

**CITY OF BROOK PARK, OHIO**

**SINGLE AUDIT REPORT**

**DECEMBER 31, 2004**





**Auditor of State  
Betty Montgomery**

The Honorable Mayor  
and Members of City Council  
City of Brook Park  
Brook Park, Ohio

We have reviewed the *Independent Auditor's Report* of the City of Brook Park, Cuyahoga County, prepared by James G. Zupka, C.P.A., Inc., for the audit period January 1, 2004 through December 31, 2004. 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 Brook Park is responsible for compliance with these laws and regulations.

*Betty Montgomery*

BETTY MONTGOMERY  
Auditor of State

June 29, 2005

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CITY OF BROOK PARK, OHIO  
AUDIT REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2004

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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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Ohio Society of Certified Public Accountants

**REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
*GOVERNMENT AUDITING STANDARDS***

Honorable Mayor, Finance Director, and  
Members of Council  
City of Brook Park, Ohio

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brook Park, Ohio, as of and for the year ended December 31, 2004, which collectively comprise the City of Brook Park, Ohio's basic financial statements and have issued our report thereon dated May 2, 2005. 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City of Brook Park, Ohio's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements, caused by error or fraud, in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Brook Park, Ohio's financial statements are free of 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*.

This report is intended for the information and use of the management, City Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

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

May 2, 2005

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

*Certified Public Accountants*

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

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**REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH  
OMB CIRCULAR A-133**

Honorable Mayor, Finance Director,  
and Members of City Council  
City of Brook Park, Ohio

**Compliance**

We have audited the compliance of the City of Brook Park, Ohio, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2004. The City of Brook Park, Ohio's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Brook Park, Ohio's management. Our responsibility is to express an opinion on the City of Brook Park, Ohio's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Brook Park, Ohio's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City of Brook Park, Ohio's compliance with those requirements.

In our opinion, the City of Brook Park, Ohio, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2004.

### **Internal Control Over Compliance**

The management of the City of Brook Park, Ohio, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City of Brook Park, Ohio's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

### **Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the governmental activities, the major fund and the aggregate remaining fund information of the City of Brook Park, Ohio, as of and for the year ended December 31, 2004, and have issued our report thereon dated May 2, 2005. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City of Brook Park, Ohio's basic financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the members of the City Council, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

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

May 2, 2005

CITY OF BROOK PARK, OHIO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2004

<b>Federal Grantor/ Pass Through Grantor/ Program Title</b>	<b>CFDA Number</b>	<b>Grant Number</b>	<b>Expenditures Disbursements</b>
<b><u>United States Department of Highway Administration</u></b>			
<i>Passed through the Ohio Department of Transportation</i>			
Federal Demonstration Fund	20.205	Aerospace Parkway*	\$ 545,690
Total Federal Demonstration Fund			<u>545,690</u>
<b>Total United States Department of Highway Administration</b>			<u>545,690</u>
<b><u>U.S. Department of Homeland Security</u></b>			
<b><u>Federal Emergency Management Agency (FEMA)</u></b>			
<i>Direct:</i>			
Fire Fighter Grant Program	97.044	EMW-2003-FG-07770	<u>651,132</u>
Total Fire Fighter Grant Program			<u>651,132</u>
<b><u>Federal Emergency Management Agency (FEMA)</u></b>			
<i>Passed through State of Ohio</i>			
<i>Ohio Public Safety</i>			
Consolidated Warrant Fund	97.036	1519-DR-035-09288	<u>8,250</u>
Total Consolidated Warrant Fund			<u>8,250</u>
<b>Total U.S. Department of Homeland Security</b>			<u>659,382</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 1,205,072</u>

\* Grant Number not available.

See accompanying notes to the Schedule of Expenditures of Federal Awards.

CITY OF BROOK PARK, OHIO  
 NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 1: **GENERAL**

The accompanying Schedule of Expenditures of Federal Awards of the City of Brook Park, Ohio, presents the activity of all federal financial assistance programs of the City. The City's reporting entity is defined in Note 1 to the City's basic financial statements. Federal financial assistance received directly from federal agencies as well as financial assistance passed through other government agencies are included on this schedule.

NOTE 2: **BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards is presented on the accrual basis of accounting and has been reconciled to the program's federal financial reports. The following is a reconciliation by grant from the cash basis to the accrual basis at December 31, 2004.

	<u>Direct Program Expenditures</u>
<u>U.S. Department of Highway Administration</u>	
Federal Demonstration Fund -	
Cash Basis	\$ 788,619
Accrual Adjustment	<u>(242,929)</u>
Total Federal Demonstration Fund - Accrual Basis	<u>\$ 545,690</u>
 <u>U.S. Department of Homeland Security (FEMA)</u>	
Fire Fighter Grant Program	
Cash Basis	\$ 651,132
Accrual Adjustment	<u>0</u>
Federal Demonstration Fund - Accrual Basis	<u>\$ 651,132</u>
 Consolidated Warrant Fund -	
Cash Basis	\$ 8,250
Accrual Adjustment	<u>0</u>
Consolidated Warrant Fund - Accrual Basis	<u>8,250</u>
Total U.S. Department of Homeland Security (FEMA)	<u>\$ 659,382</u>

CITY OF BROOK PARK, OHIO  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 OMB CIRCULAR A-133 & .505  
 DECEMBER 31, 2004

1. **SUMMARY OF AUDITOR'S RESULTS**

2004(i)	Type of Financial Statement Opinion	Unqualified
2004(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
2004(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
2004(iii)	Was there any reported noncompliance at the financial statement level (GAGAS)?	No
2004(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
2004(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
2004(v)	Type of Major Programs' Compliance Opinions	Unqualified
2004(vi)	Are there any reportable findings under .510?	No
2004(vii)	Major Programs (list):	1. FEMA - Fire Fighter Grant Program
2004(viii)	Dollar Threshold: A/B Programs	Type A: \$300,000 Type B: All Others
2004(ix)	Low Risk Auditee?	Yes

CITY OF BROOK PARK, OHIO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133 & .505  
DECEMBER 31, 2004

2. **FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None.

3. **FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None.

CITY OF BROOK PARK, OHIO  
STATUS OF PRIOR CITATIONS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2004

The prior audit report, as of December 31, 2003, included no citations.

**City of Brook Park, Ohio**  
**Comprehensive Annual Financial Report**  
**December 31, 2004**



# City of Brook Park, Ohio

## Comprehensive Annual Financial Report For The Year Ended December 31, 2004

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# City of Brook Park, Ohio

## Comprehensive Annual Financial Report For The Year Ended December 31, 2004

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# City of Brook Park, Ohio

## Comprehensive Annual Financial Report For The Year Ended December 31, 2004

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# City of Brook Park, Ohio

## Comprehensive Annual Financial Report For The Year Ended December 31, 2004

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# City of Brook Park

## Finance Department

Gregory M. Cingle  
Finance Director

Martin S. Healy  
Assistant Finance Director

May 2, 2005

To the Honorable Mayor and Members of City Council,  
And Citizens of Brook Park, Ohio:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with Generally Accepted Auditing Standards (GAAS) by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the City of Brook Park (City) for the fiscal year ended December 31, 2004.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed to both protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assure that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by James G. Zupka, CPA, Inc., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2004, are free of material misstatement. The independent audit involved: examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion on the City's Financial Statements for the fiscal year ended December 31, 2004, and that the financial statements are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The requirements of GAAP necessitate that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of

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*216/433-1300 • Fax 216/433-0822*

Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

## **Profile of the Government**

The City of Brook Park, incorporated in 1967, is located in the southwest portion of Cuyahoga County, 13 miles from Downtown Cleveland, with the cities of Parma to the east, Berea to the west, and Middleburg Heights to the south. Brook Park is an easily accessible suburban community which abuts Cleveland Hopkins Airport on the northwest boundary and has ready access to Interstates 71 and 480 and the Ohio Turnpike (80). With an excellent combination of residential, commercial and industrial areas that provide tax support, the City is able to finance the building of excellent administrative, recreational and service facilities and provide a wide variety of municipal services, including police and fire services, street services, sewer services and recreation services.

The City operates under the mayor-council form of government. The mayor, designated by the charter as the chief executive officer of the City, is elected to serve a four-year term. The mayor has the power to appoint, promote, discipline, transfer, reduce or remove any employee of the City, except those elected, those who work for an elected official and those whose terms of office are set by charter. Legislative authority is vested in an eight-member council. The council consists of a president, three council members elected at large and four council members elected by ward. Council members are elected for a two-year term. Each member of council has a right to vote, except for the president, who may vote only in the event of a tie.

The mayor is entitled to a seat on council but has no voting rights. The mayor may veto any legislation passed by council. A veto may be overridden by a two-thirds vote of all members of council. The council fixes compensation of the City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriations, indebtedness, the licensing of regulated businesses and trades and other municipal purposes.

Other elected officials include the finance director and law director, each of whom serve four-year terms.

Detailed provisions for the City's budget, tax levies and appropriations are set forth in the Ohio Revised Code and City Charter. With the assistance of the City finance director, the mayor is required to submit to council, not less than thirty days before the end of each fiscal year, an estimate of the revenues and expenditures of the City for the succeeding fiscal year. The mayor submits to council an appropriation ordinance for the succeeding fiscal year based on the annual estimate. Council is required to adopt the appropriation ordinance (the budget) in its original form or with those revisions as it may find proper within 90 days of the beginning of the fiscal year covered by such ordinance.

The City maintains budgetary control on a non-GAAP basis by fund and within each fund by department at major object levels, which include personal services, travel and education, contractual services, supplies and material, other expenditures, capital outlay, debt service and operating transfers. For management purposes, the major object level is further defined with budgeted amounts not to exceed the aggregate appropriated by council.

Budgetary control is maintained by an encumbrance of purchase commitment amounts prior to the release of purchase orders to vendors. Requisitions for the expenditure of monies are submitted to the mayor for approval and for the preparation of a purchase order. The purchase order is forwarded to the finance director's office for certification of the availability of funds, and the estimated expenditure is encumbered against the available appropriation. Unencumbered appropriations lapse at the end of each year. The City's accounting system provides interim financial reports that detail year-to-date expenditures plus encumbrances versus the original appropriations plus any additional appropriations made to date. The report permits the officials of the City to ascertain the status of a department's appropriations at any time during the year.

## **Factors Affecting Financial Condition**

**Economic Conditions and Outlook.** For the first time since 2000, national economic factors that affect Brook Park are cautiously improving, although there are still issues with Federal spending that will negatively impact us. Little help from the State can be assumed, as its situation is in flux. Local conditions appear to be stabilizing and slowly improving in some areas.

**National Indicators.** Reflecting an improving economic situation, national unemployment has gradually fallen from its recent peak of 6.3 percent in June 2003 to 5.2 percent in January 2005, where it seems to be stabilizing. The Federal Reserve Board, sensing an improvement in the general economy and mildly concerned about the appearance of inflationary pressures as economic activity resumes, raised interest rates by 25 basis points eight times between May 2004 and May 2005. The Prime Rate (Wall Street Journal consensus) now sits at six percent, with further Fed increases expected throughout 2005. Despite the raising rates, long-term borrowing remains relatively cheap, positively influencing investment activity. Inflation remains manageable, around 3 percent.

Factors negatively impacting us are spending for the War in Iraq and the Federal Government's budget deficit. These are making it difficult to improve and even maintain domestic spending in areas that are important to Brook Park and Northeast Ohio: Community Development Block Grants used for urban development, home loans and property improvements; education; and research and development.

**State Conditions.** Reflecting the national data, the unemployment rate in Northeast Ohio has dropped from a recent high of 7.6 percent in February 2003 to the mid 6 percents in early 2005, with month-to-month variation. Although the regional economy seems to be stabilizing and slightly improving, the State of Ohio is still struggling fiscally. Low revenues coupled with a balanced-budget requirement have led the State to consider significant cutbacks to funding for local governments, including shared revenues and estate taxes.

While this situation was relieved over the last two years by a temporary increase to the sales tax, consensus has been growing for the need to radically change the State's tax system, moving it away from a property-centric system that used to benefit from our historical preponderance of heavy industries. The Governor has proposed a cut to personal income taxes and the elimination of personal property taxes and corporate franchise taxes, along with a 20 percent reduction in local government funds. A commercial activities tax that would be applied to all business sectors has been proposed to replace personal property taxes and corporate franchise taxes. Municipalities and school systems, which are even more dependent on the threatened revenue sources, are very concerned about the impacts these changes would have on their fiscal health.

**Local Economic Activity.** Sales and employment in industrial sectors, areas of historical strength for Brook Park, have been slowly improving. Consequently, vacancies have dropped significantly in industrial and warehouse space, particularly in the large (100,000 square foot-plus) buildings like the I-X Center, DIY, the former Goodyear building and various buildings on Holland Rd. As always, demand is high for smaller, stand-alone buildings for sale.

In the office market, however, regional vacancies remain over 20 percent, making it difficult to start projects in areas such as the Emerald Corporate Park, in which Brook Park shares revenues; and the Aerospace Technology Park, despite having improved road and utility access with the recent completion of the Aerospace Parkway.

**Major Economic Initiatives.** The City continues to focus on improving the local development climate, and is involved in a number of key business and property development projects.

**Major Employers.** In 2004, Ford Motor Company completed its \$340 million rehabilitation of Engine Plant #1, producing a new Duratec engine that will be the workhorse of Ford's sedan and mini-SUV fleets. As the

product has been proved on the market, Ford now wishes to invest another \$71.5 million to upgrade the engine to improve its horsepower, efficiency and emissions; details of the deal are being worked out in spring 2005. Additionally, Ford has begun a \$90 million renovation of the pouring process at its 1,700-employee casting plant, in response to new Federal emissions standards. This project will maintain that plant's viability in the near future.

After gaining increases in the last couple of years to funding at the NASA Glenn Research Center, things are in danger of reversing. The President's "Vision for Space Exploration" and his proposed 2006 NASA budget would significantly decrease funding for aeronautics and basic research and development, some of Glenn's historical strengths, in favor of increased funding for robotic and human exploration of the solar system. We are working diligently with our regional partners and Ohio's Congressional delegation to alter the proposal and retain America's leadership in aeronautics, an issue that impacts our national security.

**Brookpark Rd. Corridor.** Momentum continues to build as the Regional Transit Authority has granted lease authority to a private developer to redevelop the property surrounding its Brookpark Rd. rail station. A new parking garage will be built to open up the surface lots for development of new hotels and smaller retail uses, and there will also be an \$8 million reconstruction of the station.

A new Acura auto dealership has now opened, and many businesses are expanding their operations. To support the \$32 million already invested since Brook Park took over the north side of the corridor in 1998, we have nearly completed Design Guidelines that will shape the visual quality of future public and private development.

**Other Projects.** The City continues to make strategic purchases of property to facilitate future development. We are also conducting an engineering study on the Snow Road/Engle Road intersection, to improve efficiency and safety, and to see if property might be freed up for development through a reduction in the size of this spaghetti-type intersection. Grant funds have been awarded to reconstruct W. 150th St. from Brookpark Rd. going north into Cleveland, improving traffic for businesses in that area. In addition, we continue to work with businesses to expand and relocate in Brook Park, including the recent renovation and occupancy of the former DIY home warehouse at Sheldon and Route 237, a visually-key location. In 2004, excluding Ford and NASA, the City had \$24 million in investment started and completed, retaining and creating 555 jobs.

### **Cash Management Policies and Practices**

Cash management is a vital component of the City's overall financial strategy. The Finance Director maintains an aggressive cash management program. Major considerations are timing of cash flows necessary to pay City liabilities and available interest rates. As City funds become available, they are invested immediately in short-term certificates of deposit or other securities authorized by state statutes. Interest earnings are allocated to funds based on the requirements of the Ohio Constitution and state statutes. All deposits and investments are covered by pooled collateral with a face value equal to at least 105 percent of deposits.

### **Risk Management**

The City has contracted with Wichert Insurance Company to negotiate property, general liability, boiler and machinery, automobile, law enforcement, public officials and umbrella coverage for the City. The City also provides a medical plan for full-time employees and their families. The plan is fully funded and administered by a third party administrator. The State of Ohio provides workers' compensation coverage for the City's employees.

## Awards and Acknowledgements

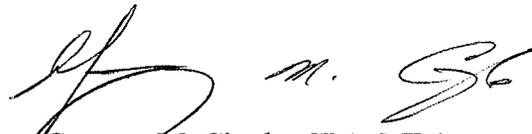
**Certificate of Achievement.** The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended December 31, 2003. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR whose contents conform to program standards. This report satisfied both GAAP and applicable legal requirements.

The Certificate of Achievement is valid for a period of only one year. The City has received a Certificate of Achievement for the last 13 years. 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.

**Acknowledgement.** The Finance Department, with the efficient and dedicated service of its entire staff, prepared this CAFR. We would like to express special appreciation to the independent accounting firm of Ciuni and Panichi Advisors, which contributed significantly to the preparation of this report. In addition, we would like to thank the Mayor and Members of Council for their support, which has allowed the Finance Department to operate at the level that the residents of the City of Brook Park demand and deserve.

Respectfully submitted,



Gregory M. Cingle, CPA, MBA  
Finance Director

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Brook Park,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2003

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



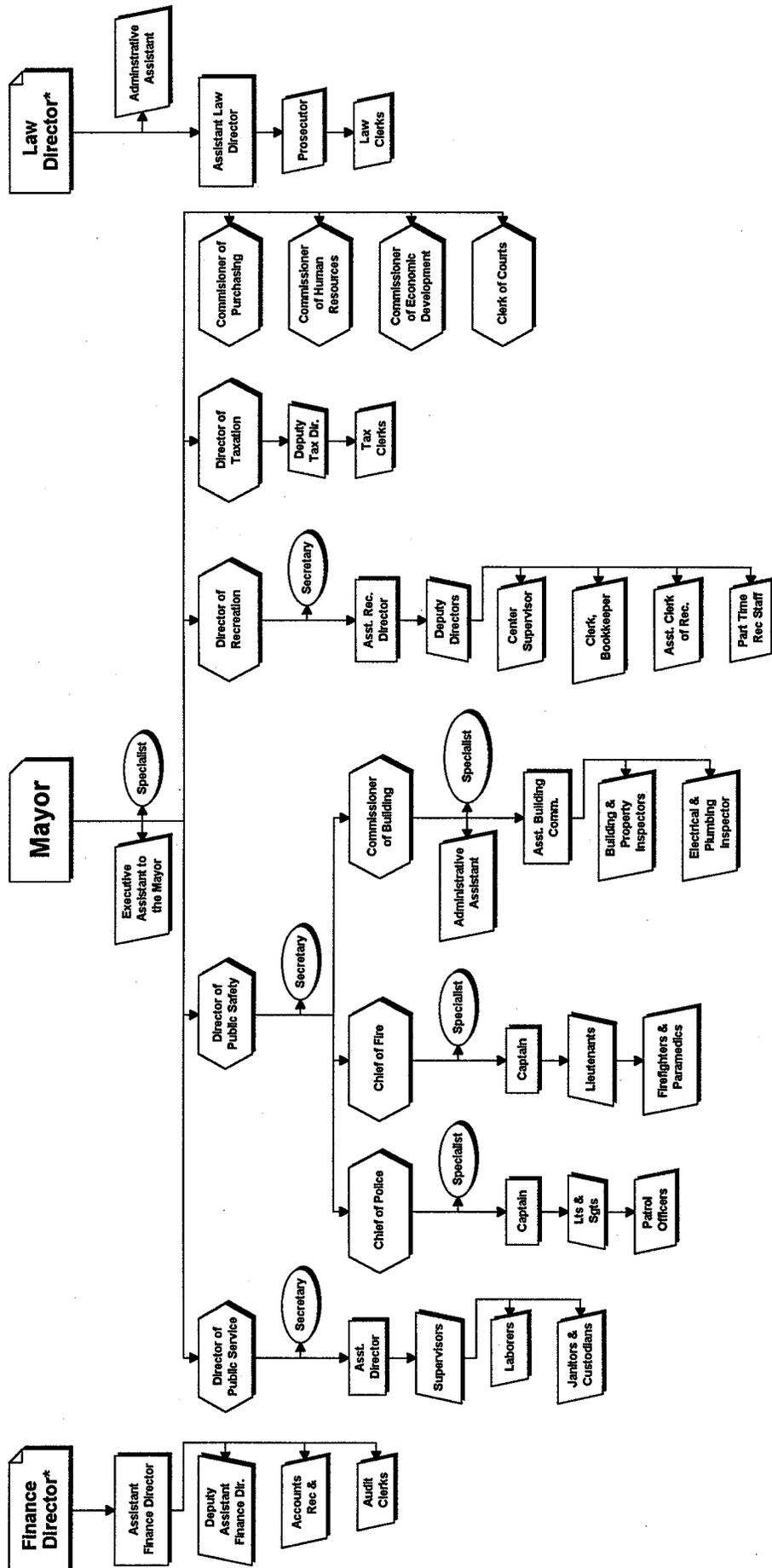
*Nancy L. Ziehl*

President

*Jeffrey R. Enow*

Executive Director

# City of Brook Park Administration



# City of Brook Park, Ohio

## Elected Officials

**December 31, 2004**

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Mayor..... Mark J. Elliott  
Council Member – President ..... Scott Adams  
Council Member – At-Large..... Carl J. Burgio  
Council Member – At-Large..... Danny V. Colonna  
Council Member – At-Large..... Richard A. Salvatore  
Council Member – Ward 1 ..... Dennis P. Patten  
Council Member – Ward 2 ..... Brian Mooney  
Council Member – Ward 3 ..... Jim Wilson  
Council Member – Ward 4 ..... Brian Higgins  
Finance Director..... Gregory M. Cingle  
Law Director ..... David A. Lambros

**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**

The Honorable Mayor  
and Members of City Council  
City of Brook Park, Ohio

The Honorable Betty Montgomery  
Auditor of State  
State of Ohio

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brook Park, Ohio, as of and for the year ended December 31, 2004, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 Brook Park, Ohio, as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the general fund and the major special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 2, 2005 on our consideration of the City of Brook Park, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis on pages 3-13 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Brook Park, Ohio's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical tables 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 have been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

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

May 2, 2005

# City of Brook Park, Ohio

## Management's Discussion and Analysis (Unaudited)

### **For the Year Ended December 31, 2004**

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The discussion and analysis of the City of Brook Park's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2004. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers are encouraged to consider this information in conjunction with the additional information contained in the financial statements and the notes thereof.

#### **Financial Highlights**

Key financial highlights for 2004 are:

- City income tax revenue totaled \$21,964,703.
- Total assets increased by \$1,939,038, or a 2.42 percent increase over 2003.
- Total net assets increased by \$3,818,951, or a 5.74 percent increase over 2003.
- Total capital assets increased by \$1,350,826, or a 2.6 percent increase over 2003.
- Total outstanding long-term liabilities increased by \$1,044,719. This was a 16 percent increase over 2003.
- As of the close of the current fiscal year, the City of Brook Park's governmental funds reported combined ending fund balances of \$23,124,790, an increase of \$3,481,374 in comparison with the prior year. Approximately 90 percent of this total amount, \$20,813,842, is available for spending at the government's discretion (unreserved fund balance).
- At the end of the current fiscal year, the General Fund's unreserved fund balance was \$11,023,224, or 56 percent of total General Fund expenditures.

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

# City of Brook Park, Ohio

Management's Discussion and Analysis (Unaudited)

## **For the Year Ended December 31, 2004**

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### **Reporting the City of Brook Park as a Whole**

#### *Statement of Net Assets 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 2004?" The *Statement of Net Assets* and the *Statement of Activities* answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting method used by the private sector. The basis of this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net assets and the changes in those assets. The changes in net assets 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, change in property and income tax laws and the condition of capital assets should also be considered.

The Statement of Net Assets and the Statement of Activities will include the following governmental activities: police, fire, street maintenance, parks and recreation and general administration. Income taxes, property taxes and state and federal grants finance most of these activities.

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

- Assets
- Liabilities
- Net Assets (Assets minus Liabilities)
- Program Revenues and Expenses
- General Revenues
- Net Assets at the Beginning and End of Year

### **Reporting of the Most Significant Funds of the City of Brook Park**

#### *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 restrictions on the use of monies. The City has established many funds, which account for the multitude of services, facilities and infrastructure provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of Brook Park, the major funds are the General, Economic Development and Capital Improvements Funds. All of the funds of the City of Brook Park can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

# City of Brook Park, Ohio

## Management's Discussion and Analysis (Unaudited)

### **For the Year Ended December 31, 2004**

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#### *Governmental Funds*

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on the balance of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Both the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate a comparison between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds.

The City of Brook Park maintains 20 individual governmental funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Economic Development Fund and Capital Improvements Fund; which are considered to be major funds. Data from the other governmental funds are combined into single, aggregated presentations. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this CAFR.

The City of Brook Park adopts an annual appropriated budget for each of its funds. A budgetary comparison statement (non-GAAP basis) has been provided for each governmental and proprietary fund to demonstrate budgetary compliance.

#### *Proprietary Funds*

The City of Brook Park maintains one type of proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the various functions of a city. The City of Brook Park maintains such a fund for its self-insurance of health-related employee benefits. Because this predominately benefits governmental rather than business functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Internal Service Fund.

The basic proprietary fund financial statements can be found starting on page 22.

#### *Fiduciary Funds*

Fiduciary funds are used to account for resources held for the benefit of parties outside the government and are not reflected in the government-wide financial statements because resources are not available to support the City's own programs. The City of Brook Park has only agency funds to report within the fiduciary fund category. Agency funds are reported on a full accrual basis of accounting and only present a statement of assets and liabilities.

# City of Brook Park, Ohio

## Management's Discussion and Analysis (Unaudited)

### For the Year Ended December 31, 2004

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#### Notes to the Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 25.

#### Other information

In addition to the basic financial statements and the accompanying notes, this CAFR also presents certain other information that the City believes readers will find useful. After the notes to the financial statements, the combining statements referred to earlier in connection with nonmajor governmental funds are presented, as well as individual detailed budgetary comparisons for all nonmajor funds. This information can be found starting on page 54.

#### The City as a Whole

As noted earlier, the *Statement of Net Assets* looks at the City as a whole and can prove to be a useful indicator of the City's financial position. Table 1 provides a summary of the City's net assets for 2004 as compared to 2003.

**Table 1**  
**Net Assets**

	<u>2004</u>	<u>2003</u>
Assets:		
Current and other assets	\$ 28,924,502	\$ 28,336,290
Capital assets, net	<u>52,992,295</u>	<u>51,641,469</u>
<i>Total assets</i>	<u>81,916,797</u>	<u>79,977,759</u>
Liabilities:		
Current and other liabilities	4,000,372	6,925,004
Long-term liabilities:		
Due within one year	3,494,518	2,208,838
Due in more than one year	<u>4,082,823</u>	<u>4,323,784</u>
<i>Total liabilities</i>	<u>11,577,713</u>	<u>13,457,626</u>
Net assets:		
Invested in capital assets, net of related debt	47,583,487	46,861,418
Restricted for:		
Capital projects	8,139,385	5,584,361
Debt service	358,643	360,131
Other purposes	3,536,918	1,901,028
Unrestricted	<u>10,720,651</u>	<u>11,813,195</u>
<i>Total net assets</i>	<u>\$ 70,339,084</u>	<u>\$ 66,520,133</u>

## City of Brook Park, Ohio

### Management's Discussion and Analysis (Unaudited)

#### **For the Year Ended December 31, 2004**

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An additional portion of the City of Brook Park's net assets, 17 percent, represents resources that are subject to external restrictions on how they may be used. The remaining balance of the unrestricted net assets, \$10,720,651, may be used to meet the City's ongoing obligations to citizens and creditors.

Total assets increased by \$1,939,038 during the current year. The following factors were responsible for this increase:

- The City received a grant from the Federal Emergency Management Agency (FEMA) in the amount of \$723,479. The grant funds were utilized to upgrade the City's radio tower and purchase air pack equipment for the Fire Department.
- Investment in the infrastructure of the City continued in 2004, which resulted in an increase in construction-in-progress. The Aerospace Parkway project was nearly completed, the 2004 roads program had a budget of almost \$1,600,000 and the Westside sanitary sewer project was underway. The Westside sanitary sewer project is budgeted at almost \$2,100,000, of which \$440,800 will be paid from a grant received by the Ohio Public Works Commission.

Total liabilities decreased by \$1,879,913 primarily due to the payment made on the General Obligation bonds that were issued in 1995 to finance the permanent improvements at the Recreation Center and Service Building. The term of the bonds was ten years, denoting that the final debt service payment for this issuance will occur in December 2005.

Total net assets increased by \$3,818,951 due primarily to the increase in capital assets and the decrease in current liabilities.

The largest portion of the City's net assets (67.6 percent) reflects its investment in capital assets, i.e. land, buildings, machinery, equipment, vehicles and infrastructure, less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The City has made concerted efforts to maximize the return on investments of its cash and cash equivalents. Since the Federal Reserve Board began raising the Fed Funds Rate (5 times in 2004), which resulted in increased interest rates, the City shifted its investment strategy from step-up certificate of deposits and longer-term callable federal government agency issues to short-term certificate of deposits and money market funds.

Table 2 shows the changes in net assets for 2004 as compared with 2003.

# City of Brook Park, Ohio

Management's Discussion and Analysis (Unaudited)

**For the Year Ended December 31, 2004**

**Table 2**  
**Changes in Net Assets**

	<u>2004</u>	<u>2003</u>
Revenues		
Program revenues:		
Charges for services	\$ 5,782,371	\$ 5,524,450
Operating grants and contributions	37,002	24,221
Capital grants and contributions	<u>656,666</u>	<u>-</u>
<i>Total program revenues</i>	<u>6,476,039</u>	<u>5,548,671</u>
General revenues:		
Property taxes	2,870,339	2,741,358
Municipal income taxes	21,964,703	21,656,942
Grants and entitlements	3,266,535	8,908,485
Investment income	289,315	257,922
Miscellaneous income	<u>5,954</u>	<u>8,532</u>
<i>Total general revenues</i>	<u>28,396,846</u>	<u>33,573,239</u>
<i>Total revenues</i>	<u>34,872,885</u>	<u>39,121,910</u>
Program expenses:		
General government	12,378,692	10,675,655
Security of persons and property	9,776,933	9,075,363
Public health and welfare	253,214	226,005
Transportation	1,602,246	510,314
Leisure time activities	2,188,440	2,497,528
Community development	2,107,204	1,538,318
Basic utility charges	2,532,212	2,717,718
Interest and fiscal charges	<u>214,990</u>	<u>283,376</u>
<i>Total program expenses</i>	<u>31,053,931</u>	<u>27,524,277</u>
<i>Increase in net assets</i>	\$ <u><u>3,818,954</u></u>	\$ <u><u>11,597,633</u></u>

## *Governmental Activities*

Several revenue sources fund the City's governmental activities, with City income tax being the largest contributor. The City's income tax rate is two percent on gross income and has not changed since 1991. Residents of the City who work in other communities and pay the withholding tax for the other communities receive a 100 percent tax credit of up to two percent on their City tax for Brook Park. During 2004, the revenues generated from this tax amounted to \$21.9 million. The increase in collections can be attributed to both business and individual taxes.

## City of Brook Park, Ohio

### Management's Discussion and Analysis (Unaudited)

#### **For the Year Ended December 31, 2004**

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The City continues to enforce the delinquent letter program and the subpoena program to ensure compliance with the local tax laws. City income tax revenue of 30 percent is earmarked for specific capital improvements. These revenues are allocated by an ordinance of City Council, providing that a substantial portion of the City's income tax collections be set aside for roads, city facilities and capital needs. Of the \$34,872,885 in total revenue, income tax accounts for 63 percent. Property tax of \$2,870,339 accounts for 8.2 percent of total revenue. Operating grants and contributions, capital grants and contributions and general revenues from grants and entitlements of \$3,960,203 accounts for 11 percent of total revenue, which constituted a decrease of 225 percent over the \$8,932,706 received during 2003.

With the combination of income tax, property tax and intergovernmental funding, all expenses in the governmental activities are funded. The City monitors its sources of revenues very closely for fluctuations.

For the most part, increases in expenses closely parallel inflation and growth in the demand for services. The largest program functions for the City relate to general government and security of persons and property. During 2004, 40 percent of program expenses related to general government, while security of persons and property accounted for 31 percent of program expenses.

Salaries and fringe benefits continue to make-up a large part of the program expenses (approximately 65 percent). These costs continue to increase on a yearly basis, with the cost of hospitalization increasing nearly 7 percent from 2003 to 2004. Another contributing factor to the increase in general government expenses is the cost of insurance for city's buildings, vehicles, equipment and liability. In 2004, insurance costs rose 16 percent in comparison to 2003.

The Police and Fire Departments are an integral component of the City's outstanding services. Currently there are 44 full-time sworn officers in the Police Department. During 2004, the department continued to place a strong emphasis on the training of its employees to keep up with rapidly changing laws, practices and technology. In 2002, part-time jailers were hired to staff the increasing jail population due to overcrowding at the Cuyahoga County jail. The City was reimbursed \$67,200 during 2004 from Cuyahoga County for the use of the City jail, and \$20,726 for police officer overtime from grants and task forces.

The Fire Department consists of 40 full-time fire fighters. Again, training plays a crucial role in the day-to-day operation of the department. The department handled 2,567 calls for assistance, of which approximately 2,172 were for EMS, with the balance attributed to fire and fire-related incidents. This constituted an increase of 4.1 percent over 2003. Significant improvements have been made to our fire service, including the purchase of two new fire prevention vehicles.

#### *Program Expenses*

As of December 31, 2004, the City of Brook Park's total cost of services was \$31.1 million, with a net cost of services totaling \$(24.6) million.

Table 3 itemizes fiscal year 2004 program expenses by specific function.

# City of Brook Park, Ohio

Management's Discussion and Analysis (Unaudited)

**For the Year Ended December 31, 2004**

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**Table 3  
Program Expenses**

	Total Cost of Services <u>2004</u>	Net Cost of Services <u>2004</u>
General government	\$ 12,378,692	\$ (9,114,264)
Security of persons and property	9,776,933	(8,703,362)
Public health and welfare	253,214	(251,922)
Transportation	1,602,246	(1,602,246)
Leisure time activities	2,188,440	(1,801,606)
Community development	2,107,204	(357,290)
Basic utility service	2,532,212	(2,532,212)
Interest and fiscal charges	<u>214,990</u>	<u>(214,990)</u>
<i>Total cost of services</i>	\$ <u><u>31,053,931</u></u>	\$ <u><u>(24,577,892)</u></u>

The above table shows the total cost of services and the net cost of services. That is, it identifies the cost of the services supported by tax revenue and unrestricted intergovernmental revenues.

As shown in the above table, most of the City's governmental activities rely on general revenues, including property taxes and municipal income tax, to support program expenses.

## **The City's Funds**

### *Governmental Funds*

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balances may serve as a useful measure of a government's net resources available for spending at the end of the year. Information about the City's governmental funds begins on page 15.

As of the end of the current fiscal year, the City of Brook Park's governmental funds reported combined ending fund balances of \$23,124,790. Of that amount, \$20,813,842 constitutes unreserved fund balances, which are available for spending at the government's discretion. The residue is reserved to indicate that it is not available for new spending because it has already been committed: (1) to liquidate contracts and purchases of the prior period (\$2,051,084); (2) to reflect year end inventory (\$86,739); and (3) to indicate expenses prepaid at year end (\$173,125).

# City of Brook Park, Ohio

## Management's Discussion and Analysis (Unaudited)

### **For the Year Ended December 31, 2004**

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#### *General Fund*

The General Fund is the chief operating fund of the City of Brook Park. At the end of the current fiscal year, the total fund balance for the General Fund was \$11,518,962, of which \$11,023,224 was unreserved. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 55 percent of total General Fund expenditures, while total fund balance represents 58 percent of that same amount.

The fund balance of the City of Brook Park's General Fund decreased by \$637,508 during 2004. This decrease is mainly due to the occurrence of the 27<sup>th</sup> payroll expenditure and an increase in transfers from the General Fund. In 2004, a transfer of \$1,500,000 was made from the General Fund to the Capital Improvements Fund for the Sound Insulation/Quiet Zone project.

#### *Economic Development Fund*

The Economic Development Fund accounts for parking fees and proceeds received from the sale of City owned property. These funds are earmarked for expenditures essential to the development of the City. At the end of the current fiscal year, the total fund balance for the Economic Development Fund was \$2,280,066, of which 100 percent was unreserved. The fund balance of the City of Brook Park's Economic Development Fund increased by \$1,346,251 during 2004.

#### *Capital Improvements Fund*

The Capital Improvements Fund accounts for the portion of municipal income tax designated by Council for the purpose of improving, constructing, maintaining and purchasing those items necessary to enhance the operation of the City. At the end of the current fiscal year, the total fund balance for the Capital Improvements Fund was \$8,030,266, of which \$6,275,605 was unreserved. The fund balance of the City of Brook Park's Capital Improvements Fund increased by \$2,529,848. The increase is mainly due to the aforementioned transfer of funds for the Sound Insulation/Quiet Zone project.

### **City Budget**

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund. An annual appropriation budget is legally required to be prepared for all funds of the City other than agency funds. City Council is provided with a detailed line item budget for all departments, and after discussions at regularly held Council meetings, which are open to the public, the budget is adopted at the department level by object. Within each object, appropriations can be transferred between line items with the approval of the Finance Director and the respective department head. Council must approve any revisions in the budget that alter the object level totals or the total appropriations for any department or fund. During the course of fiscal year 2004, the City amended its General Fund budget four times. The Finance Department watches all the department budgets closely to monitor compliance with allocated budgets and provides monthly reports to City Council that depicts monthly and year-to-date activity.

For the General Fund, the budget basis revenue was \$21.8 million as compared to the original budget estimate of \$21.1 million (it should be noted that the City utilized conservative revenue budgetary practices).

# City of Brook Park, Ohio

## Management's Discussion and Analysis (Unaudited)

### For the Year Ended December 31, 2004

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The original appropriations of \$21.9 million were sufficient to meet the expenditures for the year, which ended up at \$23.5 million.

The City's ending unencumbered budgetary fund balance was \$872,174 higher than the final budgeted amount.

### Capital Assets and Debt Administration

#### *Capital Assets*

As of December 31, 2004, the City of Brook Park had \$52.9 million invested in land, buildings and equipment. Table 4 shows fiscal year 2004 balances of Capital Assets, net of depreciation, as compared to 2003.

**Table 4**  
**Capital Assets at Year End**  
**(Net of Depreciation)**

	<u>2004</u>	<u>2003</u>
Land	\$ 4,366,037	\$ 4,356,037
Construction in progress	11,416,828	11,298,031
Improvements to land	1,828,543	1,310,118
Buildings and improvements	11,913,009	12,257,979
Vehicles	4,126,295	4,396,212
Furniture, fixtures and equipment	1,381,988	1,006,414
Infrastructure		
Streets	6,692,173	5,421,893
Water lines	53,132	61,199
Sanitary sewer system	<u>11,214,290</u>	<u>11,533,586</u>
<i>Total capital assets</i>	<u>\$ 52,992,295</u>	<u>\$ 51,641,469</u>

Net of depreciation, the balances for the above capital assets, except for buildings and improvements and streets, remained practically unchanged. The buildings and improvements decreased by \$344,970. Replacement of vehicles, such as fire trucks, ambulances, rubbish trucks, etc. is planned for well in advance by the respective department heads, and scheduled maintenance is followed to provide peak performance for the maximum time frame. The older vehicles are either traded in or sold to the highest bidder on the open market.

With regards to the infrastructure, the City Engineer maintains a comprehensive listing of all the streets, bridges, culverts and sewer lines located within the City. As part of the annual road maintenance program, the Engineer evaluates the condition of each street after each winter and prepares a list of streets to be either resurfaced or crack sealed, and in the case of concrete roads, either replaced or repaired. After approval from Council, the projects are bid in the spring to get the best possible pricing from contractors. This program is paid for out of the current operating funds of the City. For additional information on capital assets, see Note 6 of the basic financial statements.

# City of Brook Park, Ohio

Management's Discussion and Analysis (Unaudited)

## **For the Year Ended December 31, 2004**

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### *Debt*

On December 31, 2004, the City of Brook Park had \$7.6 million in outstanding debt, with \$3.5 million due within one year.

Table 5 summarizes bonds, capital leases and compensated absences.

**Table 5**  
**Outstanding Debt at Year End**

	<u>2004</u>	<u>2003</u>
General obligation bonds	\$ 3,962,000	\$ 3,319,000
Capital leases	1,446,808	1,461,052
Compensated absences	<u>2,168,533</u>	<u>1,752,570</u>
<i>Total</i>	\$ <u><u>7,577,341</u></u>	\$ <u><u>6,532,622</u></u>

As of December 31, 2004, the City's overall legal debt margin was \$55,785,846, with an unvoted debt margin of \$27,533,197. The City of Brook Park has an aggressive debt reduction approach whereby most long-term bonds are paid off within 10 years as opposed to 15 or 20 years. As of the end of the year, the outstanding general obligation debt was \$3,962,000. Other obligations include accrued vacation pay, sick leave and capital leases. More detailed information about the City's long-term liabilities is presented in the notes to the basic financial statements.

### **Current Financial Related Activities**

The City of Brook Park is currently in a strong financial position, but it must be stated that the City is not immune to the economic conditions that have negatively affected many public and private entities. The City of Brook Park's systems of budgeting and internal controls are well regarded, and the City is prepared to meet the challenges of the future. In addition, management has been committed to providing its residents with full disclosure of the financial position of the City.

### **Contacting the City's Finance Department**

The CAFR is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this CAFR or need additional financial information, please contact Finance Director Gregory M. Cingle.

# City of Brook Park, Ohio

## Statement of Net Assets

**December 31, 2004**

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	<u>2004</u>
Assets:	
Cash and cash equivalents	\$ 21,760,456
Materials and supplies inventory	86,739
Accounts receivable	135,281
Interest receivable	54,022
Intergovernmental receivable	1,329,993
Prepays	173,125
Taxes receivable	5,380,602
Special assessments receivable	4,284
Nondepreciable capital assets	15,782,865
Depreciable capital assets, net	<u>37,209,430</u>
Total assets	<u>81,916,797</u>
Liabilities:	
Accounts payable	389,185
Accrued wages and benefits	611,265
Intergovernmental payable	219,544
Deferred revenue	2,475,528
Claims payable	241,926
Accrued interest payable	62,924
Long-term liabilities:	
Due within one year	3,494,518
Due in more than one year	<u>4,082,823</u>
Total liabilities	<u>11,577,713</u>
Net assets:	
Invested in capital assets, net of related debt	47,583,487
Restricted for:	
Capital projects	8,139,385
Debt service	358,643
Other purposes	3,536,918
Unreserved	<u>10,720,651</u>
Total net assets	<u>\$ 70,339,084</u>

The notes to the basic financial statements are an integral part of this statement

# City of Brook Park, Ohio

## Statement of Activities

### For The Year Ended December 31, 2004

	<u>Expense</u>	<u>Program Revenues</u>			<u>Total Governmental Funds</u>
		<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental activities:					
General government	\$ 12,378,692	\$ 3,264,428	\$ -	\$ -	\$ (9,114,264)
Security of persons and property	9,776,933	1,036,569	37,002	-	(8,703,362)
Public health and welfare	253,214	1,292	-	-	(251,922)
Transportation	1,602,246	-	-	-	(1,602,246)
Leisure time activities	2,188,440	386,834	-	-	(1,801,606)
Community development	2,107,204	1,093,248	-	656,666	(357,290)
Basic utility service	2,532,212	-	-	-	(2,532,212)
Interest and fiscal charges	<u>214,990</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(214,990)</u>
Total governmental activities	\$ <u>31,053,931</u>	\$ <u>5,782,371</u>	\$ <u>37,002</u>	\$ <u>656,666</u>	<u>(24,577,892)</u>
General revenues:					
Property taxes levied for:					
General purposes					2,562,573
Other purposes					307,766
Income taxes levied for:					
General purposes					16,363,406
Capital outlay					5,601,297
Grants and entitlements not restricted to specific programs					3,266,535
Investment income					289,315
Gain on disposal of capital assets					<u>5,954</u>
Total general revenues					<u>28,396,846</u>
Change in net assets					3,818,954
Net assets at beginning of year					<u>66,520,130</u>
Net assets at end of year					\$ <u>70,339,084</u>

The notes to the basic financial statements are an integral part of this statement

# City of Brook Park, Ohio

## Governmental Funds Balance Sheet

**December 31, 2004**

	General	Economic Development	Capital Improvements	Non-Major Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Cash and cash equivalents	\$ 9,814,937	\$ 2,293,397	\$ 7,356,100	\$ 1,550,369	\$ 21,014,803
Material and supplies inventory	86,739	-	-	-	86,739
Accounts receivable	135,281	-	-	-	135,281
Interest receivable	54,022	-	-	-	54,022
Intergovernmental receivable	826,968	-	20,268	482,757	1,329,993
Prepays	173,125	-	-	-	173,125
Special assessments receivable	-	-	-	4,284	4,284
Taxes receivable	<u>4,075,882</u>	<u>-</u>	<u>809,990</u>	<u>494,730</u>	<u>5,380,602</u>
<b>Total assets</b>	<b>\$ <u>15,166,954</u></b>	<b>\$ <u>2,293,397</u></b>	<b>\$ <u>8,186,358</u></b>	<b>\$ <u>2,532,140</u></b>	<b>\$ <u>28,178,849</u></b>
<b>Liabilities and fund balances:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 310,974	\$ 13,331	\$ 46,973	\$ 17,907	\$ 389,185
Accrued wages and benefits	172,573	-	-	361,022	533,595
Intergovernmental payable	205,693	-	-	13,851	219,544
Deferred revenue	<u>2,958,752</u>	<u>-</u>	<u>109,119</u>	<u>843,864</u>	<u>3,911,735</u>
<b>Total liabilities</b>	<b><u>3,647,992</u></b>	<b><u>13,331</u></b>	<b><u>156,092</u></b>	<b><u>1,236,644</u></b>	<b><u>5,054,059</u></b>
<b>Fund balances:</b>					
Reserved for encumbrances	235,874	-	1,754,661	60,549	2,051,084
Reserved for inventory	86,739	-	-	-	86,739
Reserved for prepays	173,125	-	-	-	173,125
<b>Unreserved:</b>					
<b>Undesignated, reported in:</b>					
General fund	11,023,224	-	-	-	11,023,224
Special revenue funds	-	2,280,066	-	817,664	3,097,730
Debt service fund	-	-	-	417,283	417,283
Capital projects fund	<u>-</u>	<u>-</u>	<u>6,275,605</u>	<u>-</u>	<u>6,275,605</u>
<b>Total fund balances</b>	<b><u>11,518,962</u></b>	<b><u>2,280,066</u></b>	<b><u>8,030,266</u></b>	<b><u>1,295,496</u></b>	<b><u>23,124,790</u></b>
<b>Total liabilities and fund balances</b>	<b>\$ <u>15,166,954</u></b>	<b>\$ <u>2,293,397</u></b>	<b>\$ <u>8,186,358</u></b>	<b>\$ <u>2,532,140</u></b>	<b>\$ <u>28,178,849</u></b>

The notes to the basic financial statements are an integral part of this statement

# City of Brook Park, Ohio

## Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities

**December 31, 2004**

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Total Governmental Funds balances \$ 23,124,790

*Amounts reported for Governmental Activities in the Statement of Net Assets are different because:*

Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the funds. 52,992,295

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.

Property and other taxes	\$ 187,275
Municipal income taxes	363,729
Special assessments	4,284
Intergovernmental	<u>880,919</u>

Total 1,436,207

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in Governmental Funds, an interest expenditure is reported when due. (62,924)

Internal service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The assets and liabilities of the Internal Service Fund are included in Governmental Activities in the Statement of Net Assets. 503,727

Accrued wages and benefits include contractually required pension contributions not expected to be paid with expendable available financial resources and therefore not reported in the funds. (77,670)

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

General obligation bonds	(3,962,000)
Capital leases	(1,446,808)
Compensated absences	<u>(2,168,533)</u>

Total (7,577,341)

*Net Assets of Governmental Activities* \$ 70,339,084

The notes to the basic financial statements are an integral part of this statement

# City of Brook Park, Ohio

## Statement of Revenues, Expenditures and Changes In Fund Balances Governmental Funds

### For The Year Ended December 31, 2004

	<u>General</u>	<u>Economic Development</u>	<u>Capital Improvements</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>					
Property taxes	\$ 2,039,816	\$ -	\$ -	\$ 453,519	\$ 2,493,335
Municipal income taxes	16,279,489	-	5,601,297	-	21,880,786
Other local taxes	349,222	-	-	-	349,222
Intergovernmental	1,353,432	-	1,570,287	944,166	3,867,885
Charges for services	855,370	834,103	-	-	1,689,473
Licenses and permits	397,508	-	-	-	397,508
Fines and forfeitures	373,530	-	-	71,148	444,678
Special assessments	-	-	-	4,280	4,280
Investment income	264,611	-	19,942	4,762	289,315
Miscellaneous income	219,264	-	297,543	105,304	622,111
Reimbursements	<u>22,904</u>	<u>-</u>	<u>607,194</u>	<u>-</u>	<u>630,098</u>
Total revenues	<u>22,155,146</u>	<u>834,103</u>	<u>8,096,263</u>	<u>1,583,179</u>	<u>32,668,691</u>
<b>Expenditures:</b>					
Current operations and maintenance:					
Security of persons and property	8,513,628	-	31,703	1,204,613	9,749,944
Public health and welfare	84,803	-	-	155,081	239,884
Leisure time activities	2,362,511	-	47,237	110,154	2,519,902
Community development	1,152,343	205,125	4,000	113,089	1,474,557
Basic utility services	2,861,290	-	53,829	-	2,915,119
Transportation	732,178	-	516,330	1,275,039	2,523,547
General government	4,131,400	-	215,599	35,642	4,382,641
Capital outlay	-	-	6,192,857	-	6,192,857
Debt service:					
Principal retirement	-	-	-	1,612,000	1,612,000
Interest and fiscal charges	<u>-</u>	<u>6,486</u>	<u>491</u>	<u>193,943</u>	<u>200,920</u>
Total expenditures	<u>19,838,153</u>	<u>211,611</u>	<u>7,062,046</u>	<u>4,699,561</u>	<u>31,811,371</u>
Excess of revenues over (under) expenditures	<u>2,316,993</u>	<u>622,492</u>	<u>1,034,217</u>	<u>(3,116,382)</u>	<u>857,320</u>
<b>Other financing sources (uses):</b>					
Proceeds from sale of debt	-	723,759	1,425,600	105,641	2,255,000
Proceeds from inception of capital lease	-	-	354,053	-	354,053
Proceeds from sale of capital assets	10,781	-	4,223	-	15,004
Transfers - in	-	-	1,500,000	3,253,525	4,753,525
Transfers - out	<u>(2,965,282)</u>	<u>-</u>	<u>(1,788,243)</u>	<u>-</u>	<u>(4,753,525)</u>
Total other financing sources (uses)	<u>(2,954,501)</u>	<u>723,759</u>	<u>1,495,633</u>	<u>3,359,166</u>	<u>2,624,057</u>
Net change in fund balances	(637,508)	1,346,251	2,529,850	242,784	3,481,377
Fund balances at beginning of year	<u>12,156,470</u>	<u>933,815</u>	<u>5,500,416</u>	<u>1,052,712</u>	<u>19,643,413</u>
Fund balances at end of year	\$ <u>11,518,962</u>	\$ <u>2,280,066</u>	\$ <u>8,030,266</u>	\$ <u>1,295,496</u>	\$ <u>23,124,790</u>

The notes to the basic financial statements are an integral part of this statement

# City of Brook Park, 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, 2004

Net Change in Fund Balances - Total Governmental Funds		\$ 3,481,377
<i>Amounts Reported for Governmental Activities in the Statement of Activities are different because:</i>		
Governmental Funds report capital outlay as expenditures. However in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.		
Capital outlay	\$ 3,096,788	
Depreciation	<u>(1,732,642)</u>	
		1,364,146
In the Statement of Activities, only the gain on the disposal of equipment is reported, whereas, in the Governmental Funds, the proceeds from the disposal increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the equipment.		
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the Funds.		
Property and other taxes	23,457	
Municipal income taxes	83,917	
Special assessments	45	
Intergovernmental	<u>92,318</u>	
		199,737
Other financing sources in the Governmental Funds that increase long-term liabilities in the Statement of Net Assets. These sources were attributed to inception of capital lease.		
		(354,053)
Other financing sources in the Governmental Funds that increase long-term liabilities in the Statement of Net Assets. These sources were attributed to proceeds of bonds.		
		(2,255,000)
Repayment of bond principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.		
		1,612,000
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.		
Compensated absences	(415,963)	
Capital leases	368,297	
Due to other governments	(10,803)	
Accrued interest on bonds	<u>(10,641)</u>	
		(69,110)
Internal service funds are used by management to charge to costs of certain activities, such as insurance to individual funds. The net revenue (expense) of the Internal Service Fund is reported with Governmental Activities.		
		<u>(146,823)</u>
<i>Change in Net Assets of Governmental Activities</i>		<u>\$ 3,818,954</u>

The notes to the basic financial statements are an integral part of this statement

# City of Brook Park, Ohio

## Statement of Revenues, Expenditures and Changes In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual General Fund **For The Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property taxes	\$ 2,132,381	\$ 2,030,073	\$ 2,039,816	\$ 9,743
Municipal income taxes	15,750,000	15,991,719	15,991,719	-
Other local taxes	250,000	325,887	325,887	-
Intergovernmental	665,156	1,359,347	1,359,347	-
Charges for services	942,863	855,180	855,180	-
Licenses and permits	437,869	396,438	396,438	-
Fines and forfeitures	408,440	369,793	369,793	-
Investment income	277,545	251,284	251,284	-
Miscellaneous income	<u>224,134</u>	<u>205,270</u>	<u>205,270</u>	<u>-</u>
<b>Total revenues</b>	<u>21,088,388</u>	<u>21,784,991</u>	<u>21,794,734</u>	<u>9,743</u>
<b>Expenditures:</b>				
<b>Current operations and maintenance:</b>				
Security of persons and property	8,844,794	8,990,581	8,783,064	207,517
Public health and welfare	83,876	83,876	83,876	-
Leisure time activities	2,429,729	2,507,556	2,408,881	98,675
Community development	1,189,315	1,221,407	1,183,083	38,324
Basic utility services	3,020,173	3,083,029	2,994,154	88,875
Transportation	888,425	898,733	778,889	119,844
General government	<u>4,447,830</u>	<u>4,709,173</u>	<u>4,257,658</u>	<u>451,515</u>
<b>Total expenditures</b>	<u>20,904,142</u>	<u>21,494,355</u>	<u>20,489,605</u>	<u>1,004,750</u>
<b>Excess of revenues over (under) expenditures</b>	<u>184,246</u>	<u>290,636</u>	<u>1,305,129</u>	<u>1,014,493</u>
<b>Other financing sources (uses):</b>				
Proceeds from the sale of capital assets	11,907	10,780	10,780	-
Transfers - out	<u>(1,020,225)</u>	<u>(2,464,621)</u>	<u>(2,964,624)</u>	<u>(500,003)</u>
<b>Total other financing sources (uses)</b>	<u>(1,008,318)</u>	<u>(2,453,841)</u>	<u>(2,953,844)</u>	<u>(500,003)</u>
<b>Net change in fund balance</b>	(824,072)	(2,163,205)	(1,648,715)	514,490
Cash fund balance at beginning of year	11,105,968	11,105,968	11,105,968	-
Current year encumbrances	<u>-</u>	<u>-</u>	<u>357,684</u>	<u>357,684</u>
<b>Cash fund balance at end of year</b>	<u>\$ 10,281,896</u>	<u>\$ 8,942,763</u>	<u>\$ 9,814,937</u>	<u>\$ 872,174</u>

The notes to the basic financial statements are an integral part of this statement

## City of Brook Park, Ohio

Statement of Revenues, Expenditures and Changes In Fund Balance – Budget  
 (Non-GAAP Budgetary Basis) and Actual  
 Economic Development Fund  
**For The Year Ended December 31, 2004**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for services	\$ <u>856,616</u>	\$ <u>855,278</u>	\$ <u>855,278</u>	\$ <u>-</u>
Expenditures:				
Current operations and maintenance:				
Community development	<u>352,488</u>	<u>338,756</u>	<u>329,493</u>	<u>9,263</u>
Excess of revenues over expenditures	504,128	516,522	525,785	9,263
Other financing sources (uses):				
Transfers – out	<u>(159,808)</u>	<u>(203,540)</u>	<u>(203,540)</u>	<u>-</u>
Net change in fund balance	344,320	312,982	322,245	9,263
Cash fund balance at beginning of year	<u>1,971,152</u>	<u>1,971,152</u>	<u>1,971,152</u>	<u>-</u>
Cash fund balance at end of year	\$ <u><u>2,315,472</u></u>	\$ <u><u>2,284,134</u></u>	\$ <u><u>2,293,397</u></u>	\$ <u><u>9,263</u></u>

The notes to the basic financial statements are an integral part of this statement

# City of Brook Park, Ohio

## Statement of Fund Net Assets Proprietary Fund

**December 31, 2004**

---

	<u>Governmental Activities - Internal Service Fund</u>
Assets:	
Current assets:	
Cash and cash equivalents	\$ 745,653
Liabilities:	
Current liabilities:	
Claims payable	<u>241,926</u>
Net assets:	
Unrestricted	\$ <u><u>503,727</u></u>

The notes to the basic financial statements are an integral part of this statement

## City of Brook Park, Ohio

### Statement of Revenues, Expenses and Changes In Fund Net Assets Proprietary Fund

**For The Year Ended December 31, 2004**

---

	Governmental Activities - Internal Service Fund
Operating revenues:	
Reimbursements	\$ <u>1,998,503</u>
Operating expenses:	
Contractual services	<u>2,145,326</u>
Change in net assets	(146,823)
Net assets at beginning of year	<u>650,550</u>
Net assets at end of year	\$ <u><u>503,727</u></u>

The notes to the basic financial statements are an integral part of this statement

# City of Brook Park, Ohio

## Statement of Cash Flows Proprietary Fund

### For The Year Ended December 31, 2004

---

	<u>Governmental Activities - Internal Service Fund</u>
Increase in cash and cash equivalents:	
Cash flows from operating activities:	
Cash payments for contractual services	\$ (2,145,012)
Cash received from reimbursements	<u>1,998,503</u>
Net decrease in cash and cash equivalents	(146,509)
Cash and cash equivalents at beginning of year	<u>892,162</u>
Cash and cash equivalents at end of year	\$ <u><u>745,653</u></u>
Reconciliation of operating income to net cash from operating activities:	
Operating loss	\$ (146,823)
Adjustments to reconcile operating income to net cash from operating activities:	
Change in assets and liabilities:	
Increase in claims payable	<u>314</u>
Net cash provided by operating activities	\$ <u><u>(146,509)</u></u>

The notes to the basic financial statements are an integral part of this statement

# City of Brook Park, Ohio

## Statement of Fiduciary Net Assets Fiduciary Funds

**December 31, 2004**

---

	<u>Agency</u>
Assets:	
Cash and cash equivalents	\$ <u>65,964</u>
Liabilities:	
Intergovernmental payable	\$ 6,689
Due to others	20,493
Deposits held	<u>38,782</u>
Total liabilities	\$ <u>65,964</u>

The notes to the basic financial statements are an integral part of this statement

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### **For The Year Ended December 31, 2004**

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#### **Note 1: The Reporting Entity**

The City of Brook Park is a home rule municipal corporation established under the laws of the State of Ohio which operates under its own Charter. The current Charter, which provides for a mayor-council form of government, was adopted October 18, 1966.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Brook Park, this includes police and fire protection, parks and recreation, planning, zoning, street maintenance and repair, refuse collection and general administrative services. The City's departments include a public safety department, a public service department, a street maintenance department, a sanitation system, a parks and recreation department, a planning and zoning department, and a staff to provide support (i.e., payroll processing, accounts payable, and revenue collection) to the service providers. The operation of each of these activities and entities is directly controlled by the City Council through the budgetary process.

The Mayor's Court (the Court), which provides judicial services, is responsible for the levying and collecting of fines and forfeitures under state and local laws, and their subsequent distribution to various government agencies. The City budgets and appropriates funds for the operation of the Court and is ultimately responsible for any operating deficits sustained by the Court. The City's share of the fines collected by the Court, along with its share of the Court's administrative and operating costs, are recorded in the City's General Fund. Due to this relationship, the Court is not considered a component unit of the City but rather as part of the primary government unit itself. Monies held by the Court in a fiduciary capacity are recorded as an agency fund in the accompanying financial statements.

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. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. The City has no component units.

#### *Jointly Governed Organizations*

Southwest General Health Center is an Ohio nonprofit corporation providing health services. The Health Center is a jointly governed organization among the communities of Berea, Brook Park, Columbia Township, Middleburg Heights, Olmsted Falls and Strongsville.

The Health Center is governed by a Board of Trustees consisting of the following: one member of the legislative body from each of the political subdivisions, one resident from each of the political subdivisions who is not a member of the legislative body, three persons who are residents of any of the participating political subdivisions, the president and the executive vice president of the corporations, and the president and the vice president of the medical staff. The legislative body of each political subdivision elect their own member to serve on the Board of Trustees of the Health Center.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### **For The Year Ended December 31, 2004**

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#### **Note 1: The Reporting Entity (continued)**

The Board exercises total control over the operations of the Health Center including budgeting, appropriating, contracting and designating management. Each City's control is limited to its representation on the Board. In 2004, the City of Brook Park contributed \$138,119 of property tax levies to the Health Center.

#### **Note 2: Summary of Significant Accounting Policies**

The financial statements of the City of Brook Park have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The most significant of the City's accounting policies are described below.

##### **A. Basis of Presentation**

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

##### *Government-Wide Financial Statements*

The statement of net assets 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.

The statement of net assets 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 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.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### **For The Year Ended December 31, 2004**

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#### **Note 2: Summary of Significant Accounting Policies (continued)**

##### **A. Basis of Presentation (continued)**

###### *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. Non-Major funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

##### **B. Fund Accounting**

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

###### *Governmental Funds*

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

###### *General Fund*

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

###### *Economic Development Fund*

The economic development fund accounts for parking fees and proceeds received from the sale of City owned property to be used for expenditures essential to the development of the City.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### **For The Year Ended December 31, 2004**

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#### **Note 2: Summary of Significant Accounting Policies (continued)**

##### ***B. Fund Accounting (continued)***

###### *Capital Improvement Fund*

The capital improvement fund accounts for that portion of municipal income tax designated by Council for the purpose of improving, constructing, maintaining, and purchasing those items necessary to enhance the operation of the City.

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

###### *Proprietary Funds*

Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. The City has no enterprise funds.

###### *Internal Service Fund*

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

###### *Fiduciary Funds*

Fiduciary fund reporting focuses on net assets and changes in net assets. 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. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's only fiduciary funds are agency funds. The City's agency funds account for street opening fees, employees' share of payroll deductions due to other agencies, mayor's court activity and building code fees.

##### ***C. Measurement Focus***

###### *Government-Wide Financial Statements*

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the Statement of Net Assets, except for fiduciary funds. The Statement of Activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net assets.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### **For The Year Ended December 31, 2004**

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#### **Note 2: Summary of Significant Accounting Policies (continued)**

##### ***C. Measurement Focus (continued)***

###### *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 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 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, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of fund net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

##### ***D. Basis of Accounting***

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting; proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue 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. Available period for the City is sixty days after year-end.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### **For The Year Ended December 31, 2004**

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#### **Note 2: Summary of Significant Accounting Policies (continued)**

##### ***D. Basis of Accounting (continued)***

###### *Revenues – Exchange and Non-Exchange Transactions (continued)*

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 5). 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 tax, state-levied locally shared taxes (including gasoline tax and motor vehicle license tax), fines and forfeitures, licenses and permits, interest, grants and entitlements and rentals.

###### *Deferred Revenue*

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

Property taxes for which there is an enforceable legal claim as of December 31, 2004, but which were levied to finance year 2005 operations, have been recorded as deferred revenue. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

###### *Expenses/Expenditures*

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

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

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### **For The Year Ended December 31, 2004**

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#### **Note 2: Summary of Significant Accounting Policies (continued)**

##### ***E. Budgetary Process***

An annual appropriated budget is legally required to be prepared for all funds of the City other than agency funds. Council passes appropriations at the department level by object. Line item appropriations may be transferred between the accounts with the approval of the Finance Director and respective department head. Council must approve any revisions in the budget that alter total fund appropriations. The following are the procedures used by the City in establishing the budgetary data reported in the basic financial statements:

##### *Tax Budget*

A tax budget of estimated revenue and expenditures for all funds other than agency funds is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20th of each year, for the period January 1 to December 31 of the following year.

##### *Estimated Resources*

The County Budget Commission determines if the budget substantiates a need to levy the full amount of authorized property tax rates and reviews revenue estimates. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure.

On or about January 1 the certificate of estimated resources is amended to include unencumbered fund balances at December 31. Further amendments may be made during the year if the Finance Director determines that revenue to be collected will be greater than or less than the prior estimates and the budget commission finds the revised estimates to be reasonable. The amounts reported in the budgetary statements as original represent the amounts in the first official certificate of estimated resources issued during 2004. The amounts reported in the budgetary statements as final reflect the amounts in the final amended official certificate of estimated resources issued during 2004.

##### *Annual Estimate*

The Mayor, with the assistance of the Finance Director, is required by Charter to submit to Council, on or before December 1 of each fiscal year, an estimate of the revenues and expenditures of each fund of the City for the next succeeding fiscal year. The annual estimate serves as the basis for appropriations (the appropriated budget) in each fund.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### **For The Year Ended December 31, 2004**

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#### **Note 2: Summary of Significant Accounting Policies (continued)**

##### ***E. Budgetary Process (continued)***

###### *Appropriations*

An appropriation ordinance (the appropriated budget) to control the level of expenditures for all funds must be legally enacted on or about January 1. Appropriations may not exceed estimated resources as established in the official Amended Certificate of Estimated Resources. Supplemental appropriations may be adopted by Council action. During the year, several supplemental appropriation measures were necessary. The amounts reported as the original budgeted amounts in the budgetary statements reflect the first appropriated budget for each fund that covered the entire year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

###### *Lapsing of Appropriations*

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried over for the subsequent year's expenditures and is reappropriated.

###### *Budgeted Level of Expenditure*

Administrative control is maintained through the establishment of detailed line-item budgets. Appropriated funds may not be expended for purposes other than those designated in the appropriation ordinance without authority from Council. Expenditures plus encumbrances may not legally exceed appropriations at the level of appropriation adopted by Council. For all funds, Council appropriations are made at the department level by object. The appropriations set by Council must remain fixed unless amended by Council ordinance. More detailed appropriation allocations may be made by the Finance Director as long as the allocations are within Council's appropriated amount.

###### *Encumbrances*

As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of monies are encumbered and recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and determine and maintain legal compliance. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations. Encumbrances outstanding at year-end are reported as reservations of fund balances for subsequent-year expenditures of governmental funds.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### **For The Year Ended December 31, 2004**

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#### **Note 2: Summary of Significant Accounting Policies (continued)**

##### ***F. Pooled Cash and Cash Equivalents***

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through City records. Each fund's interest in the pool is presented as "cash and cash equivalents" on the balance sheet.

Investments are reported at fair value which is based on quoted market prices, with the exception of nonparticipating repurchase agreements, which are reported at cost. For investments in open-end mutual funds, fair value is determined by the fund's share price.

The City complies with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. As a governmental entity other than an external investment pool in accordance with GASB 31, the City's investments are stated at fair value, except for interest-earning investment contracts, money market investments, and external investment pools (see Note 4).

In applying GASB Statement No. 31, the City utilized the following methods and assumptions as of December 31, 2004:

The portfolio was limited to nonparticipating interest-earning investment contracts, State Treasury Asset Reserve of Ohio (STAROhio), and U.S. Government Securities.

Most of the City's investments are reported at fair value, which is the quoted market price as of the valuation date. For investments in STAROhio, fair value is determined by the pool's share price. Exceptions to the fair value requirement include nonparticipating interest-earning investment contracts and money market investments.

Nonparticipating investment contracts, such as nonnegotiable certificates of deposit and repurchase agreements are reported at cost. Money market investments, including U.S. Treasury and agency obligations that had a remaining maturity of one year or less at the time of purchase by the City, are reported at amortized cost.

Aside from investments clearly identified as belonging to a specific fund, any unrealized gain/loss resulting from the valuation will be recognized within the General fund to the extent its cash and investments balance exceeds the cumulative value of those investments subject to GASB Statement No. 31.

The gain/loss resulting from valuation will be reported within the investment earnings account on the Statement of Activities.

The City's policy is to hold investments until market values equal or exceed cost.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### **For The Year Ended December 31, 2004**

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#### **Note 2: Summary of Significant Accounting Policies (continued)**

##### ***F. Pooled Cash and Cash Equivalents (continued)***

During the year, the City invested in STAROhio, an investment pool managed by the State Treasurer's office. STAROhio which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2004.

Interest allocation is determined by the Ohio Constitution, state statutes, and local ordinances adopted under City Charter. Under these provisions, City funds required to receive interest allocations are: 1) those which receive proceeds from the sale of notes and/or bonds and 2) those which receive distributions of state gasoline tax and motor vehicle licenses fees (street maintenance and state highway special revenue funds). All remaining interest is allocated to the general fund. Legally, proprietary funds generally do not receive interest.

##### ***G. Inventory***

Inventories are stated at cost, on the first-in, first-out basis. The cost of inventory items is recorded as expenditure in the governmental fund types and expenses in the proprietary fund types when used. Inventory consists of expendable supplies.

##### ***H. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2004, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

##### ***I. Receivables***

Receivables at December 31, 2004 consist of taxes, amounts due from other governments, accounts (billings for user charged services), special assessments, and accrued interest on investments. All are deemed collectible in full.

##### ***J. Capital Assets***

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### For The Year Ended December 31, 2004

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#### **Note 2: Summary of Significant Accounting Policies (continued)**

##### ***J. Capital Assets (continued)***

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of five thousand dollars. The City's infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, irrigation systems and water and sewer lines. 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. Interest incurred during the construction of capital assets is also capitalized.

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	50 years
Machinery and Equipment	10 to 15 years
Vehicles	6 to 10 years
Infrastructure	25 to 50 years

##### ***K. Interfund Balances***

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables". Interfund loans which do not represent available expendable resources are offset by a fund balance reserve account. Interfund balance amounts are eliminated in the statement of net assets.

##### ***L. Compensated Absences***

The City reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at fiscal year end taking into consideration any limits specified in the City's termination policy. Additionally, certain salary related payments associated with the payment of compensated absences have been accrued.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### **For The Year Ended December 31, 2004**

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#### **Note 2: Summary of Significant Accounting Policies (continued)**

##### ***L. Compensated Absences (continued)***

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

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

##### ***M. Accrued Liabilities and Long-Term Obligations***

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, and contractually required pension contributions 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, capital leases and long-term loans are recognized as a liability on the fund financial statements when due.

##### ***N. Fund Balance Reserves***

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. Fund balance reserves have been established for encumbrances, inventories and prepaids.

##### ***O. Net Assets***

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt 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 assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### **For The Year Ended December 31, 2004**

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#### **Note 2: Summary of Significant Accounting Policies (continued)**

##### ***P. Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are reimbursements for self-insurance programs. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as non-operating.

##### ***Q. Grants and Intergovernmental Revenues***

Federal grants and assistance awards made on the basis of entitlement periods are recorded as intergovernmental receivables and revenues when entitlement occurs. Federal reimbursement-type grants are recorded as intergovernmental receivables and revenues in the period when all applicable eligibility requirements have been met and the resources are available.

##### ***R. Interfund Activity***

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

##### ***S. 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. Neither occurred in 2004

##### ***T. 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 Brook Park, Ohio

## Notes To The Basic Financial Statements

### For The Year Ended December 31, 2004

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#### **Note 3: Budgetary Basis of Accounting**

While the City is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

The Statements of Revenues, Expenditures, and Changes in Fund Balances – Budget (Non-GAAP Basis) and Actual presented for the general and economic development 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 that:

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
- (d) Investment are repooled at fair value (GAAP) rather than cost (budget).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general and economic development fund.

	<u>Net Change in Fund Balance</u>	
	<u>General</u>	<u>Economic Development</u>
GAAP Basis	\$ (637,508)	\$ 1,346,251
<u>Increase (Decrease) Due to:</u>		
Revenue Accruals	(360,413)	(702,584)
Expenditure Accruals	(293,110)	(321,422)
Outstanding Encumbrances	<u>(357,684)</u>	<u>-</u>
Budget Basis	\$ <u>(1,648,715)</u>	\$ <u>322,245</u>

#### **Note 4: Deposits and Investments**

The City's Charter specifies that investments of the City will adhere to state statutes. Under these statutes, the City Finance Director is responsible for selecting depositories and investing funds. The City, by statute, is to limit deposits and investments of City funds to insured demand deposit accounts, certificates of deposit, United States treasury bills, or obligations of other United States governmental agencies for which the principal and interest is guaranteed by the United States government, and repurchase agreements.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### For The Year Ended December 31, 2004

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#### **Note 4: Deposits and Investments (continued)**

Protection of City cash and investments is provided by the various federal deposit insurance corporations as well as qualified securities pledged by the institutions holding the assets. By law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least 105% of public funds deposited. At least quarterly the City determines that the collateral has a market value adequate to cover the deposits. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

#### *Deposits*

At year end, the carrying amount of the City's deposits was \$18,012,777 and the bank balance was \$18,329,674, of the bank balance:

1. \$300,000 was covered by the federal depository insurance.
2. \$18,029,674 was covered by collateral held by third party trustees pursuant to Section 135.181, Revised Code, in collateralized pools securing all public funds on deposit with specific depository institutions but not in the name of the City.

#### *Investments*

The City's investments are detailed below and are categorized to give an indication of the level of risk assumed by the City at year-end. The City's investments are categorized as either (1) insured or registered or for which the securities are held by the City or its agent in the City's name, (2) uninsured and unregistered for which the securities are held by the counterparty's trust department or agent in the City's name or, (3) uninsured and unregistered for which the securities are held by the counterparty, or by its trust department or agent but not in the City's name. The City had \$1,815,113 in StarOhio. Investments in the StarOhio are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

<u>Description</u>	<u>Risk Category</u> 3	<u>Fair</u> <u>Value</u>
Federal National Loan Mortgage Company	\$ 1,500,000	\$ 1,500,000
Federal Farm Credit Bank	498,530	498,530
State Treasury Asset Reserve of Ohio (StarOhio)	<u>-</u>	<u>1,815,113</u>
Total Investments	\$ <u>1,998,530</u>	\$ <u>3,813,643</u>

The classification of cash and cash equivalents and investments on the combined balance sheet is based on criteria set forth in GASB Statement No. 9 "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Government Entities That Use Proprietary Fund Accounting". Cash and equivalents are defined to include investments with original maturities of three months or less and funds included within the City's cash management pool. Reconciliation between the classification of cash and investments on the combined financial statements and the classifications per GASB Statement No. 3 is as follows:

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### For The Year Ended December 31, 2004

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#### **Note 4: Deposits and Investments (continued)**

	Cash and <u>Cash Equivalents</u>	<u>Investments</u>
GASB Statement No. 9	\$ 21,826,420	\$ -
Investments:		
U.S. Government Securities	(1,998,530)	1,998,530
STAROhio	<u>(1,815,113)</u>	<u>1,815,113</u>
GASB Statement No. 3	\$ <u>18,012,777</u>	\$ <u>3,813,643</u>

#### **Note 5: Receivables**

Receivables at December 31, 2004 consisted primarily of taxes, intergovernmental receivables arising from grants, entitlements or shared revenues, accounts, special assessments and interest on investments. All receivables are considered fully collectible.

##### **A. Property Tax**

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Taxes collected on real property (other than public utility) in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values are established by state statute at 35 percent of appraised market value. All property is required to be revalued every six years. The last revaluation was completed in 2000. Real property taxes are payable annually or semiannually. The first payment is due January 20, with the remainder payable by June 20.

Taxes collected on tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year. Tangible personal property used in business (except for public utilities) is currently assessed for *ad valorem* taxation purposes at 25 percent of its true value. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30; with the remainder payable by September 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property currently is assessed at 88 percent of its true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Brook Park. The County Auditor periodically remits to the City its portion of the taxes collected.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### For The Year Ended December 31, 2004

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#### **Note 5: Receivables (continued)**

##### **A. Property Tax (continued)**

The full tax rate for all City operations for the year ended December 31, 2004, was \$4.80 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2004 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Estate	\$ 433,341,140
Public Utility	13,492,460
Tangible Personal	<u>118,219,380</u>
Total	\$ <u><u>565,052,980</u></u>

##### **B. Income Tax**

The City levies and collects a 2 percent income tax on all income earned within the City as well as on income of residents earned outside the City. In the latter case, the City allows a credit of 100 percent of the tax paid to another municipality, not to exceed the amount owed. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually.

The City, by ordinance, allocates income tax revenues and expenditures for collecting, administering, and enforcing the tax to the General and Capital Improvement Capital Projects Funds, at seventy and thirty percent, respectively. The Capital Improvement Capital Projects Fund further allocates income taxes to other capital projects funds, as operating transfers, through the budgetary process. Income tax receipts for 2004 were \$21,454,618.

##### **C. Intergovernmental Receivables**

A summary of the principal items of intergovernmental receivables follows:

	<u>Amounts</u>
Local Government Funds	\$ 554,667
Estate Tax	22,008
Homestead and Rollback	250,710
Gasoline and Excise Tax	436,647
Public Utility Reimbursement	25,600
Permissive Tax	3,492
Liquor and Beer Permits	5,914
Miscellaneous Reimbursements	<u>30,955</u>
Total	\$ <u><u>1,329,993</u></u>

By statute, local property taxes have been reduced 10%, with additional reductions for the elderly and the disabled. The amount of these reductions will be paid to the City by the State of Ohio in the latter of part of 2004.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### For The Year Ended December 31, 2004

#### Note 6: Capital Assets

Capital asset activity for the year ended December 31, 2004, was as follows:

	<u>Balances</u> <u>12-31-03</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>12-31-04</u>
<b>Governmental activities</b>				
Nondepreciable assets:				
Land	\$ 4,356,037	\$ 10,000	\$ -	\$ 4,366,037
Construction in progress	<u>11,298,031</u>	<u>2,611,792</u>	<u>(2,492,995)</u>	<u>11,416,828</u>
Total nondepreciable assets	<u>15,654,068</u>	<u>2,621,792</u>	<u>(2,492,995)</u>	<u>15,782,865</u>
Depreciable assets:				
Buildings and improvements	17,154,306	45,754	-	17,200,060
Improvements other than buildings	2,063,392	620,717	-	2,684,109
Machinery and equipment	1,825,179	536,978	(42,650)	2,319,507
Furniture and fixtures	164,633	-	-	164,633
Vehicles	7,688,042	184,150	(106,239)	7,765,953
Infrastructure:				
Streets	8,878,283	1,580,392	-	10,458,675
Sewers	15,964,800	-	-	15,964,800
Water lines	<u>242,000</u>	<u>-</u>	<u>-</u>	<u>242,000</u>
Total depreciable assets	<u>53,980,635</u>	<u>2,967,991</u>	<u>(148,889)</u>	<u>56,799,737</u>
Less accumulated depreciation:				
Buildings and improvements	(4,896,327)	(390,724)	-	(5,287,051)
Improvements other than buildings	(753,274)	(102,292)	-	(855,566)
Machinery and equipment	(917,136)	(142,297)	34,624	(1,024,809)
Furniture and fixtures	(66,262)	(11,081)	-	(77,343)
Vehicles	(3,291,830)	(448,773)	100,945	(3,639,658)
Infrastructure:				
Streets	(3,456,390)	(310,112)	-	(3,766,502)
Sewers	(4,431,214)	(319,296)	-	(4,750,510)
Water lines	<u>(180,801)</u>	<u>(8,067)</u>	<u>-</u>	<u>(188,868)</u>
Total accumulated depreciation	<u>(17,993,234)</u>	<u>(1,732,642)</u>	<u>135,569</u>	<u>(19,590,307)</u>
Total depreciable assets, net	<u>35,987,401</u>	<u>1,235,349</u>	<u>(13,320)</u>	<u>37,209,430</u>
Governmental activities capital assets, net	<u>\$ 51,641,469</u>	<u>\$ 3,857,141</u>	<u>\$ (2,506,315)</u>	<u>\$ 52,992,295</u>

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### For The Year Ended December 31, 2004

#### Note 6: Capital Assets (continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 66,248
Security of persons and property	329,219
Leisure time activities	355,981
Community development	14,608
Basic utility services	543,849
Transportation	<u>422,737</u>
Total	<u>\$ 1,732,642</u>

#### Note 7: Notes Payable

Note activity for the year ended December 31, 2004, was as follows:

	<u>Balance</u> <u>12/31/03</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>12/31/04</u>
Street Improvements 1.25%	\$ 915,000	\$ -	\$ 915,000	\$ -
Aerospace Parkway Notes 1.60%	1,600,000	-	1,600,000	-
Various Purpose Improvement Notes 1.70%	-	2,515,000	2,515,000	-
Aerospace Parkway Notes 1.65%	<u>-</u>	<u>1,600,000</u>	<u>1,600,000</u>	<u>-</u>
Total	<u>\$ 2,515,000</u>	<u>\$ 4,115,000</u>	<u>\$ 6,630,000</u>	<u>\$ -</u>

All notes are backed by the full faith and credit of the City. The note liability is reflected in the fund which received the proceeds. These notes were replaced with street improvement bonds in the current year.

#### Note 8: Long-Term Debt

The original issue date, interest rates, and original issuance amount for each of the City's bonds follows:

	<u>Original</u> <u>Issue</u>	<u>Interest</u>	<u>Original</u> <u>Issue</u>
General Obligation Bonds:			
International Exposition Center			
Road Improvements	1985	2%	\$ 750,000
Various Purpose Improvements	1995	4.6% - 5.4%	13,050,000
Laich Street Improvements	2004	2% - 3.7%	775,000
Aerospace Parkway Improvements	2004	2% - 3.7%	1,480,000

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### For The Year Ended December 31, 2004

#### Note 8: Long-Term Debt (continued)

Changes in long-term debt activity for the year ended December 31, 2004 was as follows:

	<u>Balance</u> <u>12/31/03</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>12/31/04</u>	<u>Amounts</u> <u>Due in</u> <u>One Year</u>
General Obligation Bonds:					
International Exposition Center					
Road Improvements	\$ 84,000	\$ -	\$ 42,000	\$ 42,000	\$ 42,000
Various Purpose Improvements	3,235,000	-	1,570,000	1,665,000	1,665,000
Laich Street Improvements	-	775,000	-	775,000	20,000
Aerospace Parkway Improvements	-	1,480,000	-	1,480,000	125,000
Total General Obligation Bonds	<u>3,319,000</u>	<u>2,255,000</u>	<u>1,612,000</u>	<u>3,962,000</u>	<u>1,852,000</u>
Capitalized Lease Agreements:					
Public Service Vehicles	275,507	-	135,636	139,871	139,870
Police Sedans	54,737	126,087	70,301	110,523	68,507
Firetrucks	1,019,328	-	108,981	910,347	113,798
Copier	8,038	-	2,300	5,738	2,394
Emergency Vehicle	103,442	-	51,079	52,363	52,363
Radio Equipment	-	76,790	-	76,790	9,151
Telephone System	-	151,176	-	151,176	28,068
Total Capital Leases	<u>1,461,052</u>	<u>354,053</u>	<u>368,297</u>	<u>1,446,808</u>	<u>414,151</u>
Accrued Compensated Absences	<u>1,752,570</u>	<u>2,168,533</u>	<u>1,752,570</u>	<u>2,168,533</u>	<u>1,228,367</u>
Total Governmental Long-Term Liabilities	<u>\$ 6,532,622</u>	<u>\$ 4,777,586</u>	<u>\$ 3,732,867</u>	<u>\$ 7,577,341</u>	<u>\$ 3,494,518</u>

General obligation bonds are direct obligations of the City for which its full faith and credit are pledged for repayment. The International Exposition Center road improvement general obligation bonds outstanding at December 31, 2001, are to be repaid from a restricted portion of income taxes. Restricted income tax revenues are the tax withholdings on employees at the International Exposition Center, in excess of the base jobs and related withholding, adjusted annually by the change in the consumer price index. In the event that income tax revenues are not sufficient to meet annual principal and interest requirements, the City has reserved the right to levy and assess a special assessment on the property. Revenues will be received in and the debt will be repaid from the International Exposition Center debt service fund.

Compensated absences liabilities will be paid from the fund from which employees' salaries are paid. The claims payable for workers' compensation will be paid from the General Fund.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### For The Year Ended December 31, 2004

#### **Note 8: Long-Term Debt (continued)**

The City's overall legal debt margin was \$55,785,846 at December 31, 2004. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2004 are as follows:

	<u>General Obligations Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2005	\$ 1,852,000	\$ 177,807	\$ 2,029,807
2006	165,000	69,496	234,496
2007	170,000	66,196	236,196
2008	170,000	62,626	232,626
2009	175,000	58,376	233,376
2010-2014	965,000	207,132	1,172,132
2015-2019	210,000	86,063	296,063
2020-2024	<u>255,000</u>	<u>36,340</u>	<u>291,340</u>
Total	\$ <u>3,962,000</u>	\$ <u>764,036</u>	\$ <u>4,726,036</u>

#### **Note 9: Capital Leases**

The City has entered into lease agreements as lessee for financing which relate to various equipment and vehicles. These lease agreements qualify as capital leases for accounting purposes and therefore, have been recorded at the present value of their future minimum lease payments as of inception date.

	<u>Governmental Activities</u>
Assets:	
Machinery and Equipment	\$ 161,496
Less: Accumulated Depreciation	<u>(1,634)</u>
Total	<u>\$ 159,862</u>
Vehicles	\$ 2,061,612
Less: Accumulated Depreciation	<u>(224,362)</u>
Total	<u>\$ 1,837,250</u>

A radio equipment lease with a value of \$76,790 is not included in the above amounts due to the individual assets making up the lease total do not meet the City's capitalization threshold policy.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### For The Year Ended December 31, 2004

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#### **Note 9: Capital Leases (continued)**

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2004, were as follows:

<u>Year</u>	<u>Payments</u>
2005	\$ 472,380
2006	246,341
2007	201,270
2008	200,411
2009	200,311
2010-2011	<u>335,572</u>
Total Minimum Lease Payments	1,656,285
Less: Amount Representing Interest	<u>(209,477)</u>
Present Value of Minimum Lease Payments	\$ <u>1,446,808</u>

#### **Note 10: Compensated Absences**

Vacation leave is earned at rates which vary depending upon length of service and standard work week. Current policy credits vacation leave on the employee's anniversary date and allows the unused balance to be carried ninety days past the subsequent anniversary date. City employees are paid for earned, unused vacation leave at the time of termination of employment.

Sick leave is earned at the rate of four and six-tenths hours for every eighty hours worked. Each employee with the City is paid for five eighths of the employee's earned unused sick leave upon retirement from the City, or the full balance may be transferred to another governmental agency.

#### **Note 11: Pension Plans**

##### **A. Ohio Public Employees Retirement System**

The City of Brook Park participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional 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% 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 that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### **For The Year Ended December 31, 2004**

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#### **Note 11: Pension Plans (continued)**

##### **A. *Ohio Public Employees Retirement System (continued)***

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional 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 that may be obtained by writing to OPERS, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-6705.

For the year ended December 31, 2004, the members of all three plans were required to contribute 8.50 percent of their annual covered salary to fund pension obligations. The City contributed 13.55 percent of covered payroll, of which 4.0 percent was used to fund health care coverage for retirees. The contribution rate is determined actuarially. The Ohio Revised Code provides statutory authority for member and employer contributions.

The City of Brook Park's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2004, 2003, and 2002 were \$665,896, \$586,385, and \$604,431, respectively, equal to the required contributions for each year. The full amount has been contributed for all three years. Contributions to the member-directed plan for 2004 were \$10,240 made by the City of Brook Park and \$6,424 made by the plan members.

##### **B. *Ohio Police and Fire Pension Fund***

The City of Brook Park 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 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.

Plan members are required to contribute 10 percent of their annual covered salary, while employers are required to contribute 19.5 percent for police officers and 24 percent for firefighters. Contributions are authorized by state statute. The City of Brook Park's contributions to the Fund for police and firefighters were \$321,946 and \$444,128 for the year ended December 31, 2004, \$221,969 and \$310,900 for the year ended December 31, 2003, and \$281,310 and \$399,157 for the year ended December 31, 2002. The full amount has been contributed for 2003 and 2002. 73 percent for police and 71 percent for firefighters has been contributed for 2004 with the remainder being reported as a liability.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### **For The Year Ended December 31, 2004**

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#### **Note 12: Postemployment Benefits**

##### **A. *Ohio Public Employees Retirement System***

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

OPERS provides retirement, disability, survivor and post-retirement health care benefits to qualifying members of both the Traditional and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-retirement 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 recipients and qualified survivor recipients is available. The health care coverage provided by the Retirement System is considered an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care. The Ohio Revised Code provides statutory authority requiring employers to fund post-retirement health care through their contributions to OPERS. The 2004 employer contribution rate was 13.55 percent of covered payroll; 4.0 percent was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2003, include a rate of return on investments of 8.0 percent. An annual increase of 4.0 percent, compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increase, over and above the 4.0 percent base increase, were assumed to range from 0.50 percent to 6.3 percent. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from 1 percent to 6 percent for the next eight years. In subsequent years (9 and beyond) health care costs were assumed to increase at 4 percent (the projected wage inflation rate).

All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

At December 31, 2004, the number of active contributing participants in the Traditional and Combined Plans totaled 369,885. The City's actual contributions for 2004, which were used to fund postemployment benefits, were \$278,905. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2003, (the latest information available) were \$10.5 billion. The actuarially accrued liability and the unfounded actuarially accrued liability were \$26.9 billion and \$16.4 billion, respectively.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### **For The Year Ended December 31, 2004**

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#### **Note 12: Postemployment Benefits (continued)**

##### **A. *Ohio Public Employees Retirement System (continued)***

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to skyrocketing health care costs.

Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retirement Medical Account that can be used to fund future health care expenses.

##### **B. *Ohio Police and Fire Pension Fund***

The Ohio Police and Fire Pension Fund ("OP&F") provides post-retirement health care coverage to any person who received or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending school full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit ("OPEB") as described in GASB Statement No. 12. The Ohio Revised Code provides that health care cost paid from the funds of OP&F shall be included in the employer's contribution rate. The Ohio Revised Code provides the statutory authority allowing the OP&F's Board of Trustees to provide health care coverage to all eligible individuals. Health care funding and accounting is on a pay-as-you-go basis. A percentage of covered payroll, as defined by the Board, is used to pay retiree health care expenses. The total police employer contribution rate is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7.75 percent of covered payroll was applied to the postemployment health care program during 2004. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The number of participants eligible to receive health care benefits as of December 31, 2003, the date of the last actuarial valuation available, was 13,662 for police and 10,474 for firefighters. The City's actual contributions for 2004 that were used to fund post-employment benefits were \$211,961 for police and \$211,895 for firefighters. OP&F's total health care expenses for the year ending December 31, 2003, the date of the last actuarial valuation available, was \$150,853,148, which was net of member contributions of \$17,207,506.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### For The Year Ended December 31, 2004

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#### Note 12: Postemployment Benefits (continued)

##### C. Other Post-Employment Benefits

The City, under local ordinance and employee bargaining contracts, provides post-retirement prescription drug coverage and life insurance for its retired employees and hospitalization for a retired employee's spouse or surviving spouse who meet certain requirements. The cost of these benefits, provided for under the City's existing group benefit policies, is paid solely by the City on a pay-as-you-go basis. The premiums for each type of benefit differs for those over and under age 65. The amount expended out of the general fund for each type of benefit and the number of participants in 2004 are:

<u>Benefit</u>	<u>Number of Participants</u>	<u>Amount Expended</u>
Hospitalization	3	\$ 14,780
Life	133	31,100
Prescription	2	<u>3,799</u>
		\$ <u>49,679</u>

#### Note 13: Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During the year, the City contracted with Wichert Insurance Services, Inc. to manage its insurance coverage. The coverage limits, on December 31, 2004, per occurrence for all types of coverage are as follows:

<u>Type of Coverage</u>	<u>Carrier</u>	<u>Coverage</u>
Property:		
Blanket building and contents	CNA Insurance	\$ 39,630,810
Boiler and machinery	CNA Insurance	5 million
Extra expense	CNA Insurance	1 million
Ordinance or Law	CNA Insurance	1 million

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### For The Year Ended December 31, 2004

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#### Note 13: Risk Management (continued)

<u>Type of Coverage</u>	<u>Carrier</u>	<u>Coverage</u>
General Liability:		
Commercial General Liability	CNA Insurance	1 million
Employee Benefits	CNA Insurance	2 million
Employers Liability	CNA Insurance	2 million
EMT Liability	CNA Insurance	1 million
Automotive Liability	CNA Insurance	1 million
Excess Liability:		
Umbrella	CNA Insurance	5 million
Other Coverage:		
Contractors Equipment	CNA Insurance	1,194,286
EDP Equipment	CNA Insurance	356,585
Employee Dishonesty	CNA Insurance	100,000
Valuable Papers	CNA Insurance	100,000
Accounts Receivable	CNA Insurance	100,000
Law Enforcement	CNA Insurance	1 million
Public officials	CNA Insurance	1 million

There were no reductions in insurance coverage from the previous year, nor have settlements exceeded insurance coverage in any of the prior three fiscal years.

The City provides two different medical plans for full time employees and their families. Both plans, the traditional plan and the select plan with a Preferred Provider Organization, are self-funded and administered by a third party administrator. All covered employees also received prescription drug coverage, vision and dental plans. Full time employees are covered by a \$25,000 term life insurance policy.

For the select plan, the preferred provider prices all claims which are then submitted to the third party administrator. The third party administrator reviews and processes the claims, which the City then pays. The City has stop loss coverage of \$200,000 in the aggregate. In 2004, the City funded the self-insurance reserve \$379 per month for single coverage and \$998 per month for family coverage for the traditional plan and \$340 per month for single coverage and \$874 per month for family coverage for the select plan. These rates are paid by the fund from which the employee's compensation is paid.

The claims liability of \$241,926 as estimated by third party administrator and reported in the Internal Service Fund at December 31, 2004 is based on the requirements of the 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 if information prior to the issuance of the financial statements indicates that it is possible that a liability has been incurred at the date of the financial statements and that the amount of the loss can be reasonably estimated. Changes in the fund's claim liability amount for the years ended 2002, 2003, and 2004 are as follows:

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### For The Year Ended December 31, 2004

#### Note 13: Risk Management (continued)

		<u>Beginning of Year Liability</u>		<u>Current Year Claims and Changes in Estimates</u>		<u>Claim Payments</u>		<u>Balance at Year End</u>
2002	\$	212,015	\$	1,396,747	\$	(1,369,501)	\$	239,261
2003		239,261		1,563,168		(1,560,817)		241,612
2004		241,612		1,540,351		(1,540,037)		241,926

The State of Ohio provides workers' compensation coverage. The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

#### Note 14: Construction and Other Significant Commitments

The City has several outstanding contracts with construction contractors. \$2,466,144 remains on these contracts as of December 31, 2004.

#### Note 15: Interfund Transfers

Interfund transfers for the year ended December 31, 2004, consisted of the following:

<u>Transfer to</u>	<u>Transfer From</u>		
	<u>General Fund</u>	<u>Capital Improvement</u>	<u>Total</u>
General Fund	\$ -	\$ -	\$ -
Capital Improvement	1,500,000	-	1,500,000
Non-Major Governmental Funds	<u>1,465,282</u>	<u>1,788,243</u>	<u>3,253,525</u>
	<u>\$ 2,965,282</u>	<u>\$ 1,788,243</u>	<u>\$ 4,753,525</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

# City of Brook Park, Ohio

## Notes To The Basic Financial Statements

### **For The Year Ended December 31, 2004**

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#### **Note 16: Contingencies/Pending Litigation**

##### **A. Grants**

The City received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2004.

##### **B. Litigation**

Several claims and lawsuits are pending against the City. The amount of the liability, if any, cannot be reasonably estimated at this time. However, in the opinion of management, any such claims and lawsuits will not have a material adverse effect on the overall financial position of the City at December 31, 2004.

#### **Note 17: Accountability**

##### *Fund Equity Deficit - Special Revenue Funds*

There are deficits in the Police Pension and Fire Pension Special Revenue Funds of \$114,952 and \$166,780, respectively, caused by the application of accounting principles generally accepted in the United States of America to these funds. The General Fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

# City of Brook Park, Ohio

## Combining Statements and Individual Fund Schedules Non-Major Governmental Funds

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### **Non-Major Special Revenue Funds**

#### *Street Maintenance Fund*

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

#### *State Highway Fund*

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

#### *Permissive Tax Fund*

The Permissive Tax Fund accounts for additional motor vehicle registration fees designated for maintenance and repair of streets within the City.

#### *Brook Park Road Corridor Fund*

The Brook Park Road Corridor Fund accounts for funds received from the City of Cleveland as a result of a legal settlement to be used for attorney fees, land acquisition, grants or loans to Brookpark Road businesses and other expenditures related to the overall improvement of the corridor.

#### *Special Recreation Fund*

The Special Recreation Fund accounts for operations of City sponsored recreation programs funded by participation fees and facility rentals.

#### *Law Enforcement Fund*

The Law Enforcement Fund accounts for confiscated monies from criminal offenses and designated, by state statute, for expenditures that would enhance the operation of the police department.

#### *DWI Enforcement and Education Fund*

The DWI Enforcement and Education Fund accounts for fine monies used by the law enforcement agency to pay costs related to DWI enforcement and for educating the public about laws governing the operation of a motor vehicle under the influence of alcohol.

#### *Federal Forfeiture Fund*

The Federal Forfeiture Fund accounts for confiscated monies from a Federal task force and designated for expenditures that would enhance the operation of the police department.

#### *Police Pension Fund*

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

#### *Fire Pension Fund*

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

## **City of Brook Park, Ohio**

Combining Statements and Individual Fund Schedules  
Non-Major Governmental Funds

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### **Non-Major Special Revenue Funds (continued)**

#### *Southwest General Health Center Fund*

The Southwest General Health Center Fund accounts for a special property tax levied to provide resources to support a health care facility.

#### *Tri-City Senior Center Fund*

The Tri-City Senior Center Fund accounts for a special property tax levied to provide the City's contribution to the Tri-City Senior Center, a nonprofit organization serving the senior citizens of Brook Park, Berea, and Middleburg Heights.

### **Non-Major Debt Service Fund**

#### *General Obligation Debt Service Fund*

The General Obligation Debt Service Fund accounts for the resources that are used for payment of principal and interest and fiscal charges on general obligation debt.

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# City of Brook Park, Ohio

## Combining Balance Sheet Non-Major Governmental Funds

**December 31, 2004**

	Non-Major Special Revenue Funds	Non-Major General Obligation Fund	Total Non-Major Governmental Funds
<b>Assets:</b>			
Cash and cash equivalents	\$ 1,133,086	\$ 417,283	\$ 1,550,369
Intergovernmental receivable	482,757	-	482,757
Special assessments receivable	-	4,284	4,284
Taxes receivable	<u>494,730</u>	<u>-</u>	<u>494,730</u>
 Total assets	 \$ <u>2,110,573</u>	 \$ <u>421,567</u>	 \$ <u>2,532,140</u>
<b>Liabilities and fund balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 17,907	\$ -	\$ 17,907
Accrued wages and benefits	361,022	-	361,022
Intergovernmental payable	13,851	-	13,851
Deferred revenue	<u>839,580</u>	<u>4,284</u>	<u>843,864</u>
 Total liabilities	 <u>1,232,360</u>	 <u>4,284</u>	 <u>1,236,644</u>
<b>Fund balances:</b>			
Reserved for encumbrances	60,549	-	60,549
Unreserved; undesignated	<u>817,664</u>	<u>417,283</u>	<u>1,234,947</u>
 Total fund balances	 <u>878,213</u>	 <u>417,283</u>	 <u>1,295,496</u>
 Total liabilities and fund balances	 \$ <u>2,110,573</u>	 \$ <u>421,567</u>	 \$ <u>2,532,140</u>

# City of Brook Park, Ohio

## Combining Statement of Revenues, Expenditures and Changes In Fund Balances Non-Major Governmental Funds

**For The Year Ended December 31, 2004**

	Non-Major Special Revenue Funds	Non-Major General Obligation Fund	Total Non-Major Governmental Funds
<b>Revenues:</b>			
Property taxes	\$ 453,519	\$ -	\$ 453,519
Intergovernmental	944,166	-	944,166
Fines and forfeitures	71,148	-	71,148
Special assessments	-	4,280	4,280
Investment income	4,762	-	4,762
Miscellaneous income	<u>105,304</u>	<u>-</u>	<u>105,304</u>
 Total revenues	 <u>1,578,899</u>	 <u>4,280</u>	 <u>1,583,179</u>
<b>Expenditures:</b>			
Current operations and maintenance:			
Security of persons and property	1,204,613	-	1,204,613
Public health and welfare	155,081	-	155,081
Leisure time activities	110,154	-	110,154
Community development	35,336	77,753	113,089
Transportation	1,275,039	-	1,275,039
General government	-	35,642	35,642
Debt service:			
Principal retirement	-	1,612,000	1,612,000
Interest and fiscal charges	<u>-</u>	<u>193,943</u>	<u>193,943</u>
 Total expenditures	 <u>2,780,223</u>	 <u>1,919,338</u>	 <u>4,699,561</u>
 Excess of revenues over (under) expenditures	 <u>(1,201,324)</u>	 <u>(1,915,058)</u>	 <u>(3,116,382)</u>
<b>Other financing sources (uses):</b>			
Proceeds from sale of debt	-	105,641	105,641
Transfers – in	<u>1,435,000</u>	<u>1,818,525</u>	<u>3,253,525</u>
 Total other financing sources (uses)	 <u>1,435,000</u>	 <u>1,924,166</u>	 <u>3,359,166</u>
 Net change in fund balances	 233,676	 9,108	 242,784
 Fund balances at beginning of year	 <u>644,537</u>	 <u>408,175</u>	 <u>1,052,712</u>
 Fund balances at end of year	 <u>\$ 878,213</u>	 <u>\$ 417,283</u>	 <u>\$ 1,295,496</u>

# City of Brook Park, Ohio

## Combining Balance Sheet Non-Major Special Revenue Funds

**December 31, 2004**

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	<u>Street Maintenance</u>	<u>State Highway</u>	<u>Permissive Tax</u>	<u>Brook Park Road Corridor</u>	<u>Special Recreation</u>
<b>Assets:</b>					
Cash and cash equivalents	\$ 133,743	\$ 14,570	\$ 233,190	\$ 498,358	\$ 70,903
Accounts receivable	-	-	-	-	-
Intergovernmental receivable	403,899	32,748	-	-	-
Taxes receivable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	\$ <u>537,642</u>	\$ <u>47,318</u>	\$ <u>233,190</u>	\$ <u>498,358</u>	\$ <u>70,903</u>
<b>Liabilities and fund balances:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ -	\$ 5,294	\$ 12,613	\$ -
Accrued wages and benefits	11,509	866	-	-	-
Intergovernmental payable	12,959	892	-	-	-
Deferred revenue	<u>276,589</u>	<u>22,426</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>301,057</u>	<u>24,184</u>	<u>5,294</u>	<u>12,613</u>	<u>-</u>
<b>Fund balances:</b>					
Reserved for encumbrances	24,791	1,572	6,011	22,785	4,595
Unreserved; undesignated (deficit)	<u>211,794</u>	<u>21,562</u>	<u>221,885</u>	<u>462,960</u>	<u>66,308</u>
Total fund balances (deficits)	<u>236,585</u>	<u>23,134</u>	<u>227,896</u>	<u>485,745</u>	<u>70,903</u>
Total liabilities and fund balances	\$ <u>537,642</u>	\$ <u>47,318</u>	\$ <u>233,190</u>	\$ <u>498,358</u>	\$ <u>70,903</u>

<u>Law Enforcement</u>	<u>DWI Enforcement and Education</u>	<u>Federal Forfeiture</u>	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Southwest General Health Center</u>	<u>Tri-City Senior Center</u>	<u>Total Non-Major Special Revenue Funds</u>
\$ 85,365	\$ 23,093	\$ 3,277	\$ 35,101	\$ 31,814	\$ 3,224	\$ 448	\$ 1,133,086
-	-	-	168,511	168,511	140,121	17,587	494,730
-	-	-	-	-	-	-	-
<u>-</u>	<u>275</u>	<u>-</u>	<u>15,965</u>	<u>15,965</u>	<u>12,616</u>	<u>1,289</u>	<u>482,757</u>
<u>\$ 85,365</u>	<u>\$ 23,368</u>	<u>\$ 3,277</u>	<u>\$ 219,577</u>	<u>\$ 216,290</u>	<u>\$ 155,961</u>	<u>\$ 19,324</u>	<u>\$ 2,110,573</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,907
-	-	-	150,053	198,594	-	-	361,022
-	-	-	-	-	-	-	13,851
<u>-</u>	<u>-</u>	<u>-</u>	<u>184,476</u>	<u>184,476</u>	<u>152,737</u>	<u>18,876</u>	<u>839,580</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>334,529</u>	<u>383,070</u>	<u>152,737</u>	<u>18,876</u>	<u>1,232,360</u>
545	250	-	-	-	-	-	60,549
<u>84,820</u>	<u>23,118</u>	<u>3,277</u>	<u>(114,952)</u>	<u>(166,780)</u>	<u>3,224</u>	<u>448</u>	<u>817,664</u>
<u>85,365</u>	<u>23,368</u>	<u>3,277</u>	<u>(114,952)</u>	<u>(166,780)</u>	<u>3,224</u>	<u>448</u>	<u>878,213</u>
<u>\$ 85,365</u>	<u>\$ 23,368</u>	<u>\$ 3,277</u>	<u>\$ 219,577</u>	<u>\$ 216,290</u>	<u>\$ 155,961</u>	<u>\$ 19,324</u>	<u>\$ 2,110,573</u>

# City of Brook Park, Ohio

## Combining Statement of Revenues, Expenditures and Changes In Fund Balances Non-Major Special Revenue Funds

**For The Year Ended December 31, 2004**

	<u>Street Maintenance</u>	<u>State Highway</u>	<u>Permissive Tax</u>	<u>Brook Park Road Corridor</u>	<u>Special Recreation</u>
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	801,396	64,113	52,097	-	-
Fines and forfeitures	-	-	-	-	-
Investment income	1,682	226	2,844	-	-
Miscellaneous income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>102,037</u>
Total revenues	<u>803,078</u>	<u>64,339</u>	<u>54,941</u>	<u>-</u>	<u>102,037</u>
Expenditures:					
Current operations and maintenance:					
Security of persons and property	-	-	-	-	-
Public health and welfare	-	-	-	-	-
Leisure time activities	-	-	-	-	110,154
Community development	-	-	-	35,336	-
Transportation	<u>1,172,755</u>	<u>70,805</u>	<u>31,479</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>1,172,755</u>	<u>70,805</u>	<u>31,479</u>	<u>35,336</u>	<u>110,154</u>
Excess of revenues over (under) expenditures	(369,677)	(6,466)	23,462	(35,336)	(8,117)
Other financing sources (uses):					
Transfers – in	<u>520,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	150,323	(6,466)	23,462	(35,336)	(8,117)
Fund balances (deficit) at beginning of year	<u>86,262</u>	<u>29,600</u>	<u>204,434</u>	<u>521,081</u>	<u>79,020</u>
Fund balances (deficit) at end of year	\$ <u>236,585</u>	\$ <u>23,134</u>	\$ <u>227,896</u>	\$ <u>485,745</u>	\$ <u>70,903</u>

<u>Law Enforcement</u>	<u>DWI Enforcement and Education</u>	<u>Federal Forfeiture</u>	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Southwest General Health Center</u>	<u>Tri-City Senior Center</u>	<u>Total Non-Major Special Revenue Funds</u>
\$ -	\$ -	\$ -	\$ 153,883	\$ 153,883	\$ 129,504	\$ 16,249	\$ 453,519
-	-	-	6,179	6,475	12,616	1,290	944,166
68,922	2,226	-	-	-	-	-	71,148
-	-	10	-	-	-	-	4,762
-	-	<u>3,267</u>	-	-	-	-	<u>105,304</u>
<u>68,922</u>	<u>2,226</u>	<u>3,277</u>	<u>160,062</u>	<u>160,358</u>	<u>142,120</u>	<u>17,539</u>	<u>1,578,899</u>
13,196	-	-	534,471	656,946	-	-	1,204,613
-	-	-	-	-	138,119	16,962	155,081
-	-	-	-	-	-	-	110,154
-	-	-	-	-	-	-	35,336
-	-	-	-	-	-	-	<u>1,275,039</u>
<u>13,196</u>	<u>-</u>	<u>-</u>	<u>534,471</u>	<u>656,946</u>	<u>138,119</u>	<u>16,962</u>	<u>2,780,223</u>
55,726	2,226	3,277	(374,409)	(496,588)	4,001	577	(1,201,324)
-	-	-	<u>401,000</u>	<u>514,000</u>	-	-	<u>1,435,000</u>
55,726	2,226	3,277	26,591	17,412	4,001	577	233,676
<u>29,639</u>	<u>21,142</u>	<u>-</u>	<u>(141,543)</u>	<u>(184,192)</u>	<u>(777)</u>	<u>(129)</u>	<u>644,537</u>
\$ <u>85,365</u>	\$ <u>23,368</u>	\$ <u>3,277</u>	\$ <u>(114,952)</u>	\$ <u>(166,780)</u>	\$ <u>3,224</u>	\$ <u>448</u>	\$ <u>878,213</u>

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# City of Brook Park, Ohio

## Combining Statements

### **For The Year Ended December 31, 2004**

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#### **Agency Funds**

##### *Cash Bonds Held Fund*

The Cash Bonds Held Fund accounts for deposits to insure the proper repair of street openings.

##### *Payroll Deduction Employees' Share Fund*

The Payroll Deduction Employees' Share Fund accounts for employees' payroll deductions which are to be distributed to other agencies.

##### *Mayor's Court Fund*

The Mayor's Court Fund accounts for the collection and distribution of court fines and forfeitures.

##### *Board of Building Standards Fund*

The Board of Building Standards Fund Accounts for the collection and distribution of State required building code fees.

# City of Brook Park, Ohio

## Combining Statement of Assets and Liabilities Agency Funds

**December 31, 2004**

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	<u>Cash Bonds Held</u>	<u>Payroll Deduction Employees' Share</u>
Assets:		
Cash and cash equivalents	\$ <u>31,104</u>	\$ <u>-</u>
Liabilities:		
Intergovernmental payable	\$ -	\$ -
Due to others	-	-
Deposits held	<u>31,104</u>	<u>-</u>
Total liabilities	\$ <u>31,104</u>	\$ <u>-</u>

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<u>Mayor's Court</u>	<u>Board of Building Standards</u>	<u>Total</u>
\$ <u>34,052</u>	\$ <u>808</u>	\$ <u>65,964</u>
\$ 6,689	\$ -	\$ 6,689
20,493	-	20,493
<u>6,870</u>	<u>808</u>	<u>38,782</u>
\$ <u>34,052</u>	\$ <u>808</u>	\$ <u>65,964</u>

# City of Brook Park, Ohio

## Combining Statement of Changes in Assets and Liabilities Agency Funds

### For The Year Ended December 31, 2004

	Balance December 31, <u>2003</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2004</u>
<b>Cash Bonds Held Fund</b>				
Assets:				
Cash and cash equivalents	\$ <u>29,404</u>	\$ <u>10,500</u>	\$ <u>8,800</u>	\$ <u>31,104</u>
Liabilities:				
Deposits held	\$ <u>29,404</u>	\$ <u>10,500</u>	\$ <u>8,800</u>	\$ <u>31,104</u>
<b>Payroll Deduction Employees' Share Fund</b>				
Assets:				
Cash and cash equivalents	\$ <u>29,209</u>	\$ <u>100</u>	\$ <u>29,309</u>	\$ <u>-</u>
Liabilities:				
Intergovernmental payable	\$ <u>29,209</u>	\$ <u>100</u>	\$ <u>29,309</u>	\$ <u>-</u>
<b>Mayor's Court Fund</b>				
Assets:				
Cash and cash equivalents	\$ <u>34,440</u>	\$ <u>466,722</u>	\$ <u>467,110</u>	\$ <u>34,052</u>
Liabilities:				
Intergovernmental payable	\$ 6,689	\$ 104,939	\$ 104,939	\$ 6,689
Due to others	20,790	314,519	314,816	20,493
Deposits held	<u>6,961</u>	<u>47,264</u>	<u>47,355</u>	<u>6,870</u>
Total liabilities	\$ <u>34,440</u>	\$ <u>466,722</u>	\$ <u>467,110</u>	\$ <u>34,052</u>

Continued

# City of Brook Park, Ohio

## Combining Statement of Changes in Assets and Liabilities Agency Funds (Continued)

### For The Year Ended December 31, 2004

	Balance December 31, <u>2003</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2004</u>
<b>Board of Building Standards</b>				
Assets:				
Cash and cash equivalents	\$ <u>697</u>	\$ <u>1,245</u>	\$ <u>1,134</u>	\$ <u>808</u>
Liabilities:				
Deposits held	\$ <u>697</u>	\$ <u>1,245</u>	\$ <u>1,134</u>	\$ <u>808</u>
<b>Total – All Agency Funds</b>				
Assets:				
Cash and cash equivalents	\$ <u>93,750</u>	\$ <u>478,567</u>	\$ <u>506,353</u>	\$ <u>65,964</u>
Liabilities:				
Intergovernmental payable	\$ 35,898	\$ 105,039	\$ 134,248	\$ 6,689
Due to others	20,790	314,519	314,816	20,493
Deposits held	<u>37,062</u>	<u>59,009</u>	<u>57,289</u>	<u>38,782</u>
Total liabilities	\$ <u>93,750</u>	\$ <u>478,567</u>	\$ <u>506,353</u>	\$ <u>65,964</u>

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

# City of Brook Park, Ohio

## Schedule of Revenues, Expenditures and Changes In Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual General Fund **For The Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property taxes	\$ 2,132,381	\$ 2,030,073	\$ 2,039,816	\$ 9,743
Municipal income taxes	15,750,000	15,991,719	15,991,719	-
Other local taxes	250,000	325,887	325,887	-
Intergovernmental	665,156	1,359,347	1,359,347	-
Charges for services	942,863	855,180	855,180	-
Licenses and permits	437,869	396,438	396,438	-
Fines and forfeitures	408,440	369,793	369,793	-
Investment income	277,545	251,284	251,284	-
Miscellaneous income	<u>224,134</u>	<u>205,270</u>	<u>205,270</u>	<u>-</u>
Total revenues	<u>21,088,388</u>	<u>21,784,991</u>	<u>21,794,734</u>	<u>9,743</u>
<b>Expenditures:</b>				
<b>Current operations and maintenance:</b>				
Security of persons and property				
Correctional facility				
Personal services	155,250	165,850	162,928	2,922
Travel and education	381	442	442	-
Contractual services	5,686	11,833	10,124	1,709
Supplies and materials	<u>35,838</u>	<u>43,081</u>	<u>41,866</u>	<u>1,215</u>
Total correctional facility	<u>197,155</u>	<u>221,206</u>	<u>215,360</u>	<u>5,846</u>
School guards				
Personal services	75,817	76,461	74,301	2,160
Supplies and materials	<u>500</u>	<u>500</u>	<u>500</u>	<u>-</u>
Total school guards	<u>76,317</u>	<u>76,961</u>	<u>74,801</u>	<u>2,160</u>
Fire department				
Personal services	3,278,097	3,311,973	3,290,176	21,797
Travel and education	12,000	12,450	12,339	111
Contractual services	154,226	157,901	132,260	25,641
Supplies and materials	<u>54,453</u>	<u>56,138</u>	<u>50,640</u>	<u>5,498</u>
Total fire department	<u>3,498,776</u>	<u>3,538,462</u>	<u>3,485,415</u>	<u>53,047</u>
Police department				
Personal services	3,421,752	3,440,994	3,381,888	59,106
Travel and education	13,280	14,689	14,541	148
Contractual services	190,840	185,898	170,497	15,401
Supplies and materials	<u>107,973</u>	<u>130,926</u>	<u>128,531</u>	<u>2,395</u>
Total police department	<u>3,733,845</u>	<u>3,772,507</u>	<u>3,695,457</u>	<u>77,050</u>

Continued

# City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 General Fund (Continued)  
**For The Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Animal control				
Personal services	116,538	118,292	116,981	1,311
Travel and education	283	270	270	-
Contractual services	40,499	46,233	45,778	455
Supplies and materials	<u>7,317</u>	<u>8,975</u>	<u>8,693</u>	<u>282</u>
Total animal control	<u>164,637</u>	<u>173,770</u>	<u>171,722</u>	<u>2,048</u>
Safety director				
Personal services	167,724	168,424	166,009	2,415
Travel and education	1,500	950	689	261
Contractual services	3,928	26,424	25,256	1,168
Supplies and materials	<u>2,812</u>	<u>3,462</u>	<u>2,934</u>	<u>528</u>
Total safety director	<u>175,964</u>	<u>199,260</u>	<u>194,888</u>	<u>4,372</u>
Safety building				
Personal services	502,001	503,545	485,483	18,062
Travel and education	2,898	2,898	1,980	918
Contractual services	115,845	107,085	92,719	14,366
Supplies and materials	<u>7,716</u>	<u>8,766</u>	<u>6,575</u>	<u>2,191</u>
Total safety building	<u>628,460</u>	<u>622,294</u>	<u>586,757</u>	<u>35,537</u>
Safety town				
Personal services	4,908	3,786	3,786	-
Contractual services	2,550	2,100	2,100	-
Supplies and materials	<u>1,000</u>	<u>1,062</u>	<u>1,062</u>	<u>-</u>
Total safety town	<u>8,458</u>	<u>6,948</u>	<u>6,948</u>	<u>-</u>
Street lighting				
Contractual services	<u>281,910</u>	<u>300,901</u>	<u>300,358</u>	<u>543</u>
Traffic lights				
Contractual services	<u>57,228</u>	<u>57,228</u>	<u>32,631</u>	<u>24,597</u>

Continued

# City of Brook Park, Ohio

## Schedule of Revenues, Expenditures and Changes In Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual General Fund (Continued) **For The Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Disaster services				
Personal services	16,090	16,090	15,002	1,088
Contractual services	2,954	964	663	301
Supplies and materials	<u>3,000</u>	<u>3,990</u>	<u>3,062</u>	<u>928</u>
Total disaster services	<u>22,044</u>	<u>21,044</u>	<u>18,727</u>	<u>2,317</u>
Total security of persons and property	<u>8,844,794</u>	<u>8,990,581</u>	<u>8,783,064</u>	<u>207,517</u>
Public health and welfare				
County board of health				
Contractual services	<u>67,626</u>	<u>67,626</u>	<u>67,626</u>	<u>-</u>
Office of Aging				
Personal services	14,930	14,930	14,930	-
Contractual services	421	421	421	-
Supplies and materials	<u>899</u>	<u>899</u>	<u>899</u>	<u>-</u>
Total office of aging	<u>16,250</u>	<u>16,250</u>	<u>16,250</u>	<u>-</u>
Total public health and welfare	<u>83,876</u>	<u>83,876</u>	<u>83,876</u>	<u>-</u>
Leisure time activities				
Recreation commission				
Personal services	14,593	14,340	14,271	69
Travel and education	250	250	-	250
Supplies and materials	<u>100</u>	<u>100</u>	<u>-</u>	<u>100</u>
Total recreation commission	<u>14,943</u>	<u>14,690</u>	<u>14,271</u>	<u>419</u>
Parks and recreation				
Personal services	94,038	77,185	77,183	2
Contractual services	66,397	60,850	30,563	30,287
Materials and supplies	<u>36,642</u>	<u>38,369</u>	<u>33,156</u>	<u>5,213</u>
Total parks and recreation	<u>197,077</u>	<u>176,404</u>	<u>140,902</u>	<u>35,502</u>
Recreation center				
Personal services	847,412	918,052	902,793	15,259
Travel and education	1,500	1,079	639	440
Contractual services	495,109	509,836	500,066	9,770
Supplies and materials	44,334	46,428	45,264	1,164
Other expenditures	<u>500</u>	<u>500</u>	<u>68</u>	<u>432</u>
Total recreation center	<u>1,388,855</u>	<u>1,475,895</u>	<u>1,448,830</u>	<u>27,065</u>

Continued

# City of Brook Park, Ohio

## Schedule of Revenues, Expenditures and Changes In Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual General Fund (Continued) **For The Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Home day celebration				
Personal services	13,353	12,748	12,748	-
Contractual services	48,600	47,321	47,321	-
Supplies and materials	<u>6,800</u>	<u>5,330</u>	<u>5,330</u>	<u>-</u>
Total home day celebration	<u>68,753</u>	<u>65,399</u>	<u>65,399</u>	<u>-</u>
Parks and play grounds				
Personal services	494,951	507,113	500,363	6,750
Travel and education	100	80	80	-
Contractual services	108,729	105,338	84,875	20,463
Supplies and materials	<u>28,458</u>	<u>31,869</u>	<u>28,974</u>	<u>2,895</u>
Total parks and play grounds	<u>632,238</u>	<u>644,400</u>	<u>614,292</u>	<u>30,108</u>
Public recreation				
Personal services	18,538	23,943	21,960	1,983
Travel and education	100	450	450	-
Contractual services	93,542	80,742	78,863	1,879
Supplies and materials	<u>15,683</u>	<u>25,633</u>	<u>23,914</u>	<u>1,719</u>
Total public recreation	<u>127,863</u>	<u>130,768</u>	<u>125,187</u>	<u>5,581</u>
Total leisure time activities	<u>2,429,729</u>	<u>2,507,556</u>	<u>2,408,881</u>	<u>98,675</u>
Community development				
Planning commission				
Personal services	14,309	14,029	13,951	78
Supplies and materials	<u>250</u>	<u>250</u>	<u>-</u>	<u>250</u>
Total planning commission	<u>14,559</u>	<u>14,279</u>	<u>13,951</u>	<u>328</u>
Airport relations				
Personal services	156,264	157,409	156,831	578
Travel and education	1,000	1,000	734	266
Contractual services	47,373	25,873	16,056	9,817
Supplies and materials	960	3,000	2,122	878
Other expenditures	<u>540</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total airport relations	<u>206,137</u>	<u>187,282</u>	<u>175,743</u>	<u>11,539</u>
Community development				
Personal services	83,148	83,878	83,498	380
Travel and education	3,000	450	421	29
Contractual services	3,446	6,446	5,247	1,199
Supplies and materials	<u>690</u>	<u>240</u>	<u>200</u>	<u>40</u>
Total community development	<u>90,284</u>	<u>91,014</u>	<u>89,366</u>	<u>1,648</u>

Continued

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
Budget (Non-GAAP Budgetary Basis) and Actual  
General Fund (Continued)  
**For The Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Board of zoning appeals				
Personal services	17,171	16,834	16,371	463
Building department				
Personal services	527,085	530,660	519,660	11,000
Travel and education	2,870	2,670	2,584	86
Contractual services	30,829	43,091	41,566	1,525
Supplies and materials	7,103	11,616	11,429	187
Other expenditures	750	750	155	595
Total building department	568,637	588,787	575,394	13,393
Tree and tree lawns				
Personal services	282,445	309,229	299,206	10,023
Travel and education	50	40	40	-
Contractual services	6,662	7,627	7,052	575
Supplies and materials	3,370	6,315	5,960	355
Total trees and tree lawns	292,527	323,211	312,258	10,953
Total community development	1,189,315	1,221,407	1,183,083	38,324
Basic utility services				
Service director				
Personal services	514,083	519,387	499,709	19,678
Travel and education	850	850	850	-
Contractual services	14,319	14,319	11,882	2,437
Supplies and materials	2,850	2,850	1,681	1,169
Total service director	532,102	537,406	514,122	23,284
Service building				
Personal services	122,956	124,048	122,944	1,104
Contractual services	215,504	217,691	204,768	12,923
Supplies and materials	36,490	54,266	44,807	9,459
Total service building	374,950	396,005	372,519	23,486
Sanitation department				
Personal services	791,833	813,043	802,155	10,888
Travel and education	100	151	151	-
Contractual services	104,756	77,273	74,911	2,362
Supplies and materials	483,455	510,887	505,387	5,500
Total sanitation department	1,380,144	1,401,354	1,382,604	18,750

Continued

# City of Brook Park, Ohio

## Schedule of Revenues, Expenditures and Changes In Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual General Fund (Continued) **For The Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Sewers, drains, and pump stations				
Personal services	573,538	579,668	573,995	5,673
Travel and education	905	905	700	205
Contractual services	106,516	113,452	101,557	11,895
Supplies and materials	<u>52,018</u>	<u>54,239</u>	<u>48,657</u>	<u>5,582</u>
Total sewers, drains, and pump stations	<u>732,977</u>	<u>748,264</u>	<u>724,909</u>	<u>23,355</u>
Total basic utility services	<u>3,020,173</u>	<u>3,083,029</u>	<u>2,994,154</u>	<u>88,875</u>
Transportation				
Street cleaning				
Personal services	62,755	63,915	62,972	943
Travel and education	50	50	-	50
Contractual services	4,600	7,908	7,383	525
Supplies and materials	<u>3,538</u>	<u>4,292</u>	<u>4,265</u>	<u>27</u>
Total street cleaning	<u>70,943</u>	<u>76,165</u>	<u>74,620</u>	<u>1,545</u>
Traffic signs				
Personal services	57,644	62,628	61,376	1,252
Contractual services	10,644	10,644	6,293	4,351
Supplies and materials	<u>2,738</u>	<u>2,738</u>	<u>559</u>	<u>2,179</u>
Total sign department	<u>71,026</u>	<u>76,010</u>	<u>68,228</u>	<u>7,782</u>
Snow removal				
Personal services	189,862	189,964	160,541	29,423
Contractual services	111,494	111,294	70,366	40,928
Supplies and materials	<u>445,100</u>	<u>445,300</u>	<u>405,134</u>	<u>40,166</u>
Total snow removal	<u>746,456</u>	<u>746,558</u>	<u>636,041</u>	<u>110,517</u>
Total transportation	<u>888,425</u>	<u>898,733</u>	<u>778,889</u>	<u>119,844</u>
General government				
City council				
Personal services	134,386	135,708	135,704	4
Travel and education	17,200	15,277	8,388	6,889
Contractual services	17,875	18,221	15,944	2,277
Supplies and materials	<u>5,438</u>	<u>7,015</u>	<u>5,888</u>	<u>1,127</u>
Total city council	<u>174,899</u>	<u>176,221</u>	<u>165,924</u>	<u>10,297</u>

Continued

# City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 General Fund (Continued)  
**For The Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Clerk of council				
Personal services	133,848	134,804	134,303	501
Travel and education	3,250	3,250	2,244	1,006
Contractual services	2,968	3,118	2,380	738
Supplies and materials	<u>431</u>	<u>281</u>	<u>106</u>	<u>175</u>
Total clerk of council	<u>140,497</u>	<u>141,453</u>	<u>139,033</u>	<u>2,420</u>
Mayor's court				
Personal services	97,786	98,549	98,169	380
Travel and education	1,600	1,500	1,110	390
Contractual services	9,491	9,491	6,378	3,113
Supplies and materials	<u>2,000</u>	<u>2,100</u>	<u>1,853</u>	<u>247</u>
Total mayor's court	<u>110,877</u>	<u>111,640</u>	<u>107,510</u>	<u>4,130</u>
Civil service commission				
Personal services	34,348	33,982	30,524	3,458
Travel and education	300	300	176	124
Contractual services	5,743	1,887	1,148	739
Supplies and materials	<u>3,300</u>	<u>656</u>	<u>2</u>	<u>654</u>
Total civil service commission	<u>43,691</u>	<u>36,825</u>	<u>31,850</u>	<u>4,975</u>
Mayor's office				
Personal services	280,806	284,624	281,272	3,352
Travel and education	4,000	4,000	3,325	675
Contractual services	12,061	11,561	8,701	2,860
Supplies and materials	<u>9,920</u>	<u>10,920</u>	<u>10,003</u>	<u>917</u>
Total mayor's office	<u>306,787</u>	<u>311,105</u>	<u>303,301</u>	<u>7,804</u>
Human resources				
Personal services	88,568	89,234	88,891	343
Travel and education	1,500	1,090	325	765
Contractual services	11,435	11,585	8,645	2,940
Supplies and materials	<u>500</u>	<u>760</u>	<u>547</u>	<u>213</u>
Total human resources	<u>102,003</u>	<u>102,669</u>	<u>98,408</u>	<u>4,261</u>
Public properties				
Personal services	376,269	380,614	373,401	7,213
Travel and education	100	337	337	-
Contractual services	37,608	41,999	40,043	1,956
Supplies and materials	<u>12,823</u>	<u>10,624</u>	<u>9,644</u>	<u>980</u>
Total public properties	<u>426,800</u>	<u>433,574</u>	<u>423,425</u>	<u>10,149</u>

Continued

# City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 General Fund (Continued)  
**For The Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Legal department				
Personal services	339,226	344,686	326,908	17,778
Travel and education	2,500	2,925	2,704	221
Contractual services	5,920	5,495	3,466	2,029
Supplies and materials	<u>700</u>	<u>700</u>	<u>550</u>	<u>150</u>
Total legal department	<u>348,346</u>	<u>353,806</u>	<u>333,628</u>	<u>20,178</u>
Finance department				
Personal services	349,378	348,666	340,134	8,532
Travel and education	4,860	4,860	2,788	2,072
Contractual services	84,983	83,958	64,921	19,037
Supplies and materials	<u>9,265</u>	<u>10,290</u>	<u>9,228</u>	<u>1,062</u>
Total finance department	<u>448,486</u>	<u>447,774</u>	<u>417,071</u>	<u>30,703</u>
Tax department				
Personal services	185,188	185,188	178,226	6,962
Travel and education	2,643	4,861	4,861	-
Contractual services	41,257	43,756	41,884	1,872
Supplies and materials	2,685	2,734	2,482	252
Other expenditures	<u>175,000</u>	<u>170,233</u>	<u>144,426</u>	<u>25,807</u>
Total tax department	<u>406,773</u>	<u>406,772</u>	<u>371,879</u>	<u>34,893</u>
Purchasing commissioner				
Personal services	84,042	84,042	-	84,042
Travel and education	2,000	2,000	-	2,000
Contractual services	6,000	6,000	-	6,000
Supplies and materials	<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>6,000</u>
Total purchasing commissioner	<u>98,042</u>	<u>98,042</u>	<u>-</u>	<u>98,042</u>
Tax review board				
Personal services	<u>4,143</u>	<u>6,090</u>	<u>5,880</u>	<u>210</u>
High risk review board				
Personal services	<u>10,068</u>	<u>9,873</u>	<u>9,723</u>	<u>150</u>

Continued

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
Budget (Non-GAAP Budgetary Basis) and Actual  
General Fund (Continued)  
**For The Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Retirees				
Personal services	29,958	134,205	134,205	-
Mechanics				
Personal services	412,958	419,142	404,077	15,065
Travel and education	500	490	36	454
Contractual services	250	261	198	63
Supplies and materials	6,095	6,859	4,772	2,087
Total mechanics	419,803	426,752	409,083	17,669
Engineering				
Contractual services	48,000	48,000	48,000	-
Lands and buildings				
Contractual services	107,485	110,569	100,384	10,185
Supplies and materials	22,950	24,057	18,293	5,764
Total lands and buildings	130,435	134,626	118,677	15,949
Other general government				
Personal services	334,430	359,007	348,012	10,995
Travel and education	500	500	-	500
Contractual services	498,177	602,429	425,378	177,051
Materials and supplies	17,175	17,973	17,400	573
Other expenditures	347,940	349,837	349,271	566
Total other general government	1,198,222	1,329,746	1,140,061	189,685
Total general government	4,447,830	4,709,173	4,257,658	451,515
Total expenditures	20,904,142	21,494,355	20,489,605	1,004,750
Excess of revenues over (under) expenditures	184,246	290,636	1,305,129	1,014,493

Continued

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 General Fund (Continued)  
**For The Year Ended December 31, 2004**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Other financing sources (uses):				
Proceeds from the sale of capital assets	11,907	10,780	10,780	-
Transfers – out	<u>(1,020,225)</u>	<u>(2,464,621)</u>	<u>(2,964,624)</u>	<u>(500,003)</u>
Total other financing sources (uses)	<u>(1,008,318)</u>	<u>(2,453,841)</u>	<u>(2,953,844)</u>	<u>(500,003)</u>
Net change in fund balance	(824,072)	(2,163,205)	(1,648,715)	514,490
Cash fund balance at beginning of year	11,105,968	11,105,968	11,105,968	-
Current year encumbrances	<u>-</u>	<u>-</u>	<u>357,684</u>	<u>357,684</u>
Cash fund balance at end of year	\$ <u>10,281,896</u>	\$ <u>8,942,763</u>	\$ <u>9,814,937</u>	\$ <u>872,174</u>

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 Economic Development Fund  
**For The Year Ended December 31, 2004**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for services	\$ <u>856,616</u>	\$ <u>855,278</u>	\$ <u>855,278</u>	\$ <u>-</u>
Expenditures:				
Current operations and maintenance:				
Community development				
Contractual services	<u>352,488</u>	<u>338,756</u>	<u>329,493</u>	<u>9,263</u>
Excess of revenues over (under) expenditures	504,128	516,522	525,785	9,263
Other financing sources (uses):				
Transfers – out	<u>(159,808)</u>	<u>(203,540)</u>	<u>(203,540)</u>	<u>-</u>
Net change in fund balance	344,320	312,982	322,245	9,263
Cash fund balance, beginning of year	<u>1,971,152</u>	<u>1,971,152</u>	<u>1,971,152</u>	<u>-</u>
Cash fund balance, end of year	\$ <u><u>2,315,472</u></u>	\$ <u><u>2,284,134</u></u>	\$ <u><u>2,293,397</u></u>	\$ <u><u>9,263</u></u>

# City of Brook Park, Ohio

## Schedule of Revenues, Expenditures and Changes In Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual Capital Improvement Fund **For The Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Municipal income taxes	\$ 5,250,000	\$ 5,462,899	\$ 5,462,899	\$ -
Intergovernmental	1,986,082	1,657,874	1,657,874	-
Investment income	33,757	19,942	19,942	-
Miscellaneous income	993,530	884,469	884,469	-
Total revenues	<u>8,263,369</u>	<u>8,025,184</u>	<u>8,025,184</u>	<u>-</u>
<b>Expenditures:</b>				
Current operations and maintenance:				
Leisure time activities				
Parks and playgrounds				
Contractual services	-	34,389	34,389	-
Other expenditures	-	2,263	2,263	-
Total parks and playgrounds	<u>-</u>	<u>36,652</u>	<u>36,652</u>	<u>-</u>
Recreation center				
Contractual services	-	20,319	18,519	1,800
Other expenditures	-	2,056	1,512	544
Total recreation center	<u>-</u>	<u>22,375</u>	<u>20,031</u>	<u>2,344</u>
Total leisure time activities	<u>-</u>	<u>59,027</u>	<u>56,683</u>	<u>2,344</u>
Basic utility service				
Sewers and drains				
Contractual services	134,738	161,346	157,657	3,689
Materials and supplies	1,000	830	830	-
Other expenditures	-	857	857	-
Total basic utility services	<u>135,738</u>	<u>163,033</u>	<u>159,344</u>	<u>3,689</u>
Transportation				
Street paving and repair				
Contractual services	612,281	598,909	576,904	22,005
Materials and supplies	3,500	4,138	4,138	-
Other expenditures	-	1,150	1,150	-
Total street paving and repair	<u>615,781</u>	<u>604,197</u>	<u>582,192</u>	<u>22,005</u>
Street Lighting				
Contractual services	-	3,243	3,243	-
Traffic lights				
Contractual services	30,963	32,800	32,800	-
Total transportation	<u>646,744</u>	<u>640,240</u>	<u>618,235</u>	<u>22,005</u>

Continued

# City of Brook Park, Ohio

## Schedule of Revenues, Expenditures and Changes In Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual Capital Improvement Fund (Continued) **For The Year Ended December 31, 2004**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
General government				
Income tax department				
Personal services	79,367	79,366	76,383	2,983
Travel and education	1,133	2,083	2,083	-
Contractual services	17,681	18,753	17,950	803
Materials and supplies	1,151	1,172	1,064	108
Other expenditures	<u>75,000</u>	<u>72,957</u>	<u>61,897</u>	<u>11,060</u>
Total income tax department	<u>174,332</u>	<u>174,331</u>	<u>159,377</u>	<u>14,954</u>
Lands and Buildings				
Contractual services	46,649	51,475	48,918	2,557
Other expenditures	<u>265</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total land and buildings	<u>46,914</u>	<u>51,475</u>	<u>48,918</u>	<u>2,557</u>
Total general government	<u>221,246</u>	<u>225,806</u>	<u>208,295</u>	<u>17,511</u>
Capital outlay:				
Animal control	180	180	180	-
Building department	4,229	2,229	1,680	549
Community development	386	386	367	19
Finance department	49,145	49,145	37,955	11,190
Fire department	399,472	450,091	448,021	2,070
Human resources	387	387	367	20
Income tax department	60,201	60,201	23,468	36,733
Legal department	6,721	6,721	6,074	647
Land and buildings	157,139	171,131	149,743	21,388
Mayor's office	9,500	9,500	5,702	3,798
Mechanics	-	5,000	3,009	1,991
Parks and playgrounds	420,937	457,024	454,926	2,098
Police law enforcement	265,145	239,145	203,116	36,029
Public properties	23,880	22,380	21,632	748
Public recreation	34,585	39,665	39,445	220
Recreation center	388,416	300,611	282,990	17,621
Safety building	723,792	738,406	738,246	160
Safety director	7,708	10,208	9,517	691
Sanitation department	142,952	142,952	136,762	6,190
Service building	100,161	100,161	22,527	77,634
Sewers, drains and pump stations	1,443,063	2,234,440	2,206,214	28,226
Snow removal	182,277	173,236	141,085	32,151
Street lights	68,000	91,137	91,137	-

Continued

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
Budget (Non-GAAP Budgetary Basis) and Actual  
Capital Improvement Fund (continued)  
**For The Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Capital outlay: (continued)				
Street paving and repair	2,578,237	2,604,331	2,570,414	33,917
Traffic lights	202,157	234,957	202,157	32,800
Traffic signs	29,861	29,861	28,014	1,847
Trees and tree lawns	<u>30,000</u>	<u>30,100</u>	<u>20,075</u>	<u>10,025</u>
Total capital outlay	<u>7,328,531</u>	<u>8,203,585</u>	<u>7,844,823</u>	<u>358,762</u>
Total expenditures	<u>8,332,259</u>	<u>9,291,691</u>	<u>8,887,380</u>	<u>404,311</u>
Excess of revenues over (under) expenditures	<u>(68,890)</u>	<u>(1,266,507)</u>	<u>(862,196)</u>	<u>404,311</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	-	4,223	4,223	-
Transfer - in	-	1,450,000	1,500,000	50,000
Transfers - out	<u>(2,820,154)</u>	<u>(2,969,910)</u>	<u>(1,988,243)</u>	<u>981,667</u>
Total other financing sources (uses)	<u>(2,820,154)</u>	<u>(1,515,687)</u>	<u>(484,020)</u>	<u>1,031,667</u>
Net change in fund balance	(2,889,044)	(2,782,194)	(1,346,216)	1,435,978
Cash balance at beginning of year	6,589,874	6,589,874	6,589,874	-
Current year encumbrances	<u>-</u>	<u>-</u>	<u>2,112,442</u>	<u>2,112,442</u>
Cash balance at end of year	\$ <u>3,700,830</u>	\$ <u>3,807,680</u>	\$ <u>7,356,100</u>	\$ <u>3,548,420</u>

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
Budget (Non-GAAP Budgetary Basis) and Actual  
Street Maintenance Fund  
**For The Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental	\$ 742,129	\$ 774,035	\$ 774,035	\$ -
Investment income	<u>1,613</u>	<u>1,682</u>	<u>1,682</u>	<u>-</u>
Total revenues	<u>743,742</u>	<u>775,717</u>	<u>775,717</u>	<u>-</u>
<b>Expenditures:</b>				
Current operations and maintenance:				
Transportation				
Street paving and repair				
Personal services	1,134,635	1,082,276	1,064,905	17,371
Travel and education	100	100	80	20
Contractual services	120,862	123,688	119,091	4,597
Supplies and materials	<u>49,039</u>	<u>49,226</u>	<u>46,660</u>	<u>2,566</u>
Total expenditures	<u>1,304,636</u>	<u>1,255,290</u>	<u>1,230,736</u>	<u>24,554</u>
Excess of revenues over (under) expenditures	(560,894)	(479,573)	(455,019)	24,554
Other financing sources (uses):				
Transfers - in	<u>520,000</u>	<u>520,000</u>	<u>520,000</u>	<u>-</u>
Net change in fund balance	(40,894)	40,427	64,981	24,554
Cash fund balance at beginning of year	43,971	43,971	43,971	-
Current year encumbrances	<u>-</u>	<u>-</u>	<u>24,791</u>	<u>24,791</u>
Cash fund balance at end of year	\$ <u><u>3,077</u></u>	\$ <u><u>84,398</u></u>	\$ <u><u>133,743</u></u>	\$ <u><u>49,345</u></u>

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 State Highway Fund  
**For The Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 60,236	\$ 61,895	\$ 61,895	\$ -
Investment income	<u>220</u>	<u>226</u>	<u>226</u>	<u>-</u>
Total revenues	<u>60,456</u>	<u>62,121</u>	<u>62,121</u>	<u>-</u>
Expenditures:				
Current operations and maintenance:				
Transportation				
Street paving and repair				
Personal services	65,742	69,320	67,074	2,246
Supplies and materials	<u>9,558</u>	<u>10,058</u>	<u>8,764</u>	<u>1,294</u>
Total expenditures	<u>75,300</u>	<u>79,378</u>	<u>75,838</u>	<u>3,540</u>
Net change in fund balance	(14,844)	(17,257)	(13,717)	3,540
Cash fund balance at beginning of year	26,715	26,715	26,715	-
Current year encumbrances	<u>-</u>	<u>-</u>	<u>1,572</u>	<u>1,572</u>
Cash fund balance at end of year	<u>\$ 11,871</u>	<u>\$ 9,458</u>	<u>\$ 14,570</u>	<u>\$ 5,112</u>

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 Permissive Tax Fund  
**For The Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 52,123	\$ 52,097	\$ 52,097	\$ -
Investment income	<u>2,845</u>	<u>2,844</u>	<u>2,844</u>	<u>-</u>
Total revenues	<u>54,968</u>	<u>54,941</u>	<u>54,941</u>	<u>-</u>
Expenditures:				
Current operations and maintenance:				
Transportation				
Street paving and repair				
Contractual services	19,543	19,543	7,160	12,383
Supplies and materials	<u>34,492</u>	<u>34,492</u>	<u>30,330</u>	<u>4,162</u>
Total expenditures	<u>54,035</u>	<u>54,035</u>	<u>37,490</u>	<u>16,545</u>
Net change in fund balance	933	906	17,451	16,545
Cash fund balance at beginning of year	204,434	204,434	204,434	-
Current year encumbrances	<u>-</u>	<u>-</u>	<u>11,305</u>	<u>11,305</u>
Cash fund balance at end of year	\$ <u>205,367</u>	\$ <u>205,340</u>	\$ <u>233,190</u>	\$ <u>27,850</u>

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 Brook Park Road Corridor Fund  
**For The Year Ended December 31, 2004**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Expenditures:				
Current operations and maintenance:				
Community development				
Contractual services	\$ <u>227,024</u>	\$ <u>262,024</u>	\$ <u>58,093</u>	\$ <u>203,931</u>
Net change in fund balance	(227,024)	(262,024)	(58,093)	203,931
Cash fund balance at beginning of year	521,081	521,081	521,081	-
Current year encumbrances	<u>-</u>	<u>-</u>	<u>35,370</u>	<u>35,370</u>
Cash fund balance at end of year	\$ <u><u>294,057</u></u>	\$ <u><u>259,057</u></u>	\$ <u><u>498,358</u></u>	\$ <u><u>239,301</u></u>

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 Special Recreation Fund  
**For The Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Miscellaneous income	\$ <u>102,200</u>	\$ <u>102,037</u>	\$ <u>102,037</u>	\$ <u>-</u>
Expenditures:				
Current operations and maintenance:				
Leisure time activities				
Public recreation				
Travel and education	1,000	1,500	1,146	354
Contractual services	19,145	22,155	21,392	763
Supplies and materials	95,038	91,528	87,754	3,774
Other expenditures	<u>3,000</u>	<u>5,000</u>	<u>4,457</u>	<u>543</u>
Total leisure time activities	118,183	120,183	114,749	5,434
Capital outlay	<u>5,000</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Total expenditures	<u>123,183</u>	<u>123,183</u>	<u>114,749</u>	<u>8,434</u>
Net change in fund balance	(20,983)	(21,146)	(12,712)	8,434
Cash fund balance at beginning of year	79,020	79,020	79,020	-
Encumbrances at end of year	<u>-</u>	<u>-</u>	<u>4,595</u>	<u>4,595</u>
Cash fund balance at end of year	\$ <u><u>58,037</u></u>	\$ <u><u>57,874</u></u>	\$ <u><u>70,903</u></u>	\$ <u><u>13,029</u></u>

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 Law Enforcement Fund  
**For The Year Ended December 31, 2004**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and forfeitures	\$ <u>7,265</u>	\$ <u>68,922</u>	\$ <u>68,922</u>	\$ <u>-</u>
Expenditures:				
Current operations and maintenance:				
Security of persons and property				
Travel and education	-	3,000	2,872	128
Contractual services	<u>11,537</u>	<u>8,537</u>	<u>2,819</u>	<u>5,718</u>
Total security of persons and property	11,537	11,537	5,691	5,846
Capital outlay	<u>20,000</u>	<u>20,000</u>	<u>14,612</u>	<u>5,388</u>
Total expenditures	<u>31,537</u>	<u>31,537</u>	<u>20,303</u>	<u>11,234</u>
Net change in fund balance	(24,272)	37,385	48,619	11,234
Cash fund balance at beginning of year	36,201	36,201	36,201	-
Current year encumbrances	<u>-</u>	<u>-</u>	<u>545</u>	<u>545</u>
Cash fund balance at end of year	\$ <u><u>11,929</u></u>	\$ <u><u>73,586</u></u>	\$ <u><u>85,365</u></u>	\$ <u><u>11,779</u></u>

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 DWI Enforcement and Education Fund  
**For The Year Ended December 31, 2004**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and forfeitures	\$ <u>320</u>	\$ <u>1,951</u>	\$ <u>1,951</u>	\$ <u>-</u>
Expenditures:				
Current operations and maintenance:				
Security of persons and property				
Police department				
Travel and education	500	250	-	250
Contractual services	5,200	5,200	-	5,200
Other expenditures	<u>-</u>	<u>250</u>	<u>250</u>	<u>-</u>
Total expenditures	<u>5,700</u>	<u>5,700</u>	<u>250</u>	<u>5,450</u>
Net change in fund balance	(5,380)	(3,749)	1,701	5,450
Cash fund balance at beginning of year	21,142	21,142	21,142	-
Current year encumbrances	<u>-</u>	<u>-</u>	<u>250</u>	<u>250</u>
Cash fund balance at end of year	\$ <u><u>15,762</u></u>	\$ <u><u>17,393</u></u>	\$ <u><u>23,093</u></u>	\$ <u><u>5,700</u></u>

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 Federal Forfeiture Fund  
**For The Year Ended December 31, 2004**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment income	\$ 11	\$ 11	\$ 11	\$ -
Miscellaneous revenue	<u>20,051</u>	<u>3,266</u>	<u>3,266</u>	<u>-</u>
Total revenues	<u>20,062</u>	<u>3,277</u>	<u>3,277</u>	<u>-</u>
Expenditures:				
Capital outlay	<u>20,000</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Net change in fund balance	62	1,277	3,277	-
Cash fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash fund balance at end of year	\$ <u><u>62</u></u>	\$ <u><u>1,277</u></u>	\$ <u><u>3,277</u></u>	\$ <u><u>2,000</u></u>

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 Police Pension Fund  
**For The Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property taxes	\$ 166,160	\$ 153,106	\$ 153,883	\$ 777
Intergovernmental	-	6,179	6,179	-
Total revenues	<u>166,160</u>	<u>159,285</u>	<u>160,062</u>	<u>777</u>
<b>Expenditures:</b>				
Current operations and maintenance:				
Security of persons and property				
Police department				
Personal services	<u>562,787</u>	<u>562,787</u>	<u>527,954</u>	<u>34,833</u>
Excess of revenues over (under) expenditures	(396,627)	(403,502)	(367,892)	35,610
<b>Other financing sources (uses):</b>				
Transfers - in	<u>400,000</u>	<u>401,000</u>	<u>401,000</u>	<u>-</u>
Net change in fund balance	3,373	(2,502)	33,108	35,610
Cash fund balance at beginning of year	<u>1,993</u>	<u>1,993</u>	<u>1,993</u>	<u>-</u>
Cash fund balance at end of year	\$ <u><u>5,366</u></u>	\$ <u><u>(509)</u></u>	\$ <u><u>35,101</u></u>	\$ <u><u>35,610</u></u>

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 Fire Pension Fund  
**For The Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property taxes	\$ 166,160	\$ 153,106	\$ 153,883	\$ 777
Intergovernmental	-	6,475	6,475	-
Total revenues	<u>166,160</u>	<u>159,581</u>	<u>160,358</u>	<u>777</u>
<b>Expenditures:</b>				
Current operations and maintenance:				
Security of persons and property				
Police department				
Personal services	<u>675,606</u>	<u>675,606</u>	<u>645,093</u>	<u>30,513</u>
Excess of revenues over (under) expenditures	(509,446)	(516,025)	(484,735)	31,290
<b>Other financing sources (uses):</b>				
Transfers - in	<u>515,000</u>	<u>514,000</u>	<u>514,000</u>	<u>-</u>
Net change in fund balance	5,554	(2,025)	29,265	31,290
Cash fund balance at beginning of year	<u>2,549</u>	<u>2,549</u>	<u>2,549</u>	<u>-</u>
Cash fund balance at end of year	<u>\$ 8,103</u>	<u>\$ 524</u>	<u>\$ 31,814</u>	<u>\$ 31,290</u>

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 Southwest General Health Center Fund  
**For The Year Ended December 31, 2004**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property taxes	\$ 138,119	\$ 128,727	\$ 129,504	\$ 777
Intergovernmental	<u>-</u>	<u>12,616</u>	<u>12,616</u>	<u>-</u>
Total revenues	<u>138,119</u>	<u>141,343</u>	<u>142,120</u>	<u>777</u>
Expenditures:				
Current operations and maintenance:				
Public health and welfare				
Contractual services	<u>183,217</u>	<u>183,218</u>	<u>183,218</u>	<u>-</u>
Net change in fund balance	(45,098)	(41,875)	(41,098)	777
Cash fund balance at beginning of year	<u>44,322</u>	<u>44,322</u>	<u>44,322</u>	<u>-</u>
Cash fund balance at end of year	\$ <u><u>(776)</u></u>	\$ <u><u>2,447</u></u>	\$ <u><u>3,224</u></u>	\$ <u><u>777</u></u>

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 Tri-City Senior Center Fund  
**For The Year Ended December 31, 2004**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property taxes	\$ 16,963	\$ 16,120	\$ 16,249	\$ 129
Intergovernmental	<u>-</u>	<u>1,290</u>	<u>1,290</u>	<u>-</u>
Total revenues	<u>16,963</u>	<u>17,410</u>	<u>17,539</u>	<u>129</u>
Expenditures:				
Current operations and maintenance:				
Public health and welfare				
Contractual services	<u>24,375</u>	<u>24,374</u>	<u>24,374</u>	<u>-</u>
Net change in fund balance	(7,412)	(6,964)	(6,835)	129
Cash fund balance at beginning of year	<u>7,283</u>	<u>7,283</u>	<u>7,283</u>	<u>-</u>
Cash fund balance at end of year	\$ <u><u>(129)</u></u>	\$ <u><u>319</u></u>	\$ <u><u>448</u></u>	\$ <u><u>129</u></u>

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
Budget (Non-GAAP Budgetary Basis) and Actual  
General Obligation Fund  
**For The Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Special assessments	\$ 4,281	\$ 4,281	\$ 4,281	\$ -
Expenditures:				
Current operations and maintenance:				
Community development	5,350	35,621	35,621	-
Debt service:				
Principal retirement	5,727,000	8,242,000	8,242,000	-
Interest and fiscal charges	<u>224,501</u>	<u>236,734</u>	<u>314,467</u>	<u>(77,733)</u>
Total expenditures	<u>5,956,851</u>	<u>8,514,355</u>	<u>8,592,088</u>	<u>(77,733)</u>
Excess of revenues over (under) expenditures	<u>(5,952,570)</u>	<u>(8,510,074)</u>	<u>(8,587,807)</u>	<u>(77,733)</u>
Other financing sources (uses):				
Proceeds from the sale of debt	3,970,000	6,292,247	6,370,000	77,733
Transfers - in	<u>1,990,243</u>	<u>2,222,065</u>	<u>2,222,065</u>	<u>-</u>
Total other financing sources (uses)	<u>5,960,243</u>	<u>8,514,312</u>	<u>8,592,065</u>	<u>77,733</u>
Net change in fund balance	7,673	4,238	4,258	20
Cash fund balance at beginning of year	<u>413,025</u>	<u>413,025</u>	<u>413,025</u>	<u>-</u>
Cash Fund balance at end of year	\$ <u>420,698</u>	\$ <u>417,263</u>	\$ <u>417,283</u>	\$ <u>20</u>

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 Self Insured Medical Benefits Fund  
**For The Year Ended December 31, 2004**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Reimbursements	\$ <u>2,012,084</u>	\$ <u>1,998,503</u>	\$ <u>1,998,503</u>	\$ <u>-</u>
Expenditures:				
Contractual services	<u>2,012,084</u>	<u>2,193,409</u>	<u>2,145,012</u>	<u>48,397</u>
Net change in fund balance	-	(194,906)	(146,509)	48,397
Cash fund balance at beginning of year	<u>892,162</u>	<u>892,162</u>	<u>892,162</u>	<u>-</u>
Cash fund balance at end of year	\$ <u><u>892,162</u></u>	\$ <u><u>697,256</u></u>	\$ <u><u>745,653</u></u>	\$ <u><u>48,397</u></u>

# City of Brook Park, Ohio

## Governmental Activities Revenues by Source and Expenses by Function

### Last Two Years

### Table 1

	<u>2004</u>	<u>2003</u>
Program revenues:		
Charges for services	\$ 5,782,371	\$ 5,524,450
Operating grants and contributions	37,002	24,221
Capital grants and contributions	656,666	-
General revenues:		
Property taxes	2,870,339	2,741,358
Municipal taxes	21,964,703	21,656,942
Grants and entitlements not restricted to specific programs	3,266,535	8,908,485
Investment earnings	289,315	257,922
Gain on disposal of capital assets	5,954	8,532
Total	<u>\$ 34,872,885</u>	<u>\$ 39,121,910</u>
Expenses:		
General government	\$ 12,378,692	\$ 10,675,655
Security of persons and property	9,776,933	9,075,363
Public health and welfare	253,214	226,005
Transportation	1,602,246	510,314
Leisure time activities	2,188,440	2,497,528
Community development	2,107,204	1,538,318
Basic utility service	2,532,212	2,717,718
Interest and fiscal charges	214,990	283,376
Total	<u>\$ 31,053,931</u>	<u>\$ 27,524,277</u>

Source: City of Brook Park, Finance Department

## City of Brook Park, Ohio

General Governmental Expenditures By Program – All Governmental Fund Types – GAAP Basis

**Last Ten Years**

**Table 2**

<u>Fiscal Year</u>	<u>Security of Persons and Property</u>	<u>Public Health and Welfare</u>	<u>Leisure Time Activities</u>	<u>Community Development</u>	<u>Basic Utility Services</u>	<u>Transportation</u>	<u>General Government</u>	<u>Capital Outlay</u>	<u>Debt Service</u>	<u>Total</u>
1995	\$ 7,169,950	\$ 451,500	\$ 3,013,498	\$ 578,823	\$ 2,504,798	\$ 2,353,607	\$ 4,550,197	\$ 6,738,279	\$ 903,331	\$ 28,263,983
1996	6,672,289	451,417	1,740,681	618,358	2,595,549	2,592,654	4,304,361	4,127,103	1,793,593	24,896,005
1997	7,262,073	446,249	1,874,024	632,546	2,590,499	2,248,459	5,797,821	1,900,673	1,780,793	24,533,137
1998	7,045,008	416,006	1,730,140	1,027,633	2,290,909	2,124,088	8,725,781	2,260,661	1,780,308	27,400,534
1999	7,380,513	87,907	1,864,092	5,338,407	2,151,915	2,965,659	4,680,187	1,180,151	1,771,841	27,420,672
2000	7,814,646	249,197	2,083,257	9,086,412	2,347,347	1,685,505	4,186,348	2,647,853	1,759,338	31,859,903
2001	8,148,858	230,450	2,278,621	2,907,431	2,441,957	1,599,714	6,178,149	4,817,482	1,753,862	30,356,524
2002	9,059,154	236,480	2,383,237	1,669,826	2,673,386	2,432,753	3,979,782	3,340,489	1,765,300	27,540,407
2003	9,402,099	226,005	2,483,022	2,141,842	2,747,140	2,890,366	4,223,424	11,736,127	1,806,995	37,657,020
2004	9,749,944	239,884	2,519,902	1,474,557	2,915,119	2,523,547	4,382,641	6,192,857	1,812,920	31,811,371

## City of Brook Park, Ohio

### General Governmental Revenues By Source – All Governmental Fund Types – GAAP Basis

#### Last Ten Years

**Table 3**

<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Income Taxes</u>	<u>Other Local Taxes</u>	<u>Inter Governmental</u>	<u>Charges for Services</u>	<u>Licenses and Permits</u>	<u>Fines and Forfeitures</u>	<u>Special Assess - ments</u>	<u>Invest - ment Income</u>	<u>Other</u>	<u>Total</u>
1995	\$ 3,015,963	\$ 18,413,142	\$ 307,509	\$ 1,919,306	\$ 250,862	\$ 242,175	\$ 295,877	\$ 4,561	\$ 676,799	\$ 616,503	\$ 25,742,697
1996	3,154,163	16,572,422	336,336	2,252,131	258,796	277,327	171,234	38,197	509,858	866,575	24,437,039
1997	2,733,477	15,240,112	358,883	2,296,365	324,719	276,414	204,388	4,316	455,250	193,196	22,087,120
1998	2,500,251	16,199,230	398,698	2,342,767	567,046	423,115	318,339	4,002	524,987	410,584	23,689,019
1999	2,419,819	18,160,744	471,405	2,508,214	792,883	411,274	263,719	5,273	846,565	2,569,900	28,449,796
2000	2,449,696	19,903,518	485,140	2,477,455	1,554,955	388,490	319,222	3,618	881,096	485,082	28,948,272
2001	2,502,658	18,570,711	447,917	2,443,476	1,659,130	547,312	357,076	4,317	615,732	325,499	27,473,828
2002	2,446,419	20,521,265	346,705	2,261,918	2,121,999	413,044	311,830	4,282	298,621	609,329	29,335,412
2003	2,381,452	21,904,475	281,358	8,905,015	1,714,850	468,381	364,412	4,282	257,922	845,019	37,127,166
2004	2,493,335	21,880,786	349,222	3,867,885	1,689,473	397,508	444,678	4,280	289,315	1,252,209	32,668,691

## City of Brook Park, Ohio

### Real Property Tax Levies and Collections

#### Last Ten Years

**Table 4**

<u>Collection Year</u>	<u>Current Tax Levy</u>	<u>Current Collections</u>	<u>Percentage of Current Collections To Current Levy</u>	<u>Prior Year Collections</u>	<u>Total Collections(1)</u>	<u>Percentage of Total Collections To Current Levy</u>
1995	\$ 1,774,662	\$ 1,717,469	97%	\$ 20,226	\$ 1,737,695	98%
1996	1,754,351	1,725,468	98%	13,948	1,739,416	99%
1997	1,758,508	1,741,889	99%	66,982	1,808,871	103%
1998	1,843,108	1,784,451	97%	40,309	1,824,760	99%
1999	1,690,292	1,660,990	98%	97,942	1,758,932	104%
2000	1,859,481	1,828,985	98%	57,773	1,886,758	101%
2001	2,132,394	2,051,067	96%	49,844	2,100,911	98%
2002	2,054,015	1,985,572	97%	110,757	2,096,329	102%
2003	2,069,493	1,971,073	95%	44,834	2,015,907	97%
2004	2,103,008	2,002,323	95%	60,839	2,063,163	98%

Source: Cuyahoga County Auditor

(1) State reimbursement of rollback and homestead exemptions is included

## City of Brook Park, Ohio

### Tangible Personal Property Tax Levies And Collections

#### Last Ten Years

**Table 5**

<u>Collection Year</u>	<u>Current Tax Levy</u>	<u>Current Collections</u>	<u>Percentage of Current Collections To Current Levy</u>	<u>Prior Year Collections</u>	<u>Total Collections</u>	<u>Percentage of Total Collections To Current Levy</u>
1995	\$ 1,091,318	\$ 1,090,055	100%	\$ 140,096	\$ 1,230,151	113%
1996	1,179,689	1,176,862	100%	55,354	1,232,216	104%
1997	1,058,648	1,053,557	100%	28,236	1,081,793	102%
1998	967,652	961,428	99%	66,519	1,027,947	106%
1999	774,814	765,819	99%	49,791	815,610	105%
2000	762,706	753,188	99%	8,763	761,951	100%
2001	635,316	630,494	99%	21,605	652,099	103%
2002	588,172	578,030	98%	5,691	583,721	99%
2003	566,213	556,638	98%	11,138	567,776	100%
2004	603,316	589,946	98%	14,775	604,721	100%

Source: Cuyahoga County Auditor

## City of Brook Park, Ohio

### Assessed Valuations and Estimated True Values

#### Last Ten Years

**Table 6**

<u>Collection Year</u>	<u>Residential/ Agricultural Real Property</u>	<u>Other Real Property</u>	<u>Public Utility Tangible</u>	<u>Tangible Personal Property</u>	<u>Total</u>	<u>Estimated True Value Real Property</u>
1995	\$ 212,644,360	\$ 124,118,070	\$ 22,589,110	\$ 184,712,954	\$ 544,064,494	\$ 962,178,371
1996	213,911,360	123,347,310	21,062,580	198,421,460	556,742,710	963,596,200
1997	214,626,670	123,180,780	20,955,230	214,501,234	573,263,914	965,164,143
1998	237,651,020	120,981,070	20,039,900	192,481,495	571,153,485	1,024,663,114
1999	237,845,240	119,285,820	19,966,380	175,936,785	553,034,225	1,020,374,457
2000	238,021,220	132,374,750	18,632,750	172,180,824	561,209,544	1,058,274,200
2001	266,452,600	167,037,360	18,890,960	159,067,518	611,448,438	1,238,542,743
2002	265,952,730	154,479,690	14,372,580	132,327,007	567,132,007	1,201,235,486
2003	265,876,430	154,084,030	14,367,430	122,445,643	556,773,533	1,199,887,029
2004	288,926,640	144,414,500	13,492,460	118,219,380	565,052,980	1,238,117,543

Sources: Cuyahoga County Auditor

## City of Brook Park, Ohio

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

**Last Ten Years**

**Table 7**

Collection Year	City of Brook Park				Berea City School District	Southwest Vocational School	Cuyahoga County Commissioners	Special (2) Taxing Districts	Total Tax Levy
	General Fund	Special Funds (1)	Debt Service	Total Levy					
1995	\$ 3.72	\$ 1.65	\$ 0.13	\$ 5.50	\$ 57.00	\$ 2.50	\$ 12.32	\$ 5.48	\$ 82.80
1996	3.72	1.65	0.13	5.50	57.00	2.50	12.32	5.48	82.80
1997	3.72	1.65	0.13	5.50	57.00	2.50	12.32	5.48	82.80
1998	3.69	0.65	0.16	4.50	57.90	2.40	12.12	5.88	82.80
1999	3.69	0.65	0.16	4.50	58.00	2.40	10.82	5.88	81.60
2000	3.69	0.95	0.16	4.80	63.90	2.40	10.82	5.88	87.80
2001	3.85	0.95	0.00	4.80	63.80	2.40	11.72	5.88	88.60
2002	3.85	0.95	0.00	4.80	63.80	2.40	11.72	5.88	88.60
2003	3.85	0.95	0.00	4.80	69.80	2.40	11.72	5.88	94.60
2004	3.85	0.95	0.00	4.80	69.80	2.40	13.52	5.88	96.40

Source: Cuyahoga County Auditor

(1) – Southwest General Hospital, Police & Firemen Pension Fund, and Tri City Senior Center

(2) – Metroparks, Port Authority, County Library, Community College

## City of Brook Park, Ohio

### Special Assessment Collections

#### Last Ten Years

**Table 8**

<u>Fiscal Year</u>	<u>Special Assessment Current Tax Levy</u>	<u>Total Amount Collected</u>	<u>Total Amount Delinquent</u>	<u>Percentage Collected</u>
1995	\$ 4,690	\$ 4,969	\$ -	106%
1996	4,726	4,282	488	91%
1997	5,211	4,409	3,424	85%
1998	4,282	4,051	4,032	95%
1999	4,282	5,401	5,995	126%
2000	4,282	4,282	2,768	100%
2001	6,334	6,253	3,108	99%
2002	4,282	5,247	582	122%
2003	4,282	4,282	-	100%
2004	4,282	4,281	1	100%

Source: Cuyahoga County Auditor

## City of Brook Park, Ohio

### Municipal Income Tax Collections By Source – GAAP Basis

#### Last Ten Years

**Table 9**

<u>Withheld Year</u>		<u>Individual Tax</u>	<u>Business Direct Tax</u>	<u>Municipal Direct Tax</u>	<u>Income Tax Collections</u>
1995	\$	15,038,287	\$ 1,064,861	\$ 2,309,994	\$ 18,413,142
1996		13,404,663	955,222	2,212,537	16,572,422
1997		13,127,632	972,900	1,139,580	15,240,112
1998		14,001,050	914,183	1,283,997	16,199,230
1999		15,899,371	957,531	1,303,842	18,160,744
2000		17,549,260	985,249	1,369,009	19,903,518
2001		16,435,339	1,023,869	1,111,503	18,570,711
2002		18,655,101	830,330	1,035,834	20,521,265
2003		19,684,382	778,618	1,441,475	21,904,475
2004		19,904,248	686,738	1,289,800	21,880,786

## City of Brook Park, Ohio

### Ratio Of Net General Bonded Debt To Assessed Value And Net Bonded Debt Per Capita

#### Last Ten Years

**Table 10**

Ratio of Net Bonded Debt Net General <u>Year</u>	Net General Bonded Debt (1)	Assessed Value (2)	Population (3)	Ratio of Net Bonded Debt to Assessed Value	Debt per Capita
1995	\$ 12,538,663	\$ 544,065	22,821	2.30%	\$ 549.44
1996	11,500,775	556,743	22,821	2.06%	503.96
1997	10,558,959	573,264	22,821	1.84%	462.69
1998	9,492,284	571,153	22,821	1.66%	415.95
1999	8,302,721	553,034	22,821	1.50%	363.82
2000	7,019,728	561,210	21,218	1.25%	330.84
2001	5,700,453	611,448	21,218	0.93%	268.66
2002	4,427,214	567,132	21,218	0.78%	209.00
2003	5,425,825	556,773	21,218	0.97%	255.72
2004	3,544,717	565,053	21,218	0.63%	167.06

- (1) Net general bonded debt equals the amount of general obligation bonds payable from property taxes minus the debt service fund balance available to pay general obligation debt
- (2) Shown in thousands of dollars
- (3) Source: U.S. Census Bureau

**City of Brook Park, Ohio**

Legal Debt Margin

**December 31, 2004**

**Table 11**

Total Assessed Valuation		\$ <u>565,052,980</u>
Overall Debt Limitation – 10.5% of Assessed Valuation		\$ <u>59,330,563</u>
Gross Indebtedness	\$ 3,962,000	
Less:Debt Outside Limitation	<u>          -</u>	
Debt Within 10.5% Limitation	3,962,000	
Less:Amount Available in Debt Service Funds	<u>417,283</u>	
Net Debt Within 10.5% Limitation		\$ <u>3,544,717</u>
Legal Debt Margin Within 10.5% Limitation		\$ <u>55,785,846</u>
*****		
***		
Unvoted Debt Limitation – 5.5% of Assessed Valuation		\$ <u>31,077,914</u>
Gross Indebtedness Authorized by Council	\$ 3,962,000	
Less:Debt Outside Limitation	<u>          -</u>	
Debt Within 5.5% Limitation	3,962,000	
Less:Amount Available in Debt Service Funds	<u>417,283</u>	
Net Debt Within 5.5% Limitation		\$ <u>3,544,717</u>
Legal Debt Margin Within 5.5% Limitation		\$ <u>27,533,197</u>

## City of Brook Park, Ohio

### Computation of Direct and Overlapping Debt

**December 31, 2004**

**Table 12**

<u>Jurisdiction</u>	<u>Net Debt Outstanding (1)</u>	(2) <u>Percentage Applicable To City of Brook Park</u>	<u>Amount Applicable to City of Brook Park</u>
City of Brook Park	\$ 3,962,000	100%	\$ 3,962,000
Berea City School District%	20,405,000	36.84%	7,517,202
Cuyahoga County%	251,154,636	1.87%	4,696,592
Regional Transit Authority	<u>147,025,000</u>	1.87%	<u>2,749,368</u>
Total	\$ <u>422,546,636</u>		\$ <u>18,925,162</u>

Source: Cuyahoga County Auditor

(1) Net debt outstanding equals the amount of general obligation bonds payable from property taxes minus the available debt service fund balance.

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

## City of Brook Park, Ohio

Ratio of Annual Debt Service for General Bonded Debt to Total General Governmental Expenditures -GAAP Basis

**Last Ten Years**

**Table 13**

<u>Year</u>	<u>Debt Service On General Obligation Bonded Debt</u>	<u>Total General Government Expenditures</u>	<u>Ratio</u>
1995	\$ 42,000	\$ 28,263,983	.15%
1996	1,057,000	24,896,005	4.25
1997	1,107,000	24,533,137	4.51
1998	1,162,000	27,400,534	4.24
1999	1,222,000	27,420,672	4.46
2000	1,292,000	31,859,903	4.05
2001	1,357,000	30,356,524	4.47
2002	1,437,000	27,540,407	5.22
2003	1,517,000	37,657,020	4.03
2004	1,612,000	31,811,371	5.07

Sources: City of Brook Park, Finance Department

## City of Brook Park, Ohio

### Demographic Statistics

**December 31, 2004**

**Table 14**

<u>Year</u>	(1) <u>Population</u>	(2) <u>School Enrollment</u>
1995	22,821	8,241
1996	22,821	8,040
1997	22,821	7,901
1998	22,821	7,927
1999	22,821	7,980
2000	21,218	7,891
2001	21,218	7,820
2002	21,218	7,653
2003	21,218	7,505
2004	22,500	7,801

Sources:

(1) U.S. Bureau of Census

(2) Berea City School District

## City of Brook Park, Ohio

### Property Value, Construction And Bank Deposits

#### Last Ten Years

#### Table 15

<u>Year</u>	<u>Estimated True Value Real Property</u>	<u>Residential Construction Value (1)</u>	<u>Commercial Construction Value (1)</u>	<u>Industrial Construction Value (1)</u>	<u>Domestic Bank Deposits In County (2)</u>
1995	\$ 962,178,371	\$ 3,585,574	\$ 414,700	\$ 1,656,385	\$ 22,694,304
1996	963,596,200	2,193,343	410,000	1,629,857	27,068,211
1997	965,164,143	2,076,143	1,673,514	178,000	53,941,971
1998	1,024,663,114	914,885	1,200,371	252,343	58,904,596
1999	1,020,374,457	1,237,057	3,224,800	6,273,057	57,816,942
2000	1,058,274,200	1,845,714	12,362,914	6,308,257	61,942,764
2001	1,238,542,743	1,026,171	880,543	3,035,429	63,893,769
2002	1,201,235,486	889,257	920,114	846,686	95,761,917
2003	1,199,887,029	495,685	1,461,300	2,510,500	97,911,285
2004	1,238,117,543	550,829	9,684,714	14,487,429	101,838,959

(1) Cuyahoga County Auditor

(2) Federal Reserve Bank of Cleveland shown in thousands of dollars

## City of Brook Park, Ohio

Principal Taxpayers – Real Property (Excluding Public Utilities)

**December 31, 2004**

**Table 16**

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Real Property</u>	<u>Percentage of Total Assessed Valuation</u>
Ford Motor Co.	\$ 31,897,560	7.4%	5.6%
MWP Company	7,590,200	1.8%	1.3%
Tech Park Limited Partnership	7,222,140	1.7%	1.3%
CP-Snow Prop, LLC	3,686,270	0.9%	0.6%
CH/Equity, LLC	2,936,610	0.7%	0.5%
Foseco, Inc.	2,291,630	0.5%	0.4%
Slazberg, Deborah Trs.	2,049,850	0.5%	0.3%
Eastland Properties Association Limited Partnership	1,785,020	0.4%	0.3%
San Hospitaliy, LLC	1,765,580	0.4%	0.3%
Sandelman Sanford & Susan Trs.	<u>1,710,250</u>	<u>0.3%</u>	<u>0.3%</u>
	\$ <u>62,935,110</u>	<u>14.6%</u>	<u>10.9%</u>
Total Real Property Assessed Valuation	\$ <u>433,341,140</u>		

Source: Cuyahoga County Auditor  
(1) Excludes Public Utilities

## City of Brook Park, Ohio

Principal Taxpayers – Personal Property (Excluding Public Utilities)

**December 31, 2004**

**Table 17**

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Personal Property</u>	<u>Percentage of Total Assessed Valuation</u>
Ford Motor Company	\$ 64,069,210	54.2%	11.3%
Marc Glassman, Inc.	11,302,900	9.6%	2.0%
GSS Inc.	2,706,230	2.3%	0.5%
Foseco, Inc.	2,055,560	1.7%	0.4%
Metro Imports, Inc.	2,053,340	1.7%	0.4%
Hawk Corp.	1,884,250	1.6%	0.3%
Nationsrent USA	1,828,930	1.5%	0.3%
IBM Credit Corp.	1,804,420	1.5%	0.3%
Sam's East, Inc.	1,786,820	1.5%	0.3%
Varbros LLC.	<u>1,750,690</u>	<u>1.5%</u>	<u>0.3%</u>
	\$ <u>91,242,350</u>	<u>77.1%</u>	<u>16.1%</u>
Total Personal Property Assessed Valuation	\$ <u>118,219,380</u>		

Source: Cuyahoga County Auditor

## City of Brook Park, Ohio

Principal Taxpayers – Public Utility Property

**December 31, 2004**

**Table 18**

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Public Utility Property</u>	<u>Percentage of Total Assessed Valuation</u>
Cleveland Electric Illuminating Company	\$ 6,465,580	47.9%	1.1%
The Ohio Bell Telephone Company	3,258,960	24.2%	0.5%
The East Ohio Gas Company	<u>731,050</u>	<u>5.4%</u>	<u>0.1%</u>
	\$ <u>10,455,590</u>	<u>77.5%</u>	<u>1.7%</u>
Total Public Utility Property Assessed Valuation	\$ <u><u>13,492,460</u></u>		

Source: Cuyahoga County Auditor

## City of Brook Park, Ohio

### Miscellaneous Statistics

**December 31, 2004**

**Table 19**

Date of Incorporation	January 4, 1961		
Effective Date of Charter	January 1, 1967	Education: Berea City School District:	
Form of Government	Mayor/Council	Elementary Schools (including Berea Children's Home)	7
		Middle Schools	2
Area:	8.8 sq. miles	High Schools	2
Miles to Streets:		Vocational Schools	1
State Routes	12.5 miles	Per Pupil Cost	\$9,166
County Routes	13.5 miles	Number of Teachers	538
City Streets	46.0 miles	2003 Student Enrollment	7,801
Number of Street Lights	2,565		
Fire Protection:		Recreation and Culture:	
Number of Stations	3	Number of Parks	7
Number of Firemen and officers	40	Number of Playgrounds	8
		Swimming Pools	2
Police Protection:		Diving Tanks	1
Number of Stations	1	Recreation Centers	1
Number of Policemen and officers	44	Public Libraries	1
City Employees:		Number of Traffic Lights	49
Number of Full Time Employees	208		
Number of Part Time Employees	115	Public Transportation: Cuyahoga Regional Transit Authority	
Municipal Water Department	Served by the City of Cleveland		



**Auditor of State  
Betty Montgomery**

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**CITY OF BROOK PARK**

**CUYAHOGA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 12, 2005**