taxes Receivable	0	0	0	0
Property Taxes Receivable	0	0	0	112,221
Local Taxes Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$1,459,127</u>	<u>\$357,164</u>	<u>\$1,136</u>	<u>\$236,822</u>
<b>Liabilities</b>				
Accounts Payable	\$30,212	\$0	\$0	\$15,625
Accrued Wages and Benefits	7,573	0	0	0
Intergovernmental Payable	4,760	0	0	0
<i>Total Liabilities</i>	<u>42,545</u>	<u>0</u>	<u>0</u>	<u>15,625</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	0	0	0	100,784
Unavailable Revenue	341,306	29,329	0	20,468
<i>Total Deferred Inflows of Resources</i>	<u>341,306</u>	<u>29,329</u>	<u>0</u>	<u>121,252</u>
<b>Fund Balances</b>				
Restricted	1,075,276	327,835	1,136	99,945
Committed	0	0	0	0
<i>Total Fund Balances</i>	<u>1,075,276</u>	<u>327,835</u>	<u>1,136</u>	<u>99,945</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$1,459,127</u>	<u>\$357,164</u>	<u>\$1,136</u>	<u>\$236,822</u>

Motor Vehicle License Tax	D.A.R.E.	Bullet Proof Vest	FEMA	Public Safety Equipment
\$60,445	\$8,861	\$354	\$32,368	\$7,282
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
10,548	0	0	0	0
<u>\$70,993</u>	<u>\$8,861</u>	<u>\$354</u>	<u>\$32,368</u>	<u>\$7,282</u>
\$0	\$0	\$0	\$0	\$0
0	0	0	0	0
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0
6,248	0	0	0	0
<u>6,248</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
64,745	8,861	354	32,368	7,282
0	0	0	0	0
<u>64,745</u>	<u>8,861</u>	<u>354</u>	<u>32,368</u>	<u>7,282</u>
<u>\$70,993</u>	<u>\$8,861</u>	<u>\$354</u>	<u>\$32,368</u>	<u>\$7,282</u>

(continued)

**City of Brooklyn, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2013*

	Federal Drug Forfeiture	Law Enforcement	Mandatory Drug Law	Termination Leave Payment
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$65,515	\$19,804	\$124,802	\$583,199
Accounts Receivable	0	114	0	0
Intergovernmental Receivable	0	0	0	0
Municipal Income Taxes Receivable	0	0	0	76,394
Property Taxes Receivable	0	0	0	0
Local Taxes Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$65,515</u>	<u>\$19,918</u>	<u>\$124,802</u>	<u>\$659,593</u>
<b>Liabilities</b>				
Accounts Payable	\$0	\$0	\$0	\$0
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	0	0	0	0
Unavailable Revenue	0	0	0	22,897
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>22,897</u>
<b>Fund Balances</b>				
Restricted	65,515	19,918	124,802	0
Committed	0	0	0	636,696
<i>Total Fund Balances</i>	<u>65,515</u>	<u>19,918</u>	<u>124,802</u>	<u>636,696</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$65,515</u>	<u>\$19,918</u>	<u>\$124,802</u>	<u>\$659,593</u>

Domino Trust	Groeger Trust	Court Computer	Juvenile Diversion	P.O.P.A.S.	Total Nonmajor Special Revenue Funds
\$286	\$3	\$59,108	\$752	\$208,281	\$2,635,714
0	0	1,330	0	3,265	4,709
0	0	0	1,000	0	478,374
0	0	0	0	0	76,394
0	0	0	0	0	112,221
0	0	0	0	0	10,548
<u>\$286</u>	<u>\$3</u>	<u>\$60,438</u>	<u>\$1,752</u>	<u>\$211,546</u>	<u>\$3,317,960</u>
\$0	\$0	\$2,634	\$0	\$0	\$48,471
0	0	0	0	85	7,658
0	0	0	0	3	4,763
<u>0</u>	<u>0</u>	<u>2,634</u>	<u>0</u>	<u>88</u>	<u>60,892</u>
0	0	0	0	0	100,784
0	0	0	0	0	420,248
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>521,032</u>
286	3	57,804	1,752	211,458	2,099,340
0	0	0	0	0	636,696
<u>286</u>	<u>3</u>	<u>57,804</u>	<u>1,752</u>	<u>211,458</u>	<u>2,736,036</u>
<u>\$286</u>	<u>\$3</u>	<u>\$60,438</u>	<u>\$1,752</u>	<u>\$211,546</u>	<u>\$3,317,960</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, 2013*

	Street Maintenance and Repair	State Highway	Community Development Block Grant	Street Lighting	Motor Vehicle License Tax
<b>Revenues</b>					
Municipal Income Taxes	\$0	\$0	\$0	\$0	\$0
Property Taxes	0	0	0	106,152	0
Local Taxes	0	0	0	0	32,439
Charges for Services	0	0	0	0	0
Fines, Licenses and Permits	0	0	0	0	0
Intergovernmental	756,381	61,329	150,000	24,704	0
<i>Total Revenues</i>	<u>756,381</u>	<u>61,329</u>	<u>150,000</u>	<u>130,856</u>	<u>32,439</u>
<b>Expenditures</b>					
Current:					
General Government	0	0	0	0	0
Security of Persons and Property	0	0	0	0	0
Transportation	383,160	1,023	0	0	15,470
Community Environment	0	0	168,129	0	0
Basic Utility Services	0	0	0	197,575	0
Leisure Time Activities	0	0	0	0	0
<i>Total Expenditures</i>	<u>383,160</u>	<u>1,023</u>	<u>168,129</u>	<u>197,575</u>	<u>15,470</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	373,221	60,306	(18,129)	(66,719)	16,969
<b>Other Financing Sources</b>					
Transfers In	0	0	31,741	111,000	0
<i>Net Change in Fund Balances</i>	373,221	60,306	13,612	44,281	16,969
<i>Fund Balances Beginning of Year</i>	<u>702,055</u>	<u>267,529</u>	<u>(12,476)</u>	<u>55,664</u>	<u>47,776</u>
<i>Fund Balances End of Year</i>	<u>\$1,075,276</u>	<u>\$327,835</u>	<u>\$1,136</u>	<u>\$99,945</u>	<u>\$64,745</u>

D.A.R.E.	Bullet Proof Vest	FEMA	Public Safety Equipment	Federal Drug Forfeiture
\$0	\$0	\$0	\$0	\$0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	9,440
9,914	0	31,341	0	0
9,914	0	31,341	0	9,440
0	0	0	0	0
13,912	0	0	0	38,460
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
13,912	0	0	0	38,460
(3,998)	0	31,341	0	(29,020)
0	0	0	0	0
(3,998)	0	31,341	0	(29,020)
12,859	354	1,027	7,282	94,535
\$8,861	\$354	\$32,368	\$7,282	\$65,515

(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, 2013*

	Law Enforcement	Mandatory Drug Law	Termination Leave Payment	Domino Trust
<b>Revenues</b>				
Municipal Income Taxes	\$0	\$0	\$343,939	\$0
Property Taxes	0	0	0	0
Local Taxes	0	0	0	0
Charges for Services	0	0	0	0
Fines, Licenses and Permits	1,309	27,384	0	0
Intergovernmental	0	0	0	0
<i>Total Revenues</i>	<u>1,309</u>	<u>27,384</u>	<u>343,939</u>	<u>0</u>
<b>Expenditures</b>				
Current:				
General Government	0	0	37,336	0
Security of Persons and Property	1,523	0	0	0
Transportation	0	0	0	0
Community Environment	0	0	0	0
Basic Utility Services	0	0	0	0
Leisure Time Activities	0	0	0	77,000
<i>Total Expenditures</i>	<u>1,523</u>	<u>0</u>	<u>37,336</u>	<u>77,000</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(214)	27,384	306,603	(77,000)
<b>Other Financing Sources</b>				
Transfers In	0	0	0	0
<i>Net Change in Fund Balances</i>	(214)	27,384	306,603	(77,000)
<i>Fund Balances Beginning of Year</i>	<u>20,132</u>	<u>97,418</u>	<u>330,093</u>	<u>77,286</u>
<i>Fund Balances End of Year</i>	<u>\$19,918</u>	<u>\$124,802</u>	<u>\$636,696</u>	<u>\$286</u>

Groeger Trust	Court Computer	Juvenile Diversion	P.O.P.A.S.	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$343,939
0	0	0	0	106,152
0	0	0	0	32,439
0	0	1,125	0	1,125
0	15,030	0	55,476	108,639
0	0	7,136	0	1,040,805
0	15,030	8,261	55,476	1,633,099
0	19,898	0	0	57,234
0	0	9,398	59,678	122,971
0	0	0	0	399,653
0	0	0	0	168,129
0	0	0	0	197,575
1,752	0	0	0	78,752
1,752	19,898	9,398	59,678	1,024,314
(1,752)	(4,868)	(1,137)	(4,202)	608,785
0	0	0	0	142,741
(1,752)	(4,868)	(1,137)	(4,202)	751,526
1,755	62,672	2,889	215,660	1,984,510
\$3	\$57,804	\$1,752	\$211,458	\$2,736,036

**City of Brooklyn, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*

*Nonmajor Capital Projects Funds*

*For the Year Ended December 31, 2013*

	Tiedeman Road	Safety Forces Construction	Total Nonmajor Capital Projects Funds
<b>Revenues</b>			
Interest	\$3	\$0	\$3
<b>Expenditures</b>	0	0	0
<i>Excess of Revenues Over Expenditures</i>	3	0	3
<b>Other Financing Sources (Uses)</b>			
Transfers In	0	280,500	280,500
Transfers Out	(51,505)	(280,500)	(332,005)
<i>Total Other Financing Sources (Uses)</i>	(51,505)	0	(51,505)
<i>Net Change in Fund Balances</i>	(51,502)	0	(51,502)
<i>Fund Balances Beginning of Year</i>	51,502	8	51,510
<i>Fund Balances End of Year</i>	\$0	\$8	\$8

## *Fund Descriptions - Fiduciary Funds*

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### *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, 2013*

	Balance 12/31/12	Additions	Reductions	Balance 12/31/13
<b><i>Required Deposits</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$123,518	\$26,375	\$3,775	\$146,118
<b>Liabilities</b>				
Deposits Held and Due to Others	\$123,518	\$26,375	\$3,775	\$146,118
<b><i>Building Assessment Fees</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$2,164	\$7,844	\$7,683	\$2,325
<b>Liabilities</b>				
Intergovernmental Payable	\$2,164	\$7,844	\$7,683	\$2,325
<b><i>Totals - All Agency Funds</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$125,682	\$34,219	\$11,458	\$148,443
<b>Liabilities</b>				
Intergovernmental Payable	\$2,164	\$7,844	\$7,683	\$2,325
Deposits Held and Due to Others	123,518	26,375	3,775	146,118
<b><i>Total Liabilities</i></b>	<b>\$125,682</b>	<b>\$34,219</b>	<b>\$11,458</b>	<b>\$148,443</b>

*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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Municipal Income Taxes	\$12,406,785	\$14,425,275	\$14,425,283	\$8
Property Taxes	538,781	626,435	626,437	2
Local Taxes	255,349	296,850	296,892	42
Charges for Services	1,064,440	1,236,679	1,237,617	938
Fines, Licenses and Permits	616,427	716,705	716,715	10
Intergovernmental	386,347	449,060	449,203	143
Interest	8,147	11,120	11,150	30
Rentals	2,946	3,425	3,426	1
Miscellaneous	27,206	31,525	32,675	1,150
<i>Total Revenues</i>	<u>15,306,428</u>	<u>17,797,074</u>	<u>17,799,398</u>	<u>2,324</u>
<b>Expenditures</b>				
Current:				
General Government:				
Council:				
Wages and Benefits	134,490	136,147	133,910	2,237
Other	11,995	11,848	9,356	2,492
Total Council	<u>146,485</u>	<u>147,995</u>	<u>143,266</u>	<u>4,729</u>
Mayor:				
Wages and Benefits	223,600	227,585	224,803	2,782
Other	10,500	14,063	13,515	548
Total Mayor	<u>234,100</u>	<u>241,648</u>	<u>238,318</u>	<u>3,330</u>
Legal:				
Wages and Benefits	316,500	106,425	104,892	1,533
Other	206,920	442,812	421,724	21,088
Total Legal	<u>523,420</u>	<u>549,237</u>	<u>526,616</u>	<u>22,621</u>
Finance:				
Wages and Benefits	296,785	300,247	279,807	20,440
Other	255,000	288,324	269,230	19,094
Total Finance	<u>551,785</u>	<u>588,571</u>	<u>549,037</u>	<u>39,534</u>
Civil Service:				
Wages and Benefits	11,500	11,633	10,725	908
Other	11,000	11,078	6,672	4,406
Total Civil Service	<u>\$22,500</u>	<u>\$22,711</u>	<u>\$17,397</u>	<u>\$5,314</u>

(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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Engineering:				
Wages and Benefits	\$26,000	\$26,421	\$26,097	\$324
Other	114,310	109,861	80,812	29,049
Total Engineering	140,310	136,282	106,909	29,373
Data System:				
Other	50,484	51,090	49,017	2,073
Miscellaneous:				
Other	422,884	449,512	430,483	19,029
Total General Government	2,091,968	2,187,046	2,061,043	126,003
Security of Persons and Property:				
Public Safety:				
Wages and Benefits	3,650,000	3,702,714	3,586,987	115,727
Other	422,665	445,518	433,583	11,935
Total Public Safety	4,072,665	4,148,232	4,020,570	127,662
Fire Department:				
Wages and Benefits	2,737,655	2,706,071	2,600,012	106,059
Other	359,071	398,814	365,507	33,307
Total Fire Department	3,096,726	3,104,885	2,965,519	139,366
Total Security of Persons and Property	7,169,391	7,253,117	6,986,089	267,028
Community Environment:				
Public Lands and Buildings:				
Wages and Benefits	54,850	55,493	51,946	3,547
Other	1,183,551	1,172,670	1,109,624	63,046
Total Public Lands and Buildings	1,238,401	1,228,163	1,161,570	66,593
Public Service:				
Wages and Benefits	135,295	136,934	132,460	4,474
Other	21,000	21,193	11,057	10,136
Total Public Service	156,295	158,127	143,517	14,610
Building Department:				
Wages and Benefits	115,073	146,675	122,704	23,971
Other	6,330	6,825	6,072	753
Total Building Department	121,403	153,500	128,776	24,724
Total Community Environment	\$1,516,099	\$1,539,790	\$1,433,863	\$105,927

(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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Basic Utility Services:				
Garage:				
Wages and Benefits	\$1,580,270	\$1,620,718	\$1,600,911	\$19,807
Other	158,885	218,687	201,812	16,875
Total Basic Utility Services	1,739,155	1,839,405	1,802,723	36,682
Leisure Time Activities:				
Recreation Center:				
Wages and Benefits	670,565	644,312	629,359	14,953
Other	185,983	194,017	175,326	18,691
Total Recreation Center	856,548	838,329	804,685	33,644
Indoor/Outdoor Pool:				
Wages and Benefits	321,865	356,638	349,233	7,405
Other	131,420	121,520	105,739	15,781
Total Indoor/Outdoor Pool	453,285	478,158	454,972	23,186
Parks:				
Wages and Benefits	46,325	31,650	26,290	5,360
Other	27,750	37,417	34,438	2,979
Total Parks	74,075	69,067	60,728	8,339
Senior Services:				
Wages and Benefits	198,770	200,629	190,678	9,951
Other	104,695	96,988	78,191	18,797
Total Senior Services	303,465	297,617	268,869	28,748
Total Leisure Time Activities	1,687,373	1,683,171	1,589,254	93,917
Debt Service:				
Principal Retirement	1,430	1,430	1,430	0
Interest and Fiscal Charges	331	331	331	0
Total Debt Service	1,761	1,761	1,761	0
<i>Total Expenditures</i>	14,205,747	14,504,290	13,874,733	629,557
<i>Excess of Revenues Over Expenditures</i>	\$1,100,681	\$3,292,784	\$3,924,665	\$631,881

(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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Other Financing Sources (Uses)</b>				
Advances In	\$0	\$0	\$92,789	\$92,789
Transfers In	166,700	0	0	0
Transfers Out	<u>(1,954,178)</u>	<u>(1,309,270)</u>	<u>(1,309,270)</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(1,787,478)</u>	<u>(1,309,270)</u>	<u>(1,216,481)</u>	<u>92,789</u>
<i>Net Change in Fund Balance</i>	(686,797)	1,983,514	2,708,184	724,670
<i>Fund Balance Beginning of Year</i>	10,346,805	10,346,805	10,346,805	0
Prior Year Encumbrances Appropriated	<u>399,384</u>	<u>399,384</u>	<u>399,384</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$10,059,392</u></u>	<u><u>\$12,729,703</u></u>	<u><u>\$13,454,373</u></u>	<u><u>\$724,670</u></u>

**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, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property Taxes	\$373,705	\$389,300	\$389,304	\$4
Intergovernmental	131,295	56,225	56,232	7
<i>Total Revenues</i>	<u>505,000</u>	<u>445,525</u>	<u>445,536</u>	<u>11</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police:				
Other	546,759	569,039	541,398	27,641
Debt Service:				
Principal Retirement	1,274	1,274	1,274	0
Interest and Fiscal Charges	1,968	1,968	1,968	0
<i>Total Expenditures</i>	<u>550,001</u>	<u>572,281</u>	<u>544,640</u>	<u>27,641</u>
<i>Excess of Revenues Under Expenditures</i>	(45,001)	(126,756)	(99,104)	27,652
<b>Other Financing Sources</b>				
Transfers In	0	227,280	227,280	0
<i>Net Change in Fund Balance</i>	(45,001)	100,524	128,176	27,652
<i>Fund Balance Beginning of Year</i>	<u>70,661</u>	<u>70,661</u>	<u>70,661</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$25,660</u>	<u>\$171,185</u>	<u>\$198,837</u>	<u>\$27,652</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, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property Taxes	\$378,931	\$394,745	\$394,749	\$4
Intergovernmental	121,069	57,005	57,018	13
<i>Total Revenues</i>	500,000	451,750	451,767	17
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Fire Pension:				
Other	555,500	584,352	558,614	25,738
<i>Excess of Revenues Under Expenditures</i>	(55,500)	(132,602)	(106,847)	25,755
<b>Other Financing Sources</b>				
Transfers In	0	203,852	203,852	0
<i>Net Change in Fund Balance</i>	(55,500)	71,250	97,005	25,755
<i>Fund Balance Beginning of Year</i>	79,290	79,290	79,290	0
<i>Fund Balance End of Year</i>	<u>\$23,790</u>	<u>\$150,540</u>	<u>\$176,295</u>	<u>\$25,755</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, 2013*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Municipal Income Taxes	\$1,640,014	\$1,677,358	\$1,677,359	\$1
Intergovernmental	0	175,907	175,907	0
Other	<u>0</u>	<u>49,095</u>	<u>49,113</u>	<u>18</u>
<i>Total Revenues</i>	<u>1,640,014</u>	<u>1,902,360</u>	<u>1,902,379</u>	<u>19</u>
<b>Expenditures</b>				
Capital Outlay:				
Capital Improvements:				
Other	4,518,605	4,589,967	4,259,547	330,420
Debt Service:				
Principal Retirement	287,865	287,865	287,865	0
Interest and Fiscal Charges	<u>59,218</u>	<u>59,218</u>	<u>59,218</u>	<u>0</u>
<i>Total Expenditures</i>	<u>4,865,688</u>	<u>4,937,050</u>	<u>4,606,630</u>	<u>330,420</u>
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	<u>(3,225,674)</u>	<u>(3,034,690)</u>	<u>(2,704,251)</u>	<u>330,439</u>
<b>Other Financing Sources</b>				
General Obligation Notes Issued	1,375,000	1,375,000	1,375,000	0
Transfers In	<u>421,362</u>	<u>421,362</u>	<u>421,362</u>	<u>0</u>
<i>Total Other Financing Sources</i>	<u>1,796,362</u>	<u>1,796,362</u>	<u>1,796,362</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(1,429,312)	(1,238,328)	(907,889)	330,439
<i>Fund Balance Beginning of Year</i>	1,805,354	1,805,354	1,805,354	0
Prior Year Encumbrances Appropriated	<u>622,292</u>	<u>622,292</u>	<u>622,292</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$998,334</u>	<u>\$1,189,318</u>	<u>\$1,519,757</u>	<u>\$330,439</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, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$560,000	\$756,920	\$756,932	\$12
<b>Expenditures</b>				
Current:				
Transportation:				
Street Maintenance and Repair:				
Wages and Benefits	260,250	256,750	176,232	80,518
Other	268,573	272,073	257,738	14,335
<i>Total Expenditures</i>	<u>528,823</u>	<u>528,823</u>	<u>433,970</u>	<u>94,853</u>
<i>Net Change in Fund Balance</i>	31,177	228,097	322,962	94,865
<i>Fund Balance Beginning of Year</i>	608,393	608,393	608,393	0
Prior Year Encumbrances Appropriated	<u>28,573</u>	<u>28,573</u>	<u>28,573</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$668,143</u></u>	<u><u>\$865,063</u></u>	<u><u>\$959,928</u></u>	<u><u>\$94,865</u></u>

**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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$42,000	\$61,365	\$61,373	\$8
<b>Expenditures</b>				
Current:				
Transportation:				
Garage:				
Other	10,000	10,000	10,000	0
<i>Net Change in Fund Balance</i>	32,000	51,365	51,373	8
<i>Fund Balance Beginning of Year</i>	260,155	260,155	260,155	0
<i>Fund Balance End of Year</i>	\$292,155	\$311,520	\$311,528	\$8

**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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$239,869	\$225,632	\$225,632	\$0
<b>Expenditures</b>				
Current:				
Community Environment:				
Community Development Block Grant:				
Other	276,291	169,264	168,129	1,135
<i>Excess of Revenues Over (Under) Expenditures</i>	(36,422)	56,368	57,503	1,135
<b>Other Financing Sources (Uses)</b>				
Advances Out	0	(92,790)	(92,789)	1
Transfers In	31,741	31,741	31,741	0
<i>Total Other Financing Sources (Uses)</i>	31,741	(61,049)	(61,048)	1
<i>Net Change in Fund Balance</i>	(4,681)	(4,681)	(3,545)	1,136
<i>Fund Balance Beginning of Year</i>	4,681	4,681	4,681	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$1,136	\$1,136



**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, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Revenues</b>				
Property Taxes	\$109,759	\$106,150	\$106,152	\$2
Intergovernmental	9,241	24,675	24,704	29
<i>Total Revenues</i>	119,000	130,825	130,856	31
<b>Expenditures</b>				
Current:				
Basic Utility Services:				
Street Lighting:				
Other	225,000	225,000	197,575	27,425
<i>Excess of Revenues Under Expenditures</i>	(106,000)	(94,175)	(66,719)	27,456
<b>Other Financing Sources</b>				
Transfers In	111,000	111,000	111,000	0
<i>Net Change in Fund Balance</i>	5,000	16,825	44,281	27,456
<i>Fund Balance Beginning of Year</i>	55,664	55,664	55,664	0
Prior Year Encumbrances Appropriated	10,392	10,392	10,392	0
<i>Fund Balance End of Year</i>	<u>\$71,056</u>	<u>\$82,881</u>	<u>\$110,337</u>	<u>\$27,456</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, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Local Taxes	\$26,000	\$32,680	\$32,684	\$4
<b>Expenditures</b>				
Current:				
Transportation:				
Motor Vehicle License Tax:				
Other	<u>25,775</u>	<u>25,775</u>	<u>18,470</u>	<u>7,305</u>
<i>Net Change in Fund Balance</i>	225	6,905	14,214	7,309
<i>Fund Balance Beginning of Year</i>	43,231	43,231	43,231	0
Prior Year Encumbrances Appropriated	<u>1,671</u>	<u>1,671</u>	<u>1,671</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$45,127</u></u>	<u><u>\$51,807</u></u>	<u><u>\$59,116</u></u>	<u><u>\$7,309</u></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, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$13,500	\$9,900	\$9,914	\$14
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police:				
Wages and Benefits	13,750	13,750	13,696	54
Other	1,500	1,500	216	1,284
<i>Total Expenditures</i>	<u>15,250</u>	<u>15,250</u>	<u>13,912</u>	<u>1,338</u>
<i>Net Change in Fund Balance</i>	(1,750)	(5,350)	(3,998)	1,352
<i>Fund Balance Beginning of Year</i>	<u>12,859</u>	<u>12,859</u>	<u>12,859</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$11,109</u>	<u>\$7,509</u>	<u>\$8,861</u>	<u>\$1,352</u>

**City of Brooklyn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**FEMA Fund**  
*For the Year Ended December 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$0	\$31,341	\$31,341	\$0
<b>Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	31,341	31,341	0
<i>Fund Balance Beginning of Year</i>	<u>1,027</u>	<u>1,027</u>	<u>1,027</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,027</u></u>	<u><u>\$32,368</u></u>	<u><u>\$32,368</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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Public Safety Equipment:				
Other	2,000	2,000	0	2,000
<i>Net Change in Fund Balance</i>	(2,000)	(2,000)	0	2,000
<i>Fund Balance Beginning of Year</i>	7,282	7,282	7,282	0
<i>Fund Balance End of Year</i>	<u>\$5,282</u>	<u>\$5,282</u>	<u>\$7,282</u>	<u>\$2,000</u>

**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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines, Licenses and Permits	\$25,000	\$9,425	\$9,440	\$15
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Public Safety Equipment:				
Other	79,000	79,000	44,662	34,338
<i>Net Change in Fund Balance</i>	(54,000)	(69,575)	(35,222)	34,353
<i>Fund Balance Beginning of Year</i>	94,535	94,535	94,535	0
<i>Fund Balance End of Year</i>	<u>\$40,535</u>	<u>\$24,960</u>	<u>\$59,313</u>	<u>\$34,353</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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines, Licenses and Permits	\$800	\$1,253	\$1,255	\$2
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Law Enforcement:				
Other	2,500	2,500	1,523	977
<i>Net Change in Fund Balance</i>	(1,700)	(1,247)	(268)	979
<i>Fund Balance Beginning of Year</i>	20,072	20,072	20,072	0
<i>Fund Balance End of Year</i>	<u>\$18,372</u>	<u>\$18,825</u>	<u>\$19,804</u>	<u>\$979</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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines, Licenses and Permits	\$10,000	\$27,380	\$27,384	\$4
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Mandatory Drug Law:				
Other	9,000	9,000	0	9,000
<i>Net Change in Fund Balance</i>	1,000	18,380	27,384	9,004
<i>Fund Balance Beginning of Year</i>	97,418	97,418	97,418	0
<i>Fund Balance End of Year</i>	<u>\$98,418</u>	<u>\$115,798</u>	<u>\$124,802</u>	<u>\$9,004</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, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Municipal Income Taxes	\$295,000	\$335,470	\$335,472	\$2
<b>Expenditures</b>				
Current:				
General Government:				
Wages and Benefits	150,000	150,000	37,336	112,664
<i>Net Change in Fund Balance</i>	145,000	185,470	298,136	112,666
<i>Fund Balance Beginning of Year</i>	285,063	285,063	285,063	0
<i>Fund Balance End of Year</i>	<u>\$430,063</u>	<u>\$470,533</u>	<u>\$583,199</u>	<u>\$112,666</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, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Contributions and Donations	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Leisure Time Activities:				
Other	<u>77,000</u>	<u>77,000</u>	<u>77,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(77,000)	(77,000)	(77,000)	0
<i>Fund Balance Beginning of Year</i>	<u>77,286</u>	<u>77,286</u>	<u>77,286</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$286</u></u>	<u><u>\$286</u></u>	<u><u>\$286</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*  
*Groeger Trust Fund*  
*For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Interest	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Leisure Time Activities:				
Groeger Trust:				
Other	1,754	1,752	1,752	0
<i>Net Change in Fund Balance</i>	(1,754)	(1,752)	(1,752)	0
<i>Fund Balance Beginning of Year</i>	5	5	5	0
Prior Year Encumbrances Appropriated	1,750	1,750	1,750	0
<i>Fund Balance End of Year</i>	<u>\$1</u>	<u>\$3</u>	<u>\$3</u>	<u>\$0</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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines, Licenses and Permits	\$13,500	\$14,250	\$14,260	\$10
<b>Expenditures</b>				
Current:				
General Government:				
Courts:				
Other	21,210	21,210	19,969	1,241
<i>Net Change in Fund Balance</i>	(7,710)	(6,960)	(5,709)	1,251
<i>Fund Balance Beginning of Year</i>	53,410	53,410	53,410	0
Prior Year Encumbrances Appropriated	11,210	11,210	11,210	0
<i>Fund Balance End of Year</i>	<u>\$56,910</u>	<u>\$57,660</u>	<u>\$58,911</u>	<u>\$1,251</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, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$0	\$1,125	\$1,125	\$0
Intergovernmental	7,500	7,636	7,636	0
<i>Total Revenues</i>	7,500	8,761	8,761	0
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Juvenile Diversion:				
Other	8,050	10,322	10,073	249
<i>Net Change in Fund Balance</i>	(550)	(1,561)	(1,312)	249
<i>Fund Balance Beginning of Year</i>	839	839	839	0
Prior Year Encumbrances Appropriated	550	550	550	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$839</u>	<u>(\$172)</u>	<u>\$77</u>	<u>\$249</u>

**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, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines, Licenses and Permits	\$110,000	\$55,330	\$55,331	\$1
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police:				
Wages and Benefits	45,000	45,000	28,562	16,438
Other	186,444	186,444	35,618	150,826
<i>Total Expenditures</i>	<u>231,444</u>	<u>231,444</u>	<u>64,180</u>	<u>167,264</u>
<i>Net Change in Fund Balance</i>	(121,444)	(176,114)	(8,849)	167,265
<i>Fund Balance Beginning of Year</i>	210,685	210,685	210,685	0
Prior Year Encumbrances Appropriated	<u>6,444</u>	<u>6,444</u>	<u>6,444</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$95,685</u></u>	<u><u>\$41,015</u></u>	<u><u>\$208,280</u></u>	<u><u>\$167,265</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, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Community Environment:				
Underground Storage Tank:				
Other	<u>8,911</u>	<u>8,911</u>	<u>8,410</u>	<u>501</u>
<i>Net Change in Fund Balance</i>	(8,911)	(8,911)	(8,410)	501
<i>Fund Balance Beginning of Year</i>	3,446	3,446	3,446	0
Prior Year Encumbrances Appropriated	<u>8,411</u>	<u>8,411</u>	<u>8,411</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,946</u></u>	<u><u>\$2,946</u></u>	<u><u>\$3,447</u></u>	<u><u>\$501</u></u>

**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, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	0	0	0	0
<b>Other Financing Sources</b>				
Transfers In	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	500,000	500,000	500,000	0
<i>Fund Balance Beginning of Year</i>	<u>1,595,000</u>	<u>1,595,000</u>	<u>1,595,000</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,095,000</u></u>	<u><u>\$2,095,000</u></u>	<u><u>\$2,095,000</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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Other	\$0	\$300	\$300	\$0
<b>Expenditures</b>				
Current:				
General Government	100,000	100,000	100,000	0
<i>Excess of Revenues Under Expenditures</i>	(100,000)	(99,700)	(99,700)	0
<b>Other Financing Sources</b>				
Transfers In	95,000	95,000	95,000	0
<i>Net Change in Fund Balance</i>	(5,000)	(4,700)	(4,700)	0
<i>Fund Balance Beginning of Year</i>	95,000	95,000	95,000	0
<i>Fund Balance End of Year</i>	<u>\$90,000</u>	<u>\$90,300</u>	<u>\$90,300</u>	<u>\$0</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, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property Taxes	\$75,610	\$81,600	\$81,672	\$72
Intergovernmental	0	11,795	11,797	2
Interest	0	110	110	0
<i>Total Revenues</i>	<u>75,610</u>	<u>93,505</u>	<u>93,579</u>	<u>74</u>
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	249,970	249,970	249,970	0
Interest and Fiscal Charges	183,845	192,380	192,376	4
Issuance Costs	3,055	3,055	3,055	0
<i>Total Expenditures</i>	<u>436,870</u>	<u>445,405</u>	<u>445,401</u>	<u>4</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(361,260)</u>	<u>(351,900)</u>	<u>(351,822)</u>	<u>78</u>
<b>Other Financing Sources</b>				
Note Premium	0	5,125	5,125	0
Transfers In	365,540	365,540	365,540	0
<i>Total Other Financing Sources</i>	<u>365,540</u>	<u>370,665</u>	<u>370,665</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	4,280	18,765	18,843	78
<i>Fund Balance Beginning of Year</i>	<u>47,248</u>	<u>47,248</u>	<u>47,248</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$51,528</u>	<u>\$66,013</u>	<u>\$66,091</u>	<u>\$78</u>

**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, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Interest	\$0	\$5	\$5	\$0
<b>Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	0	5	5	0
<b>Other Financing Uses</b>				
Transfers Out	<u>(51,500)</u>	<u>(51,500)</u>	<u>(51,505)</u>	<u>(5)</u>
<i>Net Change in Fund Balance</i>	(51,500)	(51,495)	(51,500)	(5)
<i>Fund Balance Beginning of Year</i>	<u>51,500</u>	<u>51,500</u>	<u>51,500</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$5</u>	<u>\$0</u>	<u>(\$5)</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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	0	0	0	0
<i>Excess of Revenues Over Expenditures</i>	0	0	0	0
<b>Other Financing Sources (Uses)</b>				
Transfers In	280,500	280,500	280,500	0
Transfers Out	(280,500)	(280,500)	(280,500)	0
<i>Total Other Financing Sources (Uses)</i>	0	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	8	8	8	0
<i>Fund Balance End of Year</i>	<u>\$8</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, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Municipal Income Taxes	\$189,750	\$335,470	\$335,470	\$0
Intergovernmental	105,750	105,750	105,750	0
<i>Total Revenues</i>	<u>295,500</u>	<u>441,220</u>	<u>441,220</u>	<u>0</u>
<b>Expenses</b>				
Contractual Services	120,500	120,500	118,103	2,397
Claims	175,000	175,000	107,615	67,385
<i>Total Expenses</i>	<u>295,500</u>	<u>295,500</u>	<u>225,718</u>	<u>69,782</u>
<i>Net Change in Fund Equity</i>	0	145,720	215,502	69,782
<i>Fund Equity Beginning of Year</i>	<u>467,884</u>	<u>467,884</u>	<u>467,884</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$467,884</u>	<u>\$613,604</u>	<u>\$683,386</u>	<u>\$69,782</u>

# CITY OF BROOKLYN, OHIO



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COMPREHENSIVE ANNUAL FINANCIAL REPORT

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## STATISTICAL SECTION

## 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.

<b>Contents</b>	<b>Pages(s)</b>
<b><i>Financial Trends</i></b> .....	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.	
<b><i>Revenue Capacity</i></b> .....	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.	
<b><i>Debt Capacity</i></b> .....	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.	
<b><i>Economic and Demographic Information</i></b> .....	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.	
<b><i>Operating Information</i></b> .....	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)*

	2013	2012	2011	2010
Governmental Activities				
Net Investment in Capital Assets	\$23,035,062	\$23,908,767	\$21,324,188	\$21,125,879
Restricted:				
Capital Projects	8	447,019	924,712	2,666,804
Debt Service	0	46,618	16,177	0
Street Construction, Maintenance and Repair	1,409,048	869,775	531,517	415,740
State Highway	357,164	282,201	230,903	195,863
Termination Payments	659,593	0	0	0
Court Computer	57,804	62,672	59,723	49,752
Police Programs	211,458	527,641	441,248	532,946
Landfill	4,486,857	4,319,476	4,141,873	3,954,812
Other Purposes	500,208	210,306	193,850	233,034
Unrestricted (Deficit)	8,403,850	5,310,835	3,830,394	(799,210)
<i>Total Governmental Activities Net Position</i>	<u>\$39,121,052</u>	<u>\$35,985,310</u>	<u>\$31,694,585</u>	<u>\$28,375,620</u>



2009	2008	2007	2006	2005	2004
\$21,616,798	\$22,732,949	\$22,893,430	\$21,907,993	\$15,357,773	\$20,264,115
2,146,491	1,722,815	1,860,948	2,104,553	5,687,329	1,796,796
0	82,902	0	0	160,808	174,909
346,999	352,507	290,459	298,241	223,557	429,095
166,341	152,741	130,675	114,162	77,558	78,242
0	0	0	0	0	0
30,078	17,081	16,534	46,779	61,576	66,078
425,525	161,770	100,494	75,024	77,307	86,937
3,833,085	3,686,087	3,501,863	3,297,895	3,109,403	2,867,371
246,223	181,782	150,493	170,522	145,292	92,640
(6,263,918)	(4,040,525)	(3,446,068)	(1,296,375)	(2,664,024)	(3,028,569)
<u>\$22,547,622</u>	<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>

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

	2013	2012	2011	2010	2009
<b>Program Revenues</b>					
Governmental Activities:					
Charges for Services:					
General Government	\$312,433	\$200,637	\$138,097	\$102,807	\$103,950
Security of Persons and Property	1,195,021	809,040	820,180	1,032,438	953,949
Community Environment	214,894	0	209,212	79,481	84,495
Basic Utility Services	287,527	2,056	2,760	1,990	2,601
Leisure Time Activities	242,156	680,775	661,434	621,789	685,917
Subtotal - Charges for Services	<u>2,252,031</u>	<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	0	42,710	52,059	105,242	92,616
Security of Persons and Property	167,552	245,393	321,250	658,332	439,532
Transportation	1,000,736	819,917	634,485	670,206	576,481
Community Environment	150,000	75,632	0	0	0
Basic Utility Services	22,847	16,852	21,051	48,777	48,320
Leisure Time Activities	0	0	77,286	0	0
Subtotal - Operating Grants and Contributions	<u>1,341,135</u>	<u>1,200,504</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	0
Transportation	0	118,367	434,258	518,592	25,503
<i>Total Governmental Activities Program Revenues</i>	<u>3,593,166</u>	<u>3,011,379</u>	<u>3,372,072</u>	<u>3,839,654</u>	<u>3,013,364</u>
<b>Expenses</b>					
Governmental Activities:					
General Government	2,432,195	2,159,779	2,304,429	2,619,663	2,416,591
Security of Persons and Property	8,724,511	8,363,930	8,342,890	8,466,060	8,821,940
Transportation	817,588	963,461	851,242	224,314	972,791
Community Environment	1,630,517	1,554,439	1,707,686	959,325	4,430,941
Basic Utility Services	2,345,282	2,159,415	2,219,956	2,332,882	2,583,382
Leisure Time Activities	2,542,635	2,207,282	2,403,861	2,159,394	2,513,099
Interest and Fiscal Charges	246,868	385,123	314,400	398,123	439,959
<i>Total Governmental Activities Expenses</i>	<u>18,739,596</u>	<u>17,793,429</u>	<u>18,144,464</u>	<u>17,159,761</u>	<u>22,178,703</u>
<b>Net (Expense)/Revenue</b>					
Governmental Activities	<u>(\$15,146,430)</u>	<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
\$85,736	\$118,104	\$70,964	\$49,926	\$29,684
1,001,928	681,396	760,677	674,340	722,691
97,191	100,064	136,206	124,325	108,532
6,795	1,763	233	338	6,368
717,232	578,526	655,500	632,046	651,953
<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>
134,129	112,470	22,059	22,886	27,316
271,357	326,059	147,644	201,212	256,546
704,662	735,436	659,244	604,328	621,256
104,157	0	4,741	33,546	100,603
41,084	32,579	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>
0	0	0	35,093	0
217,646	191,381	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>
2,079,281	1,980,326	1,492,020	2,022,846	1,780,771
8,812,504	8,930,741	7,010,400	8,768,021	7,445,195
1,246,843	1,900,474	252,414	1,291,187	796,490
1,884,187	1,837,776	1,784,567	1,741,243	1,565,039
3,090,199	3,342,106	2,854,851	3,012,207	3,019,920
2,743,950	2,689,422	2,309,476	2,305,614	2,423,794
448,354	471,505	494,153	234,754	222,601
<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>(\$16,923,401)</u>	<u>(\$18,274,572)</u>	<u>(\$13,740,613)</u>	<u>(\$16,997,832)</u>	<u>(\$14,728,861)</u>

(continued)

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

	2013	2012	2011	2010	2009
<b>General Revenues and Other Changes in Net Position</b>					
Governmental Activities					
Taxes:					
Property Taxes Levied For:					
General Purposes	\$558,932	\$589,697	\$642,734	\$635,942	\$1,139,534
Street Lighting	93,822	117,165	124,163	122,467	146,974
Police Pension	369,960	294,198	307,511	300,336	380,023
Fire Pension	369,167	314,100	343,337	335,327	424,296
Debt Service	33,255	279,037	298,553	291,588	368,955
Capital Outlay	0	30,284	38,584	38,032	46,642
Municipal Income Taxes levied for:					
General Purposes	14,718,569	13,857,423	12,463,632	14,238,025	11,518,038
Termination Leave Payment	342,295	322,180	296,719	327,790	99,046
Retrospective Medical Claims	265,899	322,180	296,148	348,837	102,987
Capital Outlay	1,711,464	1,711,161	1,730,787	1,010,760	856,179
Local Taxes	321,292	343,503	300,522	268,085	266,960
Grants and Entitlements not Restricted to					
Specific Programs	820,078	538,085	1,058,307	1,115,478	1,115,311
Investment Income	11,994	22,604	31,083	47,982	99,672
Gain on Sale of Capital Assets	0	0	43,705	0	17,990
Other	78,282	113,708	115,572	67,456	80,245
<i>Total General Revenues</i>	19,695,009	18,855,325	18,091,357	19,148,105	16,662,852
<b>Special Item</b>					
Sale of Brooklyn Library	0	217,450	0	0	0
<i>Total General Revenues and Special Item</i>	19,695,009	19,072,775	18,091,357	19,148,105	16,662,852
<i>Total Change in Net Position</i>	\$4,548,579	\$4,290,725	\$3,318,965	\$5,827,998	(\$2,502,487)

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

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

	2013	2012	2011	2010
<b>General Fund</b>				
Reserved	\$0	\$0	\$0	\$0
Unreserved	0	0	0	0
Nonspendable	184,956	201,253	178,280	161,412
Restricted	4,486,857	4,319,476	4,141,873	3,954,812
Committed	141,877	93,526	8,346	23,525
Assigned	2,105,895	1,437,919	1,835,737	134,328
Unassigned	10,383,749	7,829,763	7,339,376	6,368,863
<b>Total General Fund</b>	<b>17,303,334</b>	<b>13,881,937</b>	<b>13,503,612</b>	<b>10,642,940</b>
<b>All Other Governmental Funds</b>				
Reserved	0	0	0	0
Unreserved, Undesignated, Reported in:				
Special Revenue funds	0	0	0	0
Debt Service fund (Deficit)	0	0	0	0
Capital Projects funds (Deficit)	0	0	0	0
Restricted	2,451,484	1,714,149	1,234,979	792,665
Committed	2,530,048	2,653,602	1,233,360	2,673,211
Unassigned (Deficit)	0	(115,338)	(578,809)	(67,537)
<b>Total All Other Governmental Funds</b>	<b>4,981,532</b>	<b>4,252,413</b>	<b>1,889,530</b>	<b>3,398,339</b>
<b>Total Governmental Funds</b>	<b>\$22,284,866</b>	<b>\$18,134,350</b>	<b>\$15,393,142</b>	<b>\$14,041,279</b>

Note: During 2011, the City implemented GASB 54.

2009	2008	2007	2006	2005	2004
\$3,939,871	\$3,863,104	\$3,612,905	\$3,394,205	\$3,193,942	\$2,992,365
1,899,926	1,898,890	3,055,408	3,730,445	2,886,049	2,438,056
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
5,839,797	5,761,994	6,668,313	7,124,650	6,079,991	5,430,421
215,124	353,067	551,386	866,964	740,211	108,771
665,902	369,699	143,250	202,336	214,407	342,258
78,725	79,715	(21,841)	(4,438)	239,145	230,600
1,936,063	1,379,650	1,288,226	1,216,437	4,946,139	1,703,137
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
2,895,814	2,182,131	1,961,021	2,281,299	6,139,902	2,384,766
\$8,735,611	\$7,944,125	\$8,629,334	\$9,405,949	\$12,219,893	\$7,815,187

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

	2013	2012	2011	2010
<b>Revenues</b>				
Municipal Income Taxes	\$16,852,938	\$15,216,780	\$14,603,931	\$15,378,165
Property Taxes	1,598,314	1,647,181	1,804,935	1,786,658
Local Taxes	329,264	342,430	298,257	269,488
Charges for Services	1,225,959	1,064,828	1,024,204	957,232
Fines, Licenses and Permits	908,909	568,145	750,068	824,573
Intergovernmental	1,866,164	1,963,016	2,564,402	2,940,363
Contributions and Donations	0	0	197,257	132,286
Interest	11,994	22,604	31,083	47,982
Rentals	62,961	59,535	57,411	56,700
Other	78,282	113,708	115,572	67,456
<i>Total Revenues</i>	<u>22,934,785</u>	<u>20,998,227</u>	<u>21,447,120</u>	<u>22,460,903</u>
<b>Expenditures</b>				
Current:				
General Government	2,148,769	2,008,179	2,103,845	2,473,487
Security of Persons and Property	7,953,414	7,628,890	7,537,790	7,729,531
Transportation	399,653	467,538	520,129	627,981
Community Environment	1,422,809	1,353,477	1,529,276	801,511
Basic Utilities Services	2,019,923	1,816,695	1,843,794	2,038,735
Leisure Time Activities	1,624,696	1,549,473	1,675,711	1,523,363
Capital Outlay	3,531,163	2,445,492	1,972,515	455,840
Debt Service:				
Principal Retirement	540,539	894,126	2,612,289	879,056
Principal Retirement - Current Refunding	0	0	0	0
Interest and Fiscal Charges	255,373	318,324	343,613	422,074
Bond Issuance Costs	3,055	0	0	0
<i>Total Expenditures</i>	<u>19,899,394</u>	<u>18,482,194</u>	<u>20,138,962</u>	<u>16,951,578</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>3,035,391</u>	<u>2,516,033</u>	<u>1,308,158</u>	<u>5,509,325</u>
<b>Other Financing Sources (Uses)</b>				
Bond Premium	0	0	0	0
Bonds Issued	0	0	0	0
Notes Issued	1,110,000	0	0	1,676,000
Note Premium	5,125	0	0	0
Current Refunding	0	0	0	(1,815,000)
Inception of Capital Lease	0	7,725	0	24,343
Sale of Capital Assets	0	0	43,705	0
Transfers In	1,641,275	3,938,711	1,168,018	1,136,440
Transfers Out	(1,641,275)	(3,938,711)	(1,168,018)	(1,225,440)
<i>Total Other Financing Sources (Uses)</i>	<u>1,115,125</u>	<u>7,725</u>	<u>43,705</u>	<u>(203,657)</u>
<b>Special Item</b>				
Sale of Brooklyn Library	0	217,450	0	0
<i>Net Change in Fund Balances</i>	<u>\$4,150,516</u>	<u>\$2,741,208</u>	<u>\$1,351,863</u>	<u>\$5,305,668</u>
Debt Service as a Percentage of Noncapital Expenditures	4.7%	7.5%	16.4%	8.0%



2009	2008	2007	2006	2005	2004
\$12,247,285	\$12,102,414	\$12,891,860	\$13,477,404	\$12,251,146	\$11,282,075
2,351,370	2,371,912	2,393,975	2,436,189	2,502,769	2,264,418
263,665	170,301	0	0	0	0
1,054,257	1,079,706	771,638	825,376	802,328	837,834
719,955	772,476	651,515	781,275	678,647	681,394
2,444,270	2,690,551	2,647,967	2,045,099	2,113,217	1,916,555
2,404	17,273	22,551	24,850	25,677	30,107
99,672	324,568	445,581	654,993	412,082	184,372
56,700	56,700	56,700	16,929	0	0
76,276	131,670	147,826	81,341	79,292	52,852
19,315,854	19,717,571	20,029,613	20,343,456	18,865,158	17,334,607
2,246,485	1,945,424	1,777,101	2,007,973	1,658,777	1,713,115
7,892,278	8,483,728	8,122,257	7,739,321	7,379,730	7,051,268
598,620	854,362	747,293	535,888	713,054	518,645
2,233,166	1,690,952	1,599,877	1,639,827	1,409,089	1,474,151
2,212,848	2,873,084	2,901,785	2,490,055	2,612,506	2,636,120
1,827,384	2,159,751	2,071,857	1,917,722	1,970,298	2,023,864
1,271,760	1,203,029	3,964,960	5,893,082	2,501,641	1,516,301
798,932	1,027,789	983,395	955,504	1,150,667	3,158,241
0	75,000	230,000	0	0	0
428,645	451,937	473,568	529,353	213,261	219,310
0	0	0	113,472	0	0
19,510,118	20,765,056	22,872,093	23,822,197	19,609,023	20,311,015
(194,264)	(1,047,485)	(2,842,480)	(3,478,741)	(743,865)	(2,976,408)
0	0	0	299,477	0	0
0	0	0	5,255,000	0	0
1,815,000	575,000	650,000	880,000	5,800,000	1,910,000
0	0	0	0	0	0
(575,000)	(575,000)	(650,000)	(5,800,000)	(1,500,000)	0
0	0	2,054,515	0	845,875	310,650
18,750	0	11,350	30,320	2,696	3,601
1,054,192	1,181,245	1,250,779	903,321	769,054	764,070
(1,327,192)	(1,181,245)	(1,250,779)	(903,321)	(769,054)	(764,070)
985,750	0	2,065,865	664,797	5,148,571	2,224,251
0	0	0	0	0	0
\$791,486	(\$1,047,485)	(\$776,615)	(\$2,813,944)	\$4,404,706	(\$752,157)
6.8%	7.9%	7.8%	10.5%	8.7%	21.9%

**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
2013	\$123,066,630	\$154,225,240	\$792,262,486	\$19,480,320	\$22,136,727
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

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

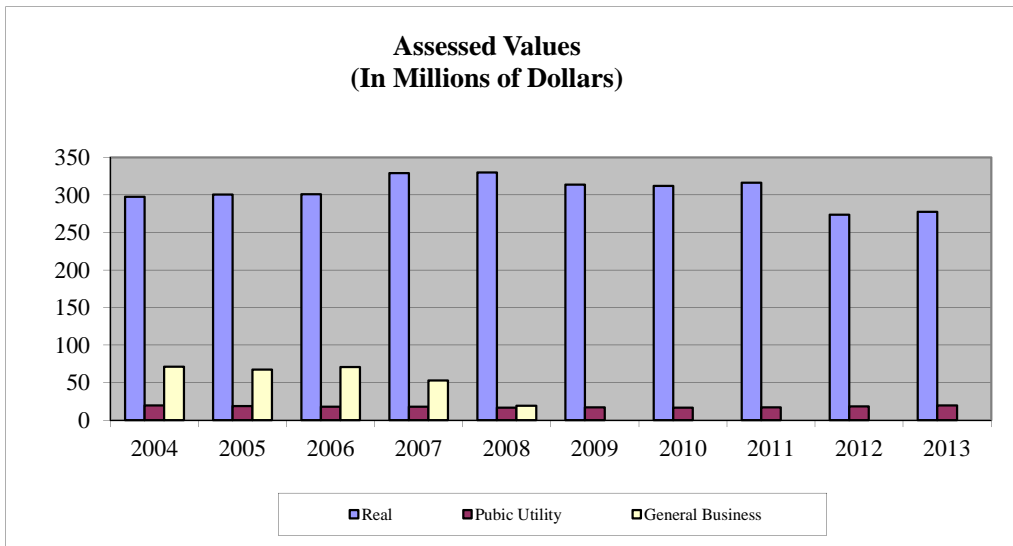
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General 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	\$296,772,190	\$814,399,213	36 %	\$5.90
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



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

	2013	2012	2011	2010
<b>Inside Millage</b>				
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>
<b>Charter Millage</b>				
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>
<b>Total Millage</b>	<u><u>\$5.90000</u></u>	<u><u>\$5.90000</u></u>	<u><u>\$5.90000</u></u>	<u><u>\$5.90000</u></u>
<b>Overlapping Rates by Taxing District</b>				
Brooklyn City School District				
Residential/Agricultural Real	\$60.1000	\$40.1574	\$35.3261	\$35.2990
Commercial/Industrial and Public Utility Real	51.5968	37.4639	34.3551	34.2130
General Business and Public Utility Personal	48.9944	48.7000	47.2000	47.2000
Cuyahoga County Commissioners				
Residential/Agricultural Real	14.0500	13.2200	13.1182	13.1866
Commercial/Industrial and Public Utility Real	14.0500	12.9968	12.7845	12.8413
General Business and Public Utility Personal	13.9495	13.2200	13.2200	13.3200
Special Taxing Districts (1)				
Residential/Agricultural Real	16.7800	9.8920	9.6903	9.6720
Commercial/Industrial and Public Utility Real	16.6950	9.5936	9.4061	9.3581
General Business and Public Utility Personal	16.4244	9.9800	9.9800	9.9800

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.

2009	2008	2007	2006	2005	2004
\$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	0.42000	0.40000	0.25000	0.25000
0.00000	1.00000	1.00000	1.00000	1.00000	0.00000
0.25000	0.25000	0.25000	0.30000	0.40000	0.15000
0.33000	0.33000	0.33000	0.30000	0.35000	0.10000
2.00000	3.00000	3.00000	3.00000	3.00000	1.50000
\$5.90000	\$6.90000	\$6.90000	\$6.90000	\$6.90000	\$5.40000
\$35.0838	\$32.9276	\$26.0149	\$26.0281	\$26.0273	\$26.0257
33.8602	33.1222	26.2242	26.5609	26.4834	26.5447
47.0000	46.4000	39.5000	39.5000	39.5000	39.5000
13.1789	12.6607	11.8689	11.7227	10.9754	10.9899
12.8457	12.8153	12.4536	12.5762	11.9846	12.0433
13.3200	13.3200	13.5200	13.5200	13.5200	13.5200
9.1880	8.6597	7.9675	8.2900	8.2880	6.7784
8.9194	8.8972	8.2518	8.5685	8.5067	7.1811
9.6800	9.6800	9.1800	9.1800	9.1800	8.2800

**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
2013	\$1,760,952	\$1,541,482	87.54 %	\$186,994
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

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's current reporting system does not track delinquency tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

<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>
\$1,728,476	98.16 %	\$160,694	9.13 %
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

**City of Brooklyn, Ohio**  
*Principal Real Property Taxpayers*  
 2013 and 2004

<i>2013</i>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Plain Dealer Publishing Company	\$16,365,160	5.90 %
Ameritrust Co National Association	14,279,660	5.15
Cleveland Electric Illuminating	11,810,530	4.26
Ridge Park Square LLC	8,137,200	2.93
American Greetings Corporation	6,501,850	2.34
American Transmission System	5,646,510	2.04
Westedge Residential, LLC	5,483,890	1.98
Troy CMBS Property LLC	5,387,070	1.94
Terraces at Northridge LTD	4,819,400	1.74
Northcliff Shopping	3,923,400	1.42
<b>Total</b>	<b>\$82,354,670</b>	<b>29.70 %</b>
<b>Total Real Property Assessed Valuation</b>	<b>\$277,291,870</b>	

<i>2004</i>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Plain Dealer Publishing Company	\$21,000,000	7.06 %
Cleveland Electric Illuminating	9,511,530	3.20
American Transmission System	7,585,660	2.55
Ameritrust Co National Association	6,953,030	2.34
Ridge Park Square LLC	6,754,410	2.27
American Greetings Corporation	6,559,000	2.21
Troy CMBS Property LLC	5,209,580	1.75
Westbrook Apartments	5,139,370	1.73
Terraces at Northridge LTD	4,395,720	1.48
Biddulph Ridge Extension LLC	4,057,660	1.36
<b>Total</b>	<b>\$77,165,960</b>	<b>25.96 %</b>
<b>Total Real Property Assessed Valuation</b>	<b>\$297,301,330</b>	

Source: Cuyahoga County Fiscal Officer

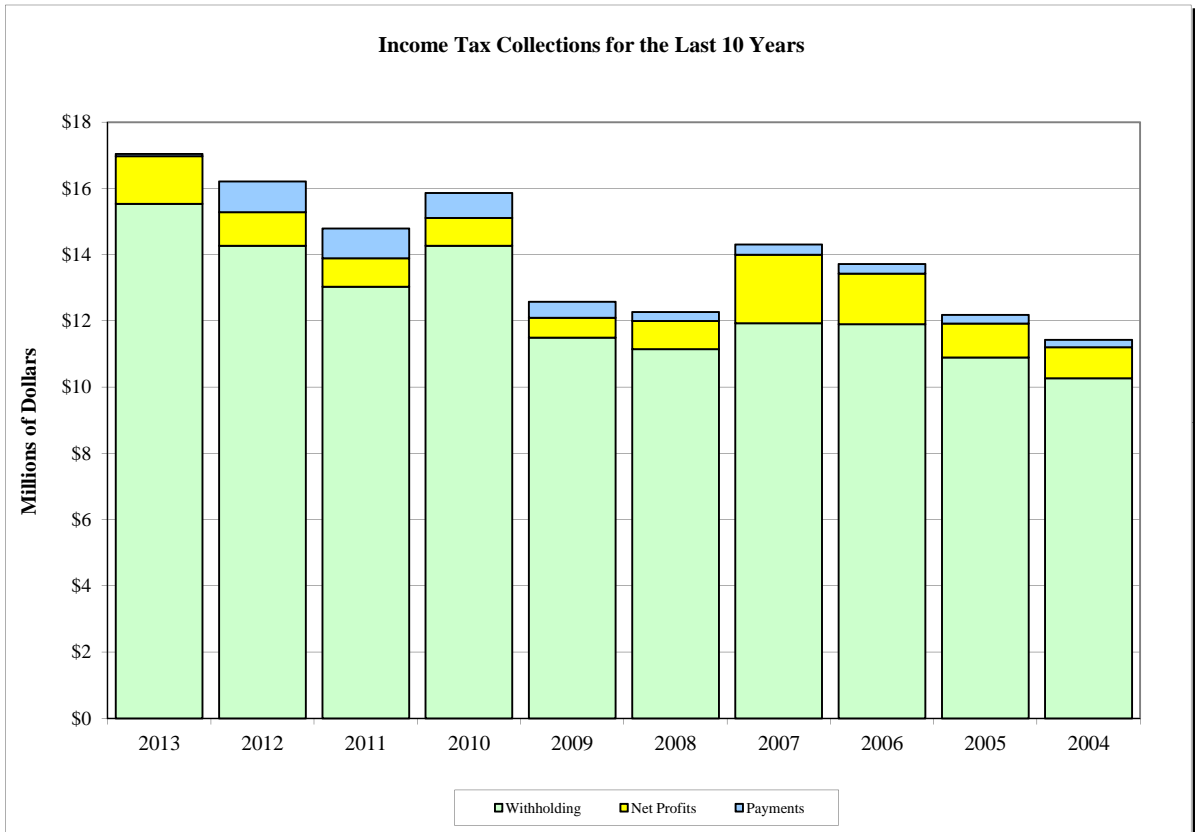


**City of Brooklyn, Ohio**  
*Income Tax Revenue Base and Collections*  
*Last Ten Years*

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
2013	2.50%	\$17,038,227	\$15,531,858	91.16%	\$1,444,673	8.48%	\$61,696	0.36%
2012	2.50	16,212,944	14,267,050	88.00	1,014,801	6.26	931,093	5.75
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

- (1) 2004 through 2013 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 2004 through 2008  
Regional Income Tax Agency Records for year 2009 through 2013



**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	OPWC Loans	Capital Leases	Police and Fire Pension
2013	\$4,000,575	\$82,455	\$1,180,719	\$45,344
2012	4,209,187	137,425	1,470,014	46,618
2011	4,775,606	192,395	1,747,417	47,840
2010	5,369,218	274,850	2,020,079	49,012
2009	5,942,831	329,820	2,258,699	50,135
2008	6,481,444	357,305	2,504,069	51,212
2007	7,010,057	412,275	2,823,720	52,245
2006	7,513,670	467,245	1,032,018	53,235
2005	2,522,806	522,215	1,215,926	54,184
2004	2,832,806	577,185	587,647	55,094

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	\$1,110,000	\$6,419,093	2.71%	\$575
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

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

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Year	Population (1)	Estimated Actual Values of Taxable Property (2)	Bonded Debt
2013	11,169	\$814,399,213	\$4,000,375
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

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

Ratio of Bonded Debt to Estimated Actual Values of Taxable Property	Bonded Debt Per Capita
0.49%	\$358.17
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

**City of Brooklyn, Ohio**

*Legal Debt Margin*

*Last Ten Years*

	2013	2012	2011	2010
Total Assessed Property Value	<u>\$296,772,190</u>	<u>\$291,925,210</u>	<u>\$333,313,310</u>	<u>\$328,777,940</u>
General Bonded Debt Outstanding:				
General Obligation Bonds	\$3,810,000	\$4,005,000	\$4,557,806	\$5,137,806
Bond Anticipation Notes	1,375,000	0	1,676,000	1,815,000
Honeywell Loan	0	0	0	0
OPWC Loans	<u>82,455</u>	<u>137,425</u>	<u>192,395</u>	<u>274,850</u>
Total Gross Indebtedness	5,267,455	4,142,425	6,426,201	7,227,656
Less:				
Honeywell Loan	0	0	0	0
OPWC Loans	(82,455)	(137,425)	(192,395)	(274,850)
General Obligation Bond Retirement Fund Balance	<u>(66,091)</u>	<u>(47,248)</u>	<u>0</u>	<u>0</u>
Total Net Debt Applicable to Debt Limit	<u>5,118,909</u>	<u>3,957,752</u>	<u>6,233,806</u>	<u>6,952,806</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>31,161,080</u>	<u>30,652,147</u>	<u>34,997,898</u>	<u>34,521,684</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$26,042,171</u>	<u>\$26,694,395</u>	<u>\$28,764,092</u>	<u>\$27,568,878</u>
Legal Debt Margin as a Percentage of the Debt Limit	83.57%	87.09%	82.19%	79.86%
Unvoted Debt Limitation 5 ½ % of Assessed Valuation	<u>\$16,322,470</u>	<u>\$16,055,887</u>	<u>\$18,332,232</u>	<u>\$18,082,787</u>
Total Gross Indebtedness	5,267,455	4,142,425	6,426,201	7,227,656
Less:				
Honeywell Loan	0	0	0	0
OPWC Loans	(82,455)	(137,425)	(192,395)	(274,850)
General Obligation Bond Retirement Fund Balance	<u>(66,091)</u>	<u>(47,248)</u>	<u>0</u>	<u>0</u>
Net Debt Within 5 ½ % Limitations	<u>5,118,909</u>	<u>3,957,752</u>	<u>6,233,806</u>	<u>6,952,806</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$11,203,561</u>	<u>\$12,098,135</u>	<u>\$12,098,426</u>	<u>\$11,129,981</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	68.64%	75.35%	66.00%	61.55%

Source: City Financial Records

2009	2008	2007	2006	2005	2004
<u>\$330,692,940</u>	<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>
\$5,697,806	\$6,222,806	\$6,737,806	\$7,227,806	\$2,522,806	\$2,832,806
1,920,000	650,000	880,000	1,120,000	5,800,000	1,910,000
0	0	137,135	311,757	477,434	634,625
329,820	357,305	412,275	467,245	522,215	577,185
7,947,626	7,230,111	8,167,216	9,126,808	9,322,455	5,954,616
0	0	(137,135)	(311,757)	(477,434)	(634,625)
(329,820)	(357,305)	(412,275)	(467,245)	(522,215)	(577,185)
(106,210)	(79,715)	0	(190,562)	(239,145)	(230,600)
<u>7,511,596</u>	<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>
34,722,759	38,397,608	41,944,206	40,915,909	40,581,115	40,720,774
<u>\$27,211,163</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>
78.37%	82.31%	81.84%	80.06%	80.08%	88.92%
<u>\$18,188,112</u>	<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>
7,947,626	7,230,111	8,167,216	9,126,808	9,322,455	5,954,616
0	0	(137,135)	(311,757)	(477,434)	(634,625)
(329,820)	(357,305)	(412,275)	(467,245)	(522,215)	(577,185)
(106,210)	(79,715)	0	(190,562)	(239,145)	(230,600)
<u>7,511,596</u>	<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>\$10,676,516</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>
58.70%	66.23%	65.33%	61.94%	61.97%	78.85%

**City of Brooklyn, Ohio**  
*Computation of Direct and Overlapping Governmental Activities Debt*  
 December 31, 2013

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City of Brooklyn
<b>Direct Debt:</b>			
<b>City of Brooklyn</b>			
General Obligation Bonds	\$4,000,575	100.00 %	\$4,000,575
OPWC Loans	82,455	100.00	82,455
Capital Leases	1,180,719	100.00	1,180,719
Bond Anticipation Notes	1,375,000	100.00	1,375,000
<i>Total Direct Debt</i>	<u>6,638,749</u>		<u>6,638,749</u>
<b>Overlapping Debt:</b>			
<b>Cuyahoga County</b>			
General Obligation Bonds	335,242,118	1.12	3,754,712
Revenue Bonds	427,434,477	1.12	4,787,266
Capital Lease Obligations	372,101,958	1.12	4,167,542
Loans Payable	6,058,580	1.12	67,856
Notes Payable	5,100,000	1.12	57,120
<b>Greater Cleveland Regional Transit Authority</b>			
General Obligation Bonds	148,938,217	1.12	1,668,108
Capital Lease Obligations	16,149,572	1.12	180,875
<i>Total Overlapping Debt</i>	<u>1,311,024,922</u>		<u>14,683,479</u>
<i>Total Direct and Overlapping Debt</i>	<u>\$1,317,663,671</u>		<u>\$21,322,228</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 Four Years Ago*

<b>2013</b>		
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
<b>Total</b>	<b>7,285</b>	<b>61.84%</b>
<b>Total Employment within the City</b>	<b>11,781</b>	

<b>2009 (2)</b>		
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
<b>Total</b>	<b>7,544</b>	<b>73.41%</b>
<b>Total Employment within the City</b>	<b>10,277</b>	

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*

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<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>
2013	11,169	\$236,939,166	\$21,214	\$39,859	42.9
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

(1) Source: for 2010 - 2013 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	7.2%	\$80,689	\$296,772,190
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

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

Function/Program	2013	2012	2011	2010
<b>General Government</b>				
Council	7.00	7.00	7.00	7.00
Mayor	1.00	1.00	1.00	1.00
Administration	1.50	1.50	2.50	2.50
Law	1.50	1.50	1.50	1.50
Finance	4.00	4.00	4.00	4.00
Tax	0.00	0.00	0.00	0.00
Public Building	1.50	1.50	1.50	1.50
Public Service	2.00	2.00	2.00	2.00
Engineer	0.50	0.50	0.50	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
<b>Security of Persons and Property</b>				
Police	30.00	30.00	30.00	32.00
Dispatchers	6.00	6.00	6.00	6.00
Jailers	1.00	1.00	1.00	1.00
Fire	26.00	25.00	24.00	26.00
Fire Secretary	0.00	0.00	0.00	0.00
Safety Director	0.50	0.50	0.50	0.50
<b>Leisure Time Activities</b>				
Recreation	5.00	5.00	5.00	5.00
Pool	0.00	0.00	2.00	2.00
Senior Service	3.00	3.00	3.00	4.00
<b>Community Development</b>				
Building	0.00	0.00	0.00	0.00
<b>Transportation</b>				
Recycling	0.00	0.00	0.00	1.00
Service	19.00	18.00	19.00	20.00
Street Maintenance and Repair	2.00	3.00	3.00	3.00
<b>Totals:</b>	<u>116.50</u>	<u>115.50</u>	<u>118.50</u>	<u>126.00</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.

2009	2008	2007	2006	2005	2004
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	2.00	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	2.00	3.00	3.00	3.00	3.00
2.00	3.00	2.00	2.00	2.00	2.00
1.00	2.00	2.00	2.00	2.00	2.00
1.00	1.00	1.00	1.00	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
0.00	1.00	1.00	1.00	0.00	0.00
32.00	27.00	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
0.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
5.00	6.00	6.00	5.00	5.00	8.00
2.00	2.00	2.00	3.00	3.00	3.00
4.00	4.00	4.00	4.00	4.00	4.00
2.00	3.00	3.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00	1.00	1.00
22.00	28.00	29.00	29.00	29.00	31.00
4.00	4.00	4.00	4.00	4.00	4.00
<u>135.50</u>	<u>142.50</u>	<u>148.50</u>	<u>149.50</u>	<u>147.50</u>	<u>152.50</u>

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

Function/Program	2013	2012	2011	2010
<b>General Government</b>				
<i>Council and Clerk</i>				
Number of Ordinances Passed	75	86	78	74
Number of Resolutions Passed	11	18	15	11
Number of Planning Commission docket items	40	14	21	31
Zoning Board of Appeals docket items	7	22	20	13
<i>Finance Department</i>				
Number of checks/ vouchers issued	2,849	2,694	2,733	2,590
Amount of checks written	\$11,210,170	\$9,159,844	\$8,645,301	\$7,651,560
Interest earnings for fiscal year (cash basis)	\$11,265	\$18,523	\$23,631	\$73,435
Number of Receipts issued	999	903	825	921
Agency Ratings - Moody's Financial Services	A1	A1	A1	A1
Health Insurance Costs vs. General Fund Expenditures %	9.77%	8.89%	9.40%	10.64%
General Fund Receipts (cash basis in thousands)	\$17,799	\$16,814	\$16,963	\$17,320
General Fund Expenditures (cash basis in thousands)	\$13,875	\$17,412	\$14,472	\$13,884
General Fund Cash Balances (in thousands)	\$13,454	\$6,023	\$6,726	\$4,086
<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	n/a	\$97,044
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	668	569	627
Number of Traffic Citations	3,191	2,770	3,641	5,841
Number of Juvenile Citations	45	38	46	55
Number of Parking Citations	579	275	840	700
Total Revenue	\$370,096	\$269,595	\$317,802	\$488,556
<i>Civil Service</i>				
Number of police entry tests administered	0	1	1	0
Number of fire entry tests administered	1	0	1	0
Number of police promotional tests administered	0	0	1	0
Number of fire promotional tests administered	0	0	0	1
Number of civil service examinations	0	0	0	0
Number of school tests	0	1	0	0
Number of Police Officers hired	3	2	0	0
Number of Fire/Medics hired	0	1	0	0
Number of promotions in police	0	3	0	0
<i>Building Department Indicators</i>				
New Construction Permits Issued	1	0	2	0
Estimated Value of Construction	\$36,822,678	\$11,704,170	\$24,128,027	\$8,378,986
Number of electrical/plumbing/remodeling permits issued	632	624	621	952
Amount of Revenue generated from permits	\$239,752	\$49,731	\$163,218	\$70,070
Number of contract registrations issued (A)	555	437	338	411
Annual Apartment/Rooming House License Fees (B)	\$19,500	\$33,750	\$8,900	\$8,650
Revenue generated from above (A, B)	\$70,200	\$99,525	\$34,825	\$40,675

2009	2008	2007	2006	2005	2004
76	88	51	71	55	73
20	31	19	19	19	22
18	18	24	35	22	20
14	10	17	36	22	23
2,446	2,797	3,081	3,100	3,044	2,967
\$8,169,432	\$9,060,087	\$10,220,358	\$12,064,205	\$8,473,798	\$8,100,991
\$241,233	\$321,456	\$464,337	\$510,298	\$251,240	\$139,729
1,003	891	949	1,086	1,072	1,154
A1	A1	A1	A1	A2	A2
9.71%	9.65%	9.15%	9.08%	8.96%	8.28%
\$14,392	\$15,262	\$16,059	\$15,112	\$14,128	\$12,856
\$15,020	\$15,818	\$15,064	\$14,817	\$14,063	\$14,092
\$861	\$1,920	\$2,893	\$2,363	\$1,957	\$1,835
n/a	4,157	4,657	4,849	4,779	4,743
n/a	996	1,676	1,816	1,811	1,807
n/a	823	1,048	1,106	1,094	1,111
\$100,676	\$185,543	\$176,052	\$257,208	\$231,328	\$207,298
n/a	356	411	461	411	481
0	0	185	153	161	136
564	567	645	616	502	547
6,419	3,695	3,005	3,677	4,044	4,001
65	51	49	80	70	55
823	1,122	1,101	1,994	862	990
\$665,838	\$547,338	\$456,144	\$667,447	\$608,812	\$646,182
0	0	1	1	2	0
0	0	0	0	1	0
0	1	0	0	0	1
0	0	0	0	2	0
0	0	0	0	0	2
0	0	0	0	5	2
0	3	2	2	1	0
0	0	1	1	0	0
0	0	2	2	1	1
0	5	7	488	556	558
\$5,801,180	\$7,136,267	\$9,139,960	\$13,531,809	\$7,296,831	\$6,491,267
618	744	745	1,185	1,175	1,124
\$68,201	\$75,561	\$75,561	\$118,706	\$68,896	\$97,973
425	492	483	471	515	488
\$9,300	\$8,200	\$7,250	\$5,550	\$0	\$0
\$41,175	\$45,100	\$43,475	\$35,325	\$38,650	\$36,600

(Continued)

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

Function/Program	2013	2012	2011	2010
<b>Security of Persons and Property</b>				
<i>Police</i>				
Total Calls for Services	22,243	26,748	19,388	50,059
Number of traffic citations issued	3,191	2,770	3,582	5,841
Number of parking citations issued	579	615	840	343
Number of criminal arrests	799	668	569	627
Number of accident reports completed	481	503	307	653
Animal Warden service calls responded to per annual report	652	800	529	616
Police Dept. Auxiliary hours worked	0	1,169	798	994
DUI Arrests	83	65	59	51
Prisoners	1,424	1,244	1,177	1,361
Motor Vehicle Accidents	481	503	307	653
Property damage accidents	481	n/a	n/a	381
Fatalities from Motor Vehicle Accidents	0	0	0	1
Community Diversion Program Youths	17	26	30	32
Community Diversion Program - community service hours	340	444	404	396
<i>Fire</i>				
EMS Calls	1,655	1,702	1,560	1,462
Ambulance Billing Collections (net)	\$380,535	\$365,103	\$305,718	\$326,009
Fire Calls	573	722	647	606
Fires with Loss	19	22	14	11
Fires with Losses exceeding \$10,000	7	6	14	6
Fire Losses \$	\$899,175	\$321,150	\$156,200	\$128,500
Fire Safety Inspections	553	744	247	346
Number of times Mutual Aid given to Fire and EMS	24	24	22	27
Number of times Mutual Aid received for Fire and EMS	64	57	44	12
<b>Leisure Time Activities</b>				
<i>Recreation</i>				
Skating Rink Receipts	\$417,527	\$436,100	\$455,303	\$431,420
Recreation Swimming pool receipts	178,764	159,572	143,067	102,236
Senior Center Fees	72,223	85,103	88,991	88,133
Total Recreation Department receipts	<u>\$668,514</u>	<u>\$680,775</u>	<u>\$687,361</u>	<u>\$621,789</u>
<b>Basic Utility Services</b>				
Refuse disposal per year (in tons) August through July	3,085	3,229	3,273	3,921
Refuse disposal costs per year August through July	\$130,444	\$123,622	\$125,588	\$102,491
Percentage of waste recycled	19.28%	20.49%	21.00%	16.00%
Annual recycling tonnage (excluding leaf and compost items)	595	662	701	628
<b>Transportation</b>				
Street Improvements - asphalt overlay (linear feet)	3,920	3,540	3,925	3,250
Rejuvenating Spray on Streets (Miles)	0.00	0.00	0.74	1.08
Crackseal Coating Program (Miles)	0.00	0.00	0.00	1.88
Paint Striping (annual cost)	\$13,241	\$16,386	\$49,803	\$47,423
Sewer and Sanitary calls for service	318	246	298	332
Sewer Crew (hours)	485	398	402	447
Sewer jet, Vac-all, other services (hours)	1,168	473	543	586
Number of Trees Planted per year	85	1	0	17
Tons of snow melting salt purchased (Nov-Mar)	3,839	1,779	2,020	1,836
Cost of salt purchased	\$179,544	\$88,345	\$102,975	\$91,350

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



2009	2008	2007	2006	2005	2004
40,039	34,558	29,365	18,228	11,662	12,222
6,382	3,695	3,005	3,677	4,044	4,001
823	1,122	1,101	1,994	862	990
564	567	873	616	502	547
494	957	934	584	613	676
306	374	n/a	638	444	16
983	1,778	n/a	1,687	2,070	5,662
37	52	n/a	48	66	82
1,315	1,211	1,311	1,494	1,354	1,141
494	957	934	584	613	676
n/a	n/a	n/a	454	438	532
1	1	n/a	1	0	0
45	58	31	34	24	24
492	572	355	326	260	392
1,525	1,554	1,486	1,416	1,467	1,474
\$313,020	\$322,823	\$150,750	\$118,795	\$133,095	\$141,793
611	604	690	692	778	741
12	15	16	20	24	20
3	4	5	4	5	5
\$296,500	\$205,100	\$109,200	\$124,000	\$239,600	\$186,000
343	359	363	366	340	333
21	7	5	4	3	1
6	30	12	17	6	13
\$484,384	\$487,315	\$390,057	\$447,500	\$425,022	\$454,410
95,762	123,700	108,027	122,532	121,913	116,161
105,771	102,747	76,562	81,071	80,190	77,036
\$685,917	\$713,762	\$574,646	\$651,103	\$627,125	\$647,607
3,743	3,836	3,873	4,764	4,890	4,864
\$20,701	\$19,179	\$19,365	\$17,903	\$15,252	\$13,376
17.00%	18.41%	19.00%	15.97%	16.15%	15.15%
636	866	934	761	792	737
2,675	0	6,758	4,000	n/a	n/a
0.00	0.00	1.28	0.75	n/a	n/a
0.00	0.69	n/a	1.30	n/a	n/a
\$43,500	\$47,325	\$51,662	\$44,761	\$35,800	\$38,250
286	360	435	463	329	286
359	490	n/a	356	399	203
395	252	284	83	0	0
21	92	145	140	150-160	150-160
2,316	2,596	3,102	1,826	4,664	2,582
\$128,491	\$112,473	\$102,273	\$60,199	\$146,678	\$78,617

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

Function/Program	2013	2012	2011	2010
<b>General Government</b>				
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	N/A	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	2	3
<b>Police</b>				
Stations	1	1	1	1
Vehicles	19	18	15	20
Motorcycles	2	2	4	4
<b>Fire</b>				
Stations	1	1	1	1
Square Footage of Building	24,323	24,323	24,323	24,323
Vehicles	2	3	3	2
Aerial Ladder Truck	1	1	1	1
Pumpers	2	2	3	3
Ambulances	2	3	3	3
<b>Recreation</b>				
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	4	2
Number of Pools	4	4	4	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	5	4
Number of Common Areas	2	2	2	2
Number of Picnic Pavilions	4	4	4	3
Number of Playgrounds	5	5	5	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	1	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

2009	2008	2007	2006	2005	2004
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	8	7	7	7	7
3	3	2	2	2	2
1	1	1	1	1	1
19	23	19	16	16	16
4	4	4	4	4	4
1	1	1	1	1	1
24,323	24,323	24,323	24,323	(a)	(a)
2	3	3	2	2	2
1	1	1	1	1	1
3	3	3	3	3	3
3	2	2	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	0	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	2013	2012	2011	2010
<b>Other Public Works</b>				
Streets (miles)	87.1	87.1	87.1	87.1
Average age of roadways	51	50	49	48
Light Trucks	10	10	11	20
Service Department Large Vehicles/Trucks	5	5	5	8
Garbage Packers	4	4	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	2	3
Recycle Truck	1	1	1	1
<b>Wastewater</b>				
Sanitary Sewers (linear feet)	147,917	147,917	147,917	147,917
Average age of sanitary sewers	50	50	48	48
Storm Sewers (miles)	106,342	106,342	106,342	106,342
Average age of storm sewers	55	54	52	52
<b>Water Department</b>				
Water Lines (linear feet)	174,725	174,725	174,725	174,725
Average age of water lines	55	54	52	52

Source: City of Brooklyn Departments

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

2009	2008	2007	2006	2005	2004
87.1	87.1	87.1	87.1	87.1	87.1
47	46	45	44	43	42
20	14	13	12	12	11
8	7	7	7	7	7
3	5	4	4	4	4
1	1	1	1	1	1
2	2	2	2	1	1
12	12	12	12	12	12
3	6	8	8	8	8
1	0	0	0	0	0
147,917	147,917	147,917	147,917	147,917	147,917
47	46	45	44	43	42
106,342	106,342	106,342	106,342	106,342	106,342
51	50	49	48	47	46
174,725	174,725	174,725	174,725	174,725	174,725
51	50	49	48	47	46

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# 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  
AUGUST 28, 2014