



# *Annual Report*

2010

City of Brook Park, Ohio

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2010





# Dave Yost • Auditor of State

Members of Council  
City of Brook Park  
6161 Engle Road  
Brook Park, Ohio 44142

We have reviewed the *Independent Auditors' Report* of the City of Brook Park, Cuyahoga County, prepared by Ciuni & Panichi, Inc., for the audit period January 1, 2010 through December 31, 2010. 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.

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

Dave Yost  
Auditor of State

July 13, 2011

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# **City of Brook Park, Ohio**

## **Comprehensive Annual Financial Report For the Year Ended December 31, 2010**

**Issued by: Finance Department**  
**Gregory M. Cingle, CPA, Finance Director**  
**Martin S. Healy, Assistant Finance Director**

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## **INTRODUCTORY SECTION**

# City of Brook Park, Ohio

## Comprehensive Annual Financial Report For the Year Ended December 31, 2010

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# City of Brook Park

*Finance Department*

Gregory M. Cingle  
Finance Director

Martin S. Healy  
Assistant Finance Director

June 20, 2011

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, 2010.

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. Since 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 Ciuni & Panichi 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, 2010, 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 financial statements of the City for the fiscal year ended December 31, 2010, and that the financial statements are fairly presented in conformity with GAAP. The report of the independent auditor 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 Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the City's MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

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## **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 that abuts Cleveland Hopkins Airport on the Northwest boundary and has ready access to Interstates 71 and 480 and the Ohio Turnpike. 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 as well as provide a wide variety of municipal services, such as police and fire services, street services, sewer services and recreation services.

The City operates under a 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 City 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 to serve 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 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 finance director, the mayor is required to submit to council an estimate of the revenues and expenditures of the City for the succeeding fiscal year. The mayor submits to council an appropriation ordinance budget for the next succeeding fiscal year based on the annual estimate. Council is required to adopt said ordinance in its original form or with those revisions as it may find proper within 90 days of the beginning of the fiscal year.

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 materials, 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 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 or minus any additional approved appropriations. 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

**I. Economic Conditions and Outlook.** The economic downturn which began in 2007 continued into 2010, however, in the 3<sup>rd</sup> quarter, according to the Federal Reserve, economic indicators began to show signs of an economic recovery. The Northeast Ohio region in general saw declines in the unemployment rate and increases in total employment. Economic activity generally remained steady and in some areas increased, especially in the last two quarters of 2010. Gross Regional Product grew by an estimated 3.6% in 2010. Conversely, the City still felt the squeeze of the economic downturn. Unemployment remained high at 9%, but was slightly lower than the national average of 9.4%. Factors affecting economic conditions and outlook are as follows:

- There are currently 77 homes in foreclosure and 26 homes that are vacant and/or abandoned; this was a slight increase from the previous year. In 2009, there were 65 homes in foreclosure and 25 vacant homes.
- The Ford Casting Plant officially closed on October 30, 2010, after 58 years of making iron engine blocks.
- The closure of 13 businesses, many due to bankruptcy, and the reduction of operations by numerous other businesses within the City resulted in a decrease in tax revenue.
- The tightened credit markets have made it difficult for businesses to obtain financing for expansion, improvements and operations.
- The state of Ohio faced a budget deficit of \$8 billion in 2010, and has proposed deep budget cuts to eliminate this shortfall. Future aid to local governments may be reduced by as much as 33%.

**On a Positive Note:** In an effort to prevent a protracted recession, federal and state governments have been proactive in creating and initiating programs to stimulate the economy and create new employment opportunities. A few noteworthy successes include:

- The Federal Recovery Act (ARRA) was enacted in early 2009. This stimulus initiative is designed to provide federal funding to jumpstart the economy. The funding has been used to save and create jobs, provide tax relief and help protect essential state and local services. The federal funding has enabled Ohio to make targeted investments in critical sectors of our economy. The City aggressively pursued federal funding from ARRA to improve deteriorating infrastructure, i.e. roadwork, water lines and sewer improvements. We were successful in receiving more than \$1.4 million in funding for the West 150<sup>th</sup> street and sewer improvement project.
- Oil prices that averaged \$3/gallon or below helped spur economic activity.
- GDP in the fourth quarter increased by 3.1%.
- The Federal Reserve kept the federal funds rate at levels near zero percent to prevent inflation.

**II. Local Economic Activity.** The City continues to exercise significant energy to sustain its existing economic base and pursue new business opportunities. Some accomplishments are:

- Ford Motor Company added a second shift to Engine Plant No. 1 to accommodate the increased production of the EcoBoost V-6 engine in the 2011 F-150 pickup trucks. Additionally, Engine Plant No. 1 began making the new Mustang engine. The 3.7 liter V-6 engine replaced the 4 liter V-6 engine that had been built in Cologne, Germany.
- Construction of the new O'Reilly Auto Parts store was completed. The 9,600 sq. ft facility was built on vacant land where the former Ponderosa Restaurant once stood. O'Reilly's will also house a regional sales office at this location. The store has eight employees. Capital investment for this project was approximately \$1.5 million.

- Advanced Auto Parts moved into a vacant storefront that had been previously occupied by Hollywood Video. Over \$1 million in improvements were made to this property. Advanced Auto Parts has seven employees. A regional sales office was added to this location as well.
- RGL Express, Inc. moved to a new location within the City to accommodate their increased growth, retaining 40 employees and creating an additional five new jobs.
- SPX Service Solutions moved into Brook Park and created 18 new back office and sales positions.
- Best Western Hotel completed renovations of the lobby and all guest rooms. The capital expenditure was over \$1 million.
- Big 'Z Sandwich shop opened in the summer of 2010, creating four new positions.
- M&S Auto Service moved into Brook Park, acquiring a building that had been vacant for several years. M&S created four new jobs.
- American Natural Stone moved into Brook Park and created three new positions.
- Subway Sandwich Shops opened a second location in the City and created ten new jobs.
- Cycle Analysis moved into Brook Park, generating five new positions.
- Johns-Carabelli Monuments leased vacant property on Brookpark Road and created three new jobs.
- Anchor Enterprises purchased a vacant building and generated 11 new jobs. Capital investment exceeded \$1.3 million.
- PNC Bank moved their human resource service delivery department to Brook Park, retaining over 125 jobs.
- Ford retained over 750 employees with the new work generated at Engine Plant No. 1.

**III. Major Economic Initiatives.** The City continued to focus on business retention, redevelopment opportunities, infrastructure improvements and prospecting for new business investment for the community.

**Retention Activity:**

We remain focused on the events surrounding Ford Motor Company and NASA Glenn:

- Ford Motor Company: In addition to the EcoBoost engine success at Engine Plant No. 1, a working group consisting of local, state, county, Ford, UAW and other officials have been strategizing ways to attract new investment to the Ford campus. The continued improvement in economic conditions will be a major factor in Ford's success.
- NASA Glenn: Employment and subcontractor levels have remained stable, approximately 1,500 individuals each. With the scuttling of the space shuttle program and the Moon and Mars missions, NASA Glenn is shifting work toward to a much broader role in future deep space technology. Additionally, NASA Glenn is likely to get a budget increase of \$100 million when the 2012 budget is approved in early 2011. NASA Glenn also shifted civil servant employees back onto the main campus from locations in the city Fairview Park.

**Redevelopment Opportunities:**

- There has been over \$40 million of private funding invested into the north side of Brookpark Road since the acquisition of this area from Cleveland in 1998. Numerous storefront renovation projects have enhanced the visual quality of the commercial corridor. The City continued to meet with building owners and developers to find creative opportunities for new projects along this important corridor.

- The partnership with Cuyahoga County produced over \$70,000 in façade, infrastructure and signage improvements for five Brook Park businesses: Car Wash Express, American Natural Stone, SuperCharger LLC, Athens Foods and DBS Communications. These businesses took advantage of the storefront renovation program, a program that utilizes Community Block Grant money for improvements of owner-occupied facilities.

### **Infrastructure:**

- The West 150<sup>th</sup> street and sewer improvement project was completed in the fall of 2010. This project included funding received from ARRA grants, Ohio Public Works Commission and Ohio EPA Water Pollution Control Loan Fund.
- The Eastland Road/Sheldon Road work is ongoing. The reconstruction of the Brook Park section of Eastland Road was completed in 2009, but the work was delayed in 2010 because of a structural failure to the bridge.

### **Future Projects:**

- The City is working closely with the Greater Regional Transit Authority (GRTA) and the city of Cleveland on the redevelopment of the Brookpark Road Rapid Station. This station is one of the busiest in Northeast Ohio and has moved to the top of the list for state and federal funding.
- As a member of the First Suburbs Development Coalition (FSDC), Brook Park will continue to work toward finding meaningful programs that can be administered by the FSDC. Capitalizing on recent changes in state law, each of the sixteen member FSDC communities banded together to create the Advanced Energy District (AED) to provide assistance for financing energy-saving improvements for commercial and industrial businesses located within the AED.
- Work continues with the cities of Cleveland, Parma, Berea and Olmsted Falls to create an Aerotropolis centered around Cleveland Hopkins Airport. The goal of the project is to enhance and generate new economic activity within designated areas of each of the communities.

The above initiatives are imperative to the City's economic development strategy and long-term success. Each of these projects will help to enhance the City's ability to attract additional investment into the community.

## **Cash Management Policies and Practices**

Cash management is a vital component of the City's overall financial strategy. Under the direction of the finance director, the City 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 that has 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 insurance for the City. The City also provides a medical plan for full-time employees and their families. The plan is self-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, 2009. 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. This report conformed to program standards and 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 19 years. We believe that our current CAFR continues to meet the requirements for the Certificate of Achievement, 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 James G. Zupka, CPA, Inc., who contributed significantly to the preparation of this report. In addition, we would like to thank the Mayor and each member of City council for their support, which has allowed the finance department to operate at the level that the residents of the City 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, 2009

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.



President

Executive Director



# City of Brook Park, Ohio

## Elected Officials

**December 31, 2010**

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Mayor	Mark J. Elliott
Council Member – President	Michael Gammella
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	Michael J. Lane
Council Member – Ward 2	Patti Astorino
Council Member – Ward 3	Barry Kirksey
Council Member – Ward 4	Brian Higgins
Finance Director	Gregory M. Cingle
Law Director	Neal M. Jamison

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## **FINANCIAL SECTION**

## Independent Auditors' Report

Members of the City Council  
Brook Park, 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 (the "City") as of and for the year ended December 31, 2010, 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 the 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, as of December 31, 2010, and the respective changes in financial position, and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3 to the financial statements, the City implemented Governmental Accounting Standards Board ("GASB") Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, and GASB Statement No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2011 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Members of the City Council  
Brook Park, Ohio

The management's discussion and analysis information on pages 3 through 14 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's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules 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 and statistical sections 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.

*Cini & Parichi, Inc.*

Cleveland, Ohio  
June 20, 2011

# City of Brook Park, Ohio

## Management's Discussion and Analysis (Unaudited)

### **For the Year Ended December 31, 2010**

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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, 2010. 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 2010 are:

- Revenue from income taxes and other taxes totaled \$17,029,564.
- Total assets increased by \$1,551,568, or a 1.66 percent increase over 2009.
- Total net assets increased by \$1,616,830, or a 1.97 percent increase over 2009.
- Total capital assets increased by \$2,412,693, or a 3.49 percent increase over 2009.
- Total outstanding long-term liabilities decreased by \$288,653. This was a 4.06 percent decrease over 2009.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$16,305,919, a decrease of \$424,797 in comparison with the prior year. Approximately 84.00 percent of this total amount, \$13,695,808, 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 \$3,563,619, or 16.53 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 both financially and operationally. 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 long-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 and 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) (continued)

## **For the Year Ended December 31, 2010**

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

#### *Statement of Net Assets and Statement of Activities*

While the CAFR contains information about the funds used by the City to provide services to our citizens, the *Statement of Net Assets* and the *Statement of Activities* provide a view of the City's monetary transactions and answer the question, "How did the City do financially during 2010?" 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. This accounting method takes into account all of the current year's revenues and expenses regardless of when 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 the financial position of the City has improved or diminished. When evaluating the overall position of the City, non-financial information should also be considered, such as: changes in the City's tax base, amendments to property and income tax laws, condition of capital assets, etc.

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 subsidy 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 17. Fund financial statements provide detailed information about the City's major funds based on the restrictions on the use of monies. The City has established many funds to account for the multitude of services, facilities and infrastructure improvements provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City, the major funds are the General and Capital Improvements Funds. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

#### *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

# City of Brook Park, Ohio

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

### **For the Year Ended December 31, 2010**

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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 the near-term financing requirements of a government. 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 maintains 18 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 and Capital Improvements Fund. Data from the other governmental funds are combined into single, aggregated presentations. Individual fund data for each of these nonmajor governmental funds is provided elsewhere in this CAFR in the form of combining statements.

The City 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*

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

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 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.

#### **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 26.

# City of Brook Park, Ohio

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

## For the Year Ended December 31, 2010

### 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 basic financial statements, the combining statements, referred to earlier in connection with nonmajor governmental funds, are presented along with individual detailed budgetary comparisons for all nonmajor funds. This information can be found starting on page 60.

### 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 2010 as compared to 2009.

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

	<u>2010</u>	<u>2009</u>
<b>ASSETS</b>		
Current and other assets	\$23,556,354	\$24,417,479
Capital assets, net	<u>71,570,914</u>	<u>69,158,221</u>
<b>Total Assets</b>	<u>95,127,268</u>	<u>93,575,700</u>
<b>LIABILITIES</b>		
Current and other liabilities	4,818,463	4,595,072
Long-term liabilities:		
Due within one year	2,261,299	1,904,173
Due in more than one year	<u>4,560,363</u>	<u>5,206,142</u>
<b>Total Liabilities</b>	<u>11,640,125</u>	<u>11,705,387</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	69,340,252	66,056,261
Restricted	8,860,100	10,228,584
Unrestricted	<u>5,286,791</u>	<u>5,585,468</u>
<b>Total Net Assets</b>	<u>\$83,487,143</u>	<u>\$81,870,313</u>

An additional portion of the City's net assets, 10.61 percent, represents resources that are subject to external restrictions on how they are to be used. Unrestricted net assets, \$5,286,791, may be used to meet the City's ongoing obligations to citizens and creditors.

Total assets increased by \$1,551,568 during the current year. This increase is due primarily to increases in capital assets, materials and supplies inventory, intergovernmental receivable and property taxes receivable, offset by a decline in cash and cash equivalents, accounts receivable and income taxes receivable.

The following factors were responsible for the change in total assets:

- Investment in the infrastructure of the City continued in 2010. The Snow Road underpass project and West 150<sup>th</sup> street and sewer improvement project (Phase I) continued and are both near completion. Both of these projects are discussed in other areas of this report. The West

## City of Brook Park, Ohio

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

#### **For the Year Ended December 31, 2010**

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150<sup>th</sup> sewer improvement project (Phase II) was in the final stages. The completion date for the said project is set for spring 2011.

- Street and capital projects that were finished in 2010 included Grosse Drive (Phase II) and storage chamber panels.
- Capital assets that were purchased in 2010 included:
  1. Playground set for Kennedy Park (\$39,860)
  2. Two salt domes (\$6,629 each)
  3. Desktop computers (\$64,339)
  4. Tax software upgrade (\$13,137)
  5. Used generator at City Hall (\$14,986)
- Infrastructure upgrades are as follows:
  1. Road repairs on Ruple and Cedar Point Roads
  2. Improvements to the Fry Road Pump Station
- The Snow Road underpass project began in 2007 and continued through 2010. The City originally funded the project with a disbursement of \$1,278,983 to CSX Corporation. A portion of the said disbursement will be reimbursed by the Ohio Department of Transportation. The current balance remaining on deposit with CSX Corporation, approximately \$300,000, will be refunded to the City in 2011. This project is in its final stages and should be closed in 2011.
- The City obtained Ohio Public Works Commission (OPWC) grant and loan funds for the West 150<sup>th</sup> street and sewer improvement project (Phase I). The total project costs will be shared by OPWC (67 percent) and a joint cooperative between the City and the city of Cleveland (33 percent). A signed agreement was entered into to share the local portion costs of the project, with the city of Cleveland being responsible for 65 percent and the City assuming the remaining balance, 35 percent. Per the agreement, the City will pay the full annual debt service requirements and then be reimbursed by the city of Cleveland for their above referenced agreed upon share of the local costs. The City has created an intergovernmental receivable in the amount of \$1,235,389 to account for the city of Cleveland's share. This project is also in its final stages and should be closed in 2011.
- The West 150<sup>th</sup> sewer improvement project (Phase II) was established to help alleviate a large percentage of flooding within the City. The project will have profound impacts on the efficiency of the sanitary system that services over two-thirds of the City. The project will be completed in the spring of 2011.

Total liabilities slightly decreased by \$65,262. This decrease is primarily due to decreases in intergovernmental payable, retainage payable and long-term liabilities, offset by increases in accounts payable and claims payable.

# City of Brook Park, Ohio

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

### For the Year Ended December 31, 2010

The largest portion of the City's net assets (83.06 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 those liabilities.

The City continues to make concerted efforts to continue to maximize the return on investments of its cash and cash equivalents. Since the Federal Reserve Board kept the Fed Funds Rate low throughout 2010, the City continued to be proactive in its investment strategy. By utilizing short-term certificates of deposit and money market funds, the City achieves a balanced investment portfolio. The strategy is to maximize current returns, hedge against future declining market environments and protect the principal of each investment.

Table 2 shows the changes in net assets for 2010 as compared with 2009.

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

	2010	2009
<b>REVENUES</b>		
Program Revenues:		
Charges for services	\$ 3,770,658	\$ 3,933,203
Operating grants and contributions	993,920	952,513
Capital grants and contributions	3,996,586	1,443,689
Total Program Revenues	8,761,164	6,329,405
General Revenues:		
Property taxes	2,026,186	2,134,450
Municipal income and other taxes	17,029,564	17,343,214
Grants and entitlements	2,016,732	1,944,138
Investment income	29,733	150,111
All other revenues	4,603	-
Total General Revenues	21,106,818	21,571,913
<b>Total Revenues</b>	<b>29,867,982</b>	<b>27,901,318</b>
<b>EXPENSES</b>		
Program Expenses:		
Security of persons and property	12,160,835	12,524,620
General government	4,979,667	5,200,887
Public works	3,537,459	4,308,772
Leisure time activities	2,581,318	2,818,681
Transportation	2,613,821	2,504,805
Community development	1,790,631	1,507,000
Public health and welfare	542,592	393,134
Interest and fiscal charges	44,829	47,563
<b>Total Expenses</b>	<b>28,251,152</b>	<b>29,305,462</b>
Change in Net Assets	1,616,830	(1,404,144)
Net Assets - Beginning of Year	81,870,313	83,274,457
<b>Net Assets - End of Year</b>	<b>\$83,487,143</b>	<b>\$81,870,313</b>

# City of Brook Park, Ohio

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

## **For the Year Ended December 31, 2010**

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### *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 to those municipalities receive a 100 percent tax credit of up to two percent on their City income tax. During 2010, the revenues generated from municipal income tax and other miscellaneous taxes amounted to \$17,029,564. The 1.81 percent decrease in income tax collections from 2009 to 2010 can mostly be attributed to the contraction of withholding taxes.

City income tax revenue of 10 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 \$29,867,982 in total revenue, income tax and other miscellaneous taxes account for 57.02 percent of the total. Property tax of \$2,026,186 accounts for 6.78 percent of total revenue. Charges for services totaling \$3,770,658 account for 12.62 percent of total revenue, which constituted a 4.13 decrease from the \$3,933,203 received during 2009. Capital grants and contributions increased by \$2,552,897. This large increase is due to the City receiving a grant and loan from OPWC and an Ohio Water Development Authority (OWDA) grant.

The combination of income tax, property tax, charges for services and intergovernmental funding was sufficient to fund all of the expenses in the governmental activities. The City monitors its sources of revenues very closely for fluctuations. For the most part, decreases in functional expenses are a direct result of the City's conscious effort to control costs in a declining economic environment. The largest program functions for the City relate to security of persons and property and general government. During 2010, security of persons and property accounted for 43.05 percent of program expenses, and 17.63 percent of program expenses related to general government. In 2010, the overall decrease in expenses was \$1,054,310. The reduction in expenses was achieved primarily through controlling departmental expenditures, reducing overtime and declining healthcare claims.

Currently there are 43 full-time sworn officers in the police department. During 2010, the department revamped and replaced the 24 hour call recording system. The new system is a state-of-the-art digital recording system.

The fire department consists of 37 full-time firefighters. The department handled 2,608 calls for assistance, of which approximately 2,190 were for EMS, with the balance attributed to fire and fire-related incidents. This constituted an increase of about 4.10 percent over 2009.

Throughout 2010, the City purchased small capital equipment for approximately \$256,000. These equipment purchases were individually below the City's capitalization policy of \$5,000, which factored into the overall increase in program expenses.

# City of Brook Park, Ohio

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

## **For the Year Ended December 31, 2010**

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### *Program Expenses*

As of December 31, 2010, the City's total cost of services was \$28,251,152, with a net cost of services totaling \$19,489,988.

Table 3 itemizes fiscal year 2010 program expenses by specific function.

**Table 3**  
**Program Expenses**

	Total Cost of Services 2010	Net Cost of Services 2010
Security of persons and property	\$12,160,835	\$ 10,859,355
General government	4,979,667	4,369,880
Public works	3,537,459	(447,187)
Leisure time activities	2,581,318	1,956,736
Transportation	2,613,821	1,651,529
Community development	1,790,631	532,876
Public health and welfare	542,592	521,970
Interest and fiscal charges	44,829	44,829
Total cost of service	<u>\$28,251,152</u>	<u>\$ 19,489,988</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 (property taxes, municipal income tax, grants, etc.) 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 17.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$16,305,919. Of that amount, \$13,695,808 constitutes unreserved fund balances that are available for spending at the government's discretion. The remaining balance 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, \$1,004,504; (2) to reflect year end inventory, \$266,175; (3) to indicate expenses prepaid at year end, \$104,043; and (4) to reveal the reserve for the intergovernmental receivable from the city of Cleveland, \$1,235,389.

# City of Brook Park, Ohio

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

## **For the Year Ended December 31, 2010**

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### *General Fund*

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the total fund balance for the General Fund was \$4,277,545, of which \$3,563,619 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 16.53 percent of total General Fund expenditures, while total fund balance represents 19.84 percent of that same amount.

The said fund balance increased by \$250,843 during 2010. Decreases in various functional expenditures, i.e. maintenance and repairs, fuel costs, unemployment compensation and part-time employment were the foremost reasons for the increase of the fund balance.

### *Capital Improvements Fund*

The Capital Improvements Fund accounts for fund transfers and the portion of municipal income tax designated by City 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 \$6,573,670, of which \$5,942,772 was unreserved. The said fund balance decreased by \$1,531,548 during 2010. This decrease is mainly due to the increased percentage of completion on various capital improvement projects, i.e. 2010 roads program and the West 150<sup>th</sup> street and sewer improvement project (Phase I).

### **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, cash 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 except agency funds. City council is provided with a detailed line item budget for all departments; and after discussions at regularly held council meetings that 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 object level totals or total appropriations for any department or fund. During the course of fiscal year 2010, the City amended its General Fund budget three times. The finance department watches all department expenditures 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 final budget basis revenue was \$22.8 million as compared to the original budget estimate of \$21.8 million. The final budget was slightly higher than the original budget due to higher than expected income tax and intergovernmental revenues. The final appropriations of \$24.9 million were sufficient to meet the actual expenditures for the year, \$23.3 million. Final appropriations exceeded original appropriations mainly due to increases in estimates for utility costs, professional services and transfers. The City's ending budgetary fund balance was \$2,100,067 higher than the final budgeted amount primarily due to conservative revenue and expenditure budgetary practices.

# City of Brook Park, Ohio

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

## For the Year Ended December 31, 2010

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### Capital Assets and Debt Administration

#### *Capital Assets*

As of December 31, 2010, the City had \$71.6 million invested in land, buildings and improvements, improvements other than buildings, machinery and equipment, furniture and fixtures, vehicles and infrastructure. Table 4 shows fiscal year 2010 balances of capital assets, net of depreciation, as compared to 2009.

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

	<u>2010</u>	<u>2009</u>
Land	\$ 4,866,522	\$ 4,866,522
Construction in progress	18,897,079	14,970,491
Buildings and improvements	10,030,008	10,408,474
Improvements other than buildings	1,437,103	1,568,636
Machinery and equipment	2,082,108	1,837,914
Furniture and fixtures	57,496	52,015
Vehicles	3,190,525	3,652,840
Infrastructure:		
Streets	19,454,176	19,939,195
Sewers	11,366,330	11,657,082
Water Lines	189,567	205,052
Total Capital Assets	<u>\$ 71,570,914</u>	<u>\$ 69,158,221</u>

Except for construction in progress and streets, the balances for the above capital assets remained practically unchanged. The 2009 road program, Snow Road underpass project, quiet zones project, West 150<sup>th</sup> improvement project (Phases I and II) and the 2010 roads program were still in progress at year end. In addition, the Grosse Drive project (Phase II) and the storage chamber panels project were completed in 2010. These projects were transferred from construction in progress to streets and sewers.

With respect to 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 City engineer evaluates the condition of each street after each winter and prepares a list of streets to be either resurfaced or crack sealed. In the case of concrete roads, the damaged portion will be either replaced or repaired. After approval from council, the projects are bid in the spring to get the best possible pricing from contractors. For additional information on capital assets, see Note 7 of the basic financial statements.

## City of Brook Park, Ohio

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

### For the Year Ended December 31, 2010

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#### *Debt*

On December 31, 2010, the City had \$3,466,051 in outstanding debt, with \$507,620 of that debt due within one year.

Table 5 summarizes general obligation bonds, capital leases, OPWC loan and OWDA loan.

	<u>2010</u>	<u>2009</u>
General obligation bonds	\$ 1,250,000	\$ 1,430,000
Capital leases	222,556	650,507
OPWC Loan	1,993,495	1,949,332
OWDA Loan	-	339,187
Total outstanding debt	<u>\$ 3,466,051</u>	<u>\$ 4,369,026</u>

As of December 31, 2010, the City's overall legal debt margin was \$46,844,546, with an unvoted debt margin of \$24,439,554. The City has an aggressive debt reduction approach, paying off most long-term debt within 10 years. In 2010, the City received \$92,896 in OPWC loan proceeds. This is a zero percent interest loan that will be repaid over a period of 20 years upon completion of the West 150<sup>th</sup> sewer improvement project (Phase II). In 2010, the Ohio Water Development Authority (OWDA) changed the funding structure for its share of the West 150<sup>th</sup> sewer improvement project (Phase II) from a loan to a grant. More detailed information about the City's long-term liabilities is presented in Note 8 of the basic financial statements.

#### **Current Financial Related Activities**

Management of the City continues to be extremely concerned with the general financial condition of the current economy. Employment levels at the Brook Park Ford Motor Co. facility continue to reduce. Ford's Casting Plant is scheduled to close in early 2011. Engine Plant #2 is expected to close in March 2012, leaving only Engine Plant #1 in operation. Management and Ford officials frequently meet to discuss current operating conditions and to strategize for new business alternatives that will keep the Brook Park Ford facility competitive in their corporate structure, resulting in a long-term existence within the City. Additionally, multiple small businesses have closed while other businesses have decreased in size due to current economic conditions. All of the referenced state of affairs has had a negative impact on the City's economic environment, creating a monumental challenge to balance the City's budget and protect the financial stability of the community long into the future.

The City's systems of budgeting and internal controls are well regarded, and management is prepared to meet the challenges of the future in order to protect the financial stability of the City. In addition, management remains committed to providing its residents with full disclosure of the financial position of the City.

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

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

### **For the Year Ended December 31, 2010**

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#### **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, 2010**

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### ASSETS

Equity in Pooled Cash and Cash Equivalents	\$ 14,532,056
Materials and Supplies Inventory	266,175
Accounts Receivable	226,863
Accrued Interest Receivable	3,343
Intergovernmental Receivable	3,233,555
Prepaid Items	161,304
Income Taxes Receivable	2,884,870
Property Taxes Receivable	2,021,486
Special Assessments Receivable	88,430
Restricted Assets:	
Intergovernmental Receivable	138,272
Nondepreciable Capital Assets	23,763,601
Depreciable Capital Assets	47,807,313
<b>Total Assets</b>	<u>95,127,268</u>

### LIABILITIES

Accounts Payable	358,480
Contracts Payable	591,390
Accrued Wages and Benefits	932,104
Intergovernmental Payable	400,632
Matured Compensated Absences Payable	23,904
Accrued Interest Payable	9,663
Retainage Payable	247,576
Claims Payable	360,200
Unearned Revenue	1,894,514
Long-term Liabilities:	
Due within one year	2,261,299
Due in more than one year	4,560,363
<b>Total Liabilities</b>	<u>11,640,125</u>

### NET ASSETS

Invested in Capital Assets, Net of Related Debt	69,340,252
Restricted for:	
Debt Services	651,203
Capital Projects	5,797,424
Economic Development	507,980
Street Paving and Repair	1,402,084
Other Purposes	501,409
Unrestricted	5,286,791
<b>Total Net Assets</b>	<u>\$ 83,487,143</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, 2010

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Assets</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		<u>Capital Grants and Contributions</u>
<b>Governmental activities:</b>					
Security of Persons and Property:					
Police and Others	\$ 6,985,372	\$ 623,045	\$ 35,846	\$ 3,000	\$ (6,323,481)
Fire	5,175,463	639,589	-	-	(4,535,874)
Public Health and Welfare	542,592	20,622	-	-	(521,970)
Leisure Time Activities	2,581,318	589,582	-	35,000	(1,956,736)
Community Development	1,790,631	1,257,755	-	-	(532,876)
Public Works	3,537,459	26,060	-	3,958,586	447,187
Transportation	2,613,821	13,218	949,074	-	(1,651,529)
General Government	4,979,667	600,787	9,000	-	(4,369,880)
Interest and Fiscal Charges	44,829	-	-	-	(44,829)
<b>Total Governmental activities</b>	<u>\$28,251,152</u>	<u>\$ 3,770,658</u>	<u>\$ 993,920</u>	<u>\$ 3,996,586</u>	<u>(19,489,988)</u>
<b>General Revenues:</b>					
Property Taxes levied for:					
General Purposes					1,679,504
Other Purposes					346,682
Income and Other Taxes levied for:					
General Purposes					15,767,173
Capital Outlay					1,262,391
Grants & Entitlements not restricted to specific programs					2,016,732
Investment Income					29,733
All Other Revenues					4,603
Total General Revenues					<u>21,106,818</u>
Change in Net Assets					1,616,830
Net Assets - Beginning of Year					81,870,313
<b>Net Assets - End of Year</b>					<u>\$ 83,487,143</u>

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

# City of Brook Park, Ohio

## Balance Sheet - Governmental Funds

**December 31, 2010**

	<u>General Fund</u>	<u>Capital Improvements</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 2,750,453	\$ 6,574,338	\$ 4,584,634	\$ 13,909,425
Materials and Supplies Inventory	266,175	-	-	266,175
Accrued Interest Receivable	2,255	-	1,088	3,343
Accounts Receivable	226,863	-	-	226,863
Intergovernmental Receivable	798,680	527,874	1,907,001	3,233,555
Prepaid Items	104,043	-	-	104,043
Restricted Assets:				
Intergovernmental Receivable	-	138,272	-	138,272
Income Taxes Receivable	2,609,307	275,563	-	2,884,870
Property Taxes Receivable	1,664,066	-	357,420	2,021,486
Special Assessments Receivable	-	-	88,430	88,430
<b>Total Assets</b>	<u>\$ 8,421,842</u>	<u>\$ 7,516,047</u>	<u>\$ 6,938,573</u>	<u>\$ 22,876,462</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 232,956	\$ -	\$ 125,524	\$ 358,480
Accrued Wages and Benefits	443,044	-	489,060	932,104
Contracts Payable	-	591,390	-	591,390
Intergovernmental Payable	387,537	-	13,095	400,632
Matured Compensated Absences Payable	-	-	23,904	23,904
Retainage Payable	-	247,576	-	247,576
Deferred Revenue	3,080,760	103,411	832,286	4,016,457
<b>Total Liabilities</b>	<u>4,144,297</u>	<u>942,377</u>	<u>1,483,869</u>	<u>6,570,543</u>
<b>Fund Balances:</b>				
Reserved for:				
Encumbrances	343,708	630,898	29,898	1,004,504
Inventory	266,175	-	-	266,175
Prepaid Items	104,043	-	-	104,043
Intergovernmental Receivable	-	-	1,235,389	1,235,389
Unreserved:				
Designated for:				
Accrued Retiree Benefits	-	-	1,649,998	1,649,998
Undesignated, Reported in:				
General Fund	3,563,619	-	-	3,563,619
Special Revenue Funds	-	-	1,972,640	1,972,640
Debt Service Funds	-	-	566,779	566,779
Capital Projects Funds	-	5,942,772	-	5,942,772
<b>Total Fund Balance</b>	<u>4,277,545</u>	<u>6,573,670</u>	<u>5,454,704</u>	<u>16,305,919</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 8,421,842</u>	<u>\$ 7,516,047</u>	<u>\$ 6,938,573</u>	<u>\$ 22,876,462</u>

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, 2010**

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**Total Governmental Funds Balance** \$ 16,305,919

*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 71,570,914

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

Property taxes	\$ 126,972	
Municipal income and other taxes	807,170	
Special assessments	88,430	
Intergovernmental	962,668	
Charges for services	136,703	
Total		2,121,943

The prepayment of the City's net OPEB amount is a result of the City's annual OPEB expenses exceeding the annual OPEB cost. 26,899

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in Governmental funds, an interest expenditure is reported when due. (9,663)

Internal Service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The assets and liabilities of the Internal Service funds are included in Governmental Activities in the Statement of Net Assets. 292,793

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

General obligation bonds	(1,250,000)	
OPWC loan	(1,993,495)	
Capital leases	(222,556)	
Compensated absences	(2,481,611)	
Claims and judgments payable	(874,000)	
Total		(6,821,662)

**Net Assets of Governmental Activities** \$ 83,487,143

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, 2010

	<u>General Fund</u>	<u>Capital Improvements</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Property Taxes	\$ 1,684,274	\$ -	\$ 347,709	\$ 2,031,983
Income Taxes	15,676,613	1,282,490	-	16,959,103
Other Taxes	271,452	-	-	271,452
Intergovernmental	1,831,304	3,639,072	1,037,980	6,508,356
Interest	33,181	-	-	33,181
Licenses and Permits	547,492	-	-	547,492
Fines and Forfeitures	324,171	-	207,542	531,713
Rentals	2,500	-	-	2,500
Charges for Services	2,360,691	-	-	2,360,691
Contributions and Donations	15,208	-	-	15,208
Special Assessments	-	23,482	59,451	82,933
All Other Revenues	195,412	65,009	267,664	528,085
<b>Total Revenues</b>	<u>22,942,298</u>	<u>5,010,053</u>	<u>1,920,346</u>	<u>29,872,697</u>
<b>EXPENDITURES</b>				
Security of Persons and Property:				
Police	5,948,246	-	841,590	6,789,836
Fire	4,044,274	-	754,637	4,798,911
Public Health and Welfare	290,582	-	142,735	433,317
Leisure Time Activities	2,062,789	-	114,099	2,176,888
Community Development	987,183	99,893	80,970	1,168,046
Public Works	2,774,359	167,741	-	2,942,100
Transportation	680,060	120,263	760,489	1,560,812
General Government	4,776,622	48,919	821	4,826,362
Capital Outlay	-	5,420,568	-	5,420,568
Debt Service:				
Principal Retirement	-	-	228,733	228,733
Interest and Fiscal Charges	-	-	53,477	53,477
<b>Total Expenditures</b>	<u>21,564,115</u>	<u>5,857,384</u>	<u>2,977,551</u>	<u>30,399,050</u>
Excess of Revenues (Under) Expenditures	<u>1,378,183</u>	<u>(847,331)</u>	<u>(1,057,205)</u>	<u>(526,353)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	8,660	-	-	8,660
OPWC Loans Issued	-	92,896	-	92,896
Transfer In	-	755,000	2,668,113	3,423,113
Transfer Out	(1,136,000)	(1,532,113)	(755,000)	(3,423,113)
<b>Total Other Financing Sources (Uses)</b>	<u>(1,127,340)</u>	<u>(684,217)</u>	<u>1,913,113</u>	<u>101,556</u>
Net Change in Fund Balances	250,843	(1,531,548)	855,908	(424,797)
Fund Balances - Beginning of Year	4,026,702	8,105,218	4,598,796	16,730,716
<b>Fund Balances - End of Year</b>	<u>\$ 4,277,545</u>	<u>\$ 6,573,670</u>	<u>\$ 5,454,704</u>	<u>\$ 16,305,919</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, 2010**

**Net Change in Fund Balances-Total Governmental Funds** \$ (424,797)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Outlay	\$ 4,996,973	
Depreciation	<u>(2,544,435)</u>	
Total		2,452,538

In the Statement of Activities, only the loss on the disposal of capital assets is reported, whereas, in the Governmental Funds, the proceeds from the disposals increase financial resources. Thus, the change in net assets differs from the change in fund balance by the net book value of the capital assets. (39,845)

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

Property taxes	(5,797)	
Municipal income and other taxes	(200,991)	
Special assessments	2,989	
Intergovernmental	38,194	
Charges for services	<u>(178,297)</u>	
Total		(343,902)

Other financing sources in the Governmental funds increase long-term liabilities in the Statement of Net Assets. These sources were attributed to the issuance of an OPWC loan. (92,896)

Repayment of bond principal and capital leases are expenditures in the Governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. In addition, the funding structure of the OWDA loan changed in 2010 from a loan to a grant. This change in funding structure reduces long-term liabilities in the Statement of Net Assets. 995,871

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	(40,322)	
Claims and judgments payable	(574,000)	
Accrued interest on bonds	8,648	
Annual OPEB cost	<u>12,778</u>	
Total		(592,896)

Internal Service funds are used by management to charge costs to certain activities, such as insurance to individual funds. The net revenue (expense) of Internal Service funds are reported in the Governmental Activities. (337,243)

**Change in Net Assets of Governmental Activities** \$ 1,616,830

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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 1,799,080	\$ 1,684,274	\$ 1,684,274	\$ -
Income Taxes	14,815,440	15,566,427	15,566,427	-
Other Taxes	260,900	271,165	271,165	-
Intergovernmental	1,622,514	1,883,753	1,883,753	-
Interest	35,800	46,308	46,308	-
Licenses and Permits	509,135	544,912	544,912	-
Fines and Forfeitures	274,429	335,435	335,435	-
Rentals	-	2,500	2,500	-
Charges for Services	2,202,441	2,267,147	2,334,580	67,433
Contributions and Donations	-	15,208	15,208	-
All Other Revenues	252,588	198,557	198,597	40
<b>Total Revenues</b>	<u>21,772,327</u>	<u>22,815,686</u>	<u>22,883,159</u>	<u>67,473</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	10,376,377	10,448,679	10,071,878	376,801
Public Health and Welfare	298,907	303,907	292,692	11,215
Leisure Time Activities	2,414,632	2,404,106	2,174,258	229,848
Community Development	1,083,246	1,084,446	1,002,188	82,258
Public Works	3,179,819	3,227,885	2,974,741	253,144
Transportation	799,403	840,258	734,729	105,529
General Government	5,116,452	5,455,527	4,879,757	575,770
<b>Total Expenditures</b>	<u>23,268,836</u>	<u>23,764,808</u>	<u>22,130,243</u>	<u>1,634,565</u>
Excess of Revenues Over (Under) Expenditures	(1,496,509)	(949,122)	752,916	1,702,038
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	-	4,323	4,323	-
Transfers Out	(926,000)	(1,136,000)	(1,136,000)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(926,000)</u>	<u>(1,131,677)</u>	<u>(1,131,677)</u>	<u>-</u>
Net Change in Fund Balance	(2,422,509)	(2,080,799)	(378,761)	1,702,038
Cash Fund Balance - Beginning of Year	2,731,185	2,731,185	2,731,185	-
Current Year Encumbrances	-	-	398,029	398,029
<b>Cash Fund Balance - End of Year</b>	<u>\$ 308,676</u>	<u>\$ 650,386</u>	<u>\$ 2,750,453</u>	<u>\$ 2,100,067</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, 2010**

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	<b>Governmental Activities - Internal Service Fund</b>
<b>ASSETS</b>	
<b>Current Assets:</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 622,631
Prepaid Items	<u>30,362</u>
<b>Total Assets</b>	<u>652,993</u>
<b>LIABILITIES</b>	
<b>Current Liabilities:</b>	
Claims Payable	<u>360,200</u>
<b>Total Liabilities</b>	<u>360,200</u>
<b>NET ASSETS</b>	
Unrestricted	<u>292,793</u>
<b>Total Net Assets</b>	<u><u>\$ 292,793</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, 2010**

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	<b>Governmental Activities - Internal Service Fund</b>
<b>OPERATING REVENUES</b>	
Charges for Services	\$ 2,144,196
<b>Total Operating Revenues</b>	<u>2,144,196</u>
<b>OPERATING EXPENSES</b>	
Fringe Benefits	<u>2,481,439</u>
Change in Net Assets	(337,243)
Net Assets - Beginning of Year	<u>630,036</u>
<b>Net Assets - End of Year</b>	<u><u>\$ 292,793</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, 2010**

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	<b>Governmental Activities - Internal Service Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Charges for Services	\$ 2,144,196
Cash Payments for Claims	<u>(2,245,936)</u>
Net Cash Used for Operating Activities	<u>(101,740)</u>
Net Decrease in Cash and Cash Equivalents	(101,740)
Cash and Cash Equivalents - Beginning of Year	<u>724,371</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u><u>\$ 622,631</u></u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED FOR OPERATING ACTIVITIES</b>	
Operating Loss	\$ (337,243)
Adjustments:	
(Increase) Decrease in Assets:	
Prepaid Items	1,590
Increase (Decrease) in Liabilities:	
Claims Payable	<u>233,913</u>
<b>Net Cash Used for Operating Activities</b>	<u><u>\$ (101,740)</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, 2010**

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	<u>Agency Funds</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 72,634
Cash and Cash Equivalents: in Segregated Accounts	<u>33,313</u>
Total Assets	<u><u>\$ 105,947</u></u>
<b>Liabilities</b>	
Deposits Held and Due to Others	\$ 75,201
Due to Others	<u>30,746</u>
Total Liabilities	<u><u>\$ 105,947</u></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, 2010**

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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, is 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.

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

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

#### *Jointly Governed Organizations (continued)*

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 elects their own member to serve on the Board of Trustees of the Health Center.

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 2010, the City of Brook Park contributed \$142,735 of property tax levies and intergovernmental revenue 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 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 (continued)

## **For The Year Ended December 31, 2010**

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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.

##### *Capital Improvements Fund*

The Capital Improvements Fund accounts for that portion of municipal income tax allocated 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.

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

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

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

##### *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, mayor's court activity, building code fees and employees' share of payroll deductions due to other agencies.

#### ***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 (continued)

## **For The Year Ended December 31, 2010**

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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 reconciliations 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 revenues, expenses and 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. The available period for the City is sixty days after year-end.

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

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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 6). 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.

##### *Unearned Revenue*

Unearned 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, 2010, but which were levied to finance year 2011 operations, have been recorded as unearned revenue. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as unearned revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have 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 (continued)

## **For The Year Ended December 31, 2010**

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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 d 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 2010. The amounts reported in the budgetary statements as final reflect the amounts in the final amended official certificate of estimated resources issued during 2010.

#### *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 (continued)

## **For The Year Ended December 31, 2010**

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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 (continued)

## **For The Year Ended December 31, 2010**

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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 "equity in pooled cash and cash equivalents" on the balance sheet.

The City has segregated bank accounts for monies held separate from the City's cash pool. These depository accounts are presented on the Statement of Fiduciary Net Assets as "cash and cash equivalents in segregated accounts" since they are not required to be deposited into the City's treasury.

Investments are reported at fair value which is based on quoted market prices.

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 5).

In applying GASB Statement No. 31, the City utilized the following methods and assumptions as of December 31, 2010:

The portfolio was limited to nonparticipating interest-earning investment contracts such as a nonnegotiable certificate of deposit and State Treasury Asset Reserve of Ohio (STAROhio).

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 money market investments.

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 income 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 (continued)

## **For The Year Ended December 31, 2010**

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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 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, 2010.

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 purchase method is used to account for inventories. Under the purchase method, inventories are recorded as expenditures in the governmental fund types when purchased; however, material amounts of inventories at period-end are reported as assets of the respective fund, which are equally offset by a fund balance reserve which indicates they are unavailable for appropriation even though they are a component of reported assets. Inventory consists of expendable supplies.

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

Payments made to vendors for services that will benefit periods beyond December 31, 2010, are recorded as prepaid items using the allocation 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, 2010 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 (continued)

## **For The Year Ended December 31, 2010**

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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 disposals 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 (continued)

## **For The Year Ended December 31, 2010**

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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. A liability for the amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

#### ***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 and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current 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, prepaid items and intergovernmental receivable from the City of Cleveland.

#### ***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. As of December 31, 2010, the City did not have net assets restricted by enabling legislation.

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

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for the self-insurance program. 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.

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

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

#### ***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 extraordinary nor special items had occurred in 2010.

#### ***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.

### **Note 3: Changes in Accounting Principles**

For fiscal year 2010, the City implemented GASB Statements No. 51, *Accounting and Financial Reporting for Intangible Assets*, No. 53, *Accounting and Financial Reporting for Derivative Instruments*, and No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*.

GASB Statement No. 51 improves the quality of financial reporting by reducing inconsistencies that have developed in accounting and financial reporting for intangible assets.

GASB Statement No. 53 improves the quality of financial reporting by requiring governments to measure derivative instruments, with the exception of synthetic guaranteed investment contract that are fully benefit-responsive, at fair value in their economic resources measurement focus financial statements.

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

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### **Note 3: Changes in Accounting Principles (continued)**

GASB Statement No. 58 improves the quality of financial reporting by providing more consistent recognition, measurement, display, and disclosure guidance for governments that file for Chapter 9 bankruptcy.

The implementation of the aforementioned GASB Statements did not affect the presentation of the financial statements of the City.

### **Note 4: 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 Budgetary Basis) and Actual presented for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are 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 Fund.

	<u>Net Change in Fund Balance</u>
GAAP Basis	\$ <u>250,843</u>
<u>Increase (Decrease) Due to:</u>	
Revenue Accruals	(63,476)
Expenditure Accruals	(168,099)
Outstanding Encumbrances	<u>(398,029)</u>
Budget Basis	<u>\$ (378,761)</u>

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

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### **Note 5: Deposits and Investments**

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

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

Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim monies may be deposited or invested in the following securities:

1. United States Treasury notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily;
4. Investment grade obligations of state and local governments, and public authorities;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and,
6. The State Treasurer's investment pool (STAROhio).

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

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

### **Note 5: Deposits and Investments (continued)**

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

#### ***Deposits***

*Custodial credit risk* is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by eligible securities pledged to and deposited either within the City or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred and five percent of the deposits being secured.

At year-end, the carrying amount of the City's deposits was \$14,503,369 (including \$4,030 of petty cash and \$33,313 of segregated accounts) and the bank balance was \$14,642,905. Of the bank balance \$11,893,128 was covered by Federal depository insurance and \$2,749,777 was uninsured and collateralized with securities held by the pledging institution's trust department, not in the City's name.

#### ***Investments***

Investments are reported at fair value. As of December 31, 2010, the City had the following investments:

Investment Type	Fair- Value	Credit Rating (*)	Investment Maturities (in Years) <1
STAR Ohio	\$ 134,634	AAAm	\$ 134,634
Carrying Amount of Deposits	14,499,339		
Petty Cash	4,030		
Total Cash and Investments	\$ 14,638,003		

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

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

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### **Note 5: Deposits and Investments (continued)**

#### *Investments (continued)*

*Interest Rate Risk* arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City's investment policy addresses interest rate risk requiring that the City's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding that need to sell securities on the open market prior to maturity and by investing operating funds primarily in short-term investments. The City's investment policy also limits security purchases to those that mature in five years unless specifically matched to a specific cash flow. To date, no investments have been purchased with a life greater than five years.

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

*Credit Risk* is addressed by the City's investment policy by the requirements that all investments are authorized by Ohio Revised Code and that the portfolio be diversified both by types of investment and issuer. All investments of the City are registered and carry a rating of AAA by Standard & Poor's.

*Concentration of Credit Risk* is defined by the Governmental Accounting Standards Board as five percent or more in the securities of a single issuer. The City's investment policy requires diversification of the portfolio but does not indicate specific percentage allocations. The following is the City's allocation as of December 31, 2010:

<u>Investment Issuer</u>	<u>Percentage of Investments</u>
STAROhio	100.00

### **Note 6: Receivables**

Receivables at December 31, 2010 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 2006. Real property taxes are payable annually or semiannually. The first payment is due December 31, with the remainder payable by June 20.

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

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### **Note 6: Receivables (continued)**

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

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. The tangible personal property tax is being phased out – the assessment percentage for all property including inventory for 2009 is zero percent. 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.

The full tax rate for all City operations for the year ended December 31, 2010, was \$4.75 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2010 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Estate	\$ 439,080,460
Public Utility	9,019,390
Total	\$ <u>448,099,850</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 ninety and ten percent, respectively.

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

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### **Note 6: Receivables (continued)**

#### ***B. Income Tax (continued)***

The Capital Improvement Capital Projects Fund further allocates income taxes to other capital projects funds, as transfers, through the budgetary process. On a cash basis, income tax receipts for 2010 were \$16,836,674.

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

A summary of the principal items of intergovernmental receivables follows:

	<u>Amounts</u>
Local government funds	\$ 473,914
Auto registration fees	91,507
Estate tax	118,126
Homestead and rollback	126,921
CAT tax reimbursement	67,209
Gasoline and excise tax	349,230
Public utility reimbursement	11,336
Permissive tax	3,514
City of Cleveland (share of OPWC loan)	1,235,389
City of Cleveland (misc. reimbursement)	22,694
Fines and forfeitures	216,911
Cuyahoga County Auditor grant reimbursement	35,000
OPWC Grant	360,391
OPWC Loan	92,896
Miscellaneous reimbursements	<u>28,517</u>
Total	<u>\$ 3,233,555</u>

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# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

### **Note 7: Capital Assets**

	Balances 12/31/2009	Additions	Disposals	Balances 12/31/2010
<b>Governmental Activities</b>				
Nondepreciable Assets:				
Land	\$ 4,866,522	\$ -	\$ -	\$ 4,866,522
Construction in progress	14,970,491	4,854,133	(927,545)	18,897,079
Total Nondepreciable Assets	<u>19,837,013</u>	<u>4,854,133</u>	<u>(927,545)</u>	<u>23,763,601</u>
Depreciable Assets:				
Buildings and Improvements	17,666,640	-	(5,448)	17,661,192
Improvements Other than Buildings	3,001,748	-	-	3,001,748
Machinery and Equipment	3,645,895	549,439	(109,501)	4,085,833
Furniture and Fixtures	185,632	19,011	-	204,643
Vehicles	8,333,883	-	-	8,333,883
Infrastructure:				
Streets	27,184,806	428,810	-	27,613,616
Sewers	18,138,998	73,125	-	18,212,123
Water Lines	464,543	-	-	464,543
Total Depreciable Assets	<u>78,622,145</u>	<u>1,070,385</u>	<u>(114,949)</u>	<u>79,577,581</u>
Less Accumulated Depreciation				
Buildings and Improvements	(7,258,166)	(377,395)	4,377	(7,631,184)
Improvements Other than Buildings	(1,433,112)	(131,533)	-	(1,564,645)
Machinery and Equipment	(1,807,981)	(266,471)	70,727	(2,003,725)
Furniture and Fixtures	(133,617)	(13,530)	-	(147,147)
Vehicles	(4,681,043)	(462,315)	-	(5,143,358)
Infrastructure:				
Streets	(7,245,611)	(913,829)	-	(8,159,440)
Sewers	(6,481,916)	(363,877)	-	(6,845,793)
Water Lines	(259,491)	(15,485)	-	(274,976)
Total Accumulated Depreciation	<u>(29,300,937)</u>	<u>(2,544,435)</u>	<u>75,104</u>	<u>(31,770,268)</u>
Total Depreciable Assets, Net	<u>49,321,208</u>	<u>(1,474,050)</u>	<u>(39,845)</u>	<u>47,807,313</u>
Governmental Activities Capital Assets, Net	<u>\$ 69,158,221</u>	<u>\$ 3,380,083</u>	<u>\$ (967,390)</u>	<u>\$ 71,570,914</u>

Depreciation was charged to governmental activities as follows:

Security of Persons and Property:	
Police and Others	\$ 135,869
Fire	241,705
Public Health and Welfare	5,612
Leisure Time Activities	376,203
Community Development	16,610
Public Works	648,866
Transportation	1,028,335
General Government	91,235
Total Depreciation Expense	<u>\$ 2,544,435</u>

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

### **Note 8: Long-Term Debt**

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

	<u>Original Issue</u>	<u>Interest</u>	<u>Original Issue</u>
General Obligation Bonds:			
Laich Street Improvements	2004	2% - 3.7%	\$ 775,000
Aerospace Parkway Improvements	2004	2% - 3.7%	1,480,000

Changes in long-term debt activity for the year ended December 31, 2010 was as follows:

	<u>Balances</u>		<u>Balances</u>		<u>Amounts Due in</u>
	<u>12/31/2009</u>	<u>Issued</u>	<u>Retired</u>	<u>12/31/2010</u>	<u>One Year</u>
General Obligation Bonds:					
Laich Street Improvements	\$ 635,000	\$ -	\$ 30,000	\$ 605,000	\$ 35,000
Aerospace Parkway Improvements	795,000	-	150,000	645,000	155,000
Total General Obligation Bonds	<u>1,430,000</u>	<u>-</u>	<u>180,000</u>	<u>1,250,000</u>	<u>190,000</u>
Capitalized Lease Agreements:					
Public Works and Public Service					
Vehicles	53,773	-	53,773	-	-
Police Sedans	69,755	-	69,755	-	-
Fire Trucks	288,786	-	141,271	147,515	147,515
Copiers	16,803	-	7,197	9,606	7,203
Radio Equipment	25,215	-	12,241	12,974	12,974
Senior Bus	93,027	-	93,027	-	-
Ambulance	103,148	-	50,687	52,461	52,461
Total Capital Leases	<u>650,507</u>	<u>-</u>	<u>427,951</u>	<u>222,556</u>	<u>220,153</u>
Other Long-term Obligations:					
OPWC Loan - W. 150th Project	1,949,332	-	48,733	1,900,599	97,467
OPWC Loan - Smith/Hummel Rd	-	92,896	-	92,896	-
OWDA Loan - Smith/Hummel Rd	339,187	-	339,187	-	-
Claims and Judgments Payable (see Note 17)	300,000	585,000	11,000	874,000	485,000
Accrued Compensated Absences	2,441,289	785,320	744,998	2,481,611	1,268,679
Total Other Long-term Obligations	<u>5,029,808</u>	<u>1,463,216</u>	<u>1,143,918</u>	<u>5,349,106</u>	<u>1,851,146</u>
Total Governmental Long-term Liabilities	<u>\$7,110,315</u>	<u>\$1,463,216</u>	<u>\$1,751,869</u>	<u>\$6,821,662</u>	<u>\$2,261,299</u>

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

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

General obligation bonds are direct obligations of the City for which its full faith and credit are pledged for repayment. 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 General Obligation Debt Service Fund.

During 2005, the Ohio Public Works Commission (OPWC) approved a loan to the City to finance a portion of the West 150<sup>th</sup> Street Improvement project. OPWC committed up to \$1,949,332 at a zero percent interest rate for twenty years. As of December 31, 2010, the City has not completed the project but has received \$1,949,332 in loan proceeds from OPWC. The City and the City of Cleveland have an agreement to share the debt service requirements of the OPWC loan. The City will pay 100 percent of the annual debt service requirements and the City of Cleveland will reimburse the City 65 percent of the annual debt service requirement. The City has recorded an intergovernmental receivable in the amount of \$1,235,389 to recognize the City of Cleveland's share of the loan.

During 2009, the City entered in a loan agreement with the Ohio Water Development Authority (OWDA) to provide partial funding for the Smith/Hummel Sewer Improvement Project Phase II. The total amount financed through OWDA is \$1,576,135 with a portion of the loan at a zero percent interest rate and the other portion of the loan at a 3.25 percent interest rate. During 2010, OWDA changed the funding structure of the loan awarded to the City. The loan is now considered a grant to the City and therefore, the loan liability has been converted to grant revenue.

During 2010, the Ohio Public Works Commission (OPWC) approved a loan to the City to finance a portion of the Smith/Hummel Sewer Improvement Project Phase II. OPWC has committed up to \$573,140 at a zero percent interest rate for twenty years. As of December 31, 2010, the City has not completed the project but has received \$92,896 in loan proceeds from OPWC. An amortization schedule will be provided by OPWC at the completion of the project.

Compensated absences are generally paid from the General Fund, Street Maintenance Special Revenue Fund, State Highway Special Revenue Fund, Community Diversion Special Revenue Fund and the Retiree Accrued Benefits Special Revenue Fund.

See Notes 9 and 17 for additional information on capital leases and claims and judgments, respectively.

The City's overall legal debt margin was \$46,844,546 at December 31, 2010.

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## For The Year Ended December 31, 2010

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

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2010 are as follows:

Year	General Obligation Bonds		OPWC Loan	Total
	Principal	Interest	Principal	
2011	\$ 190,000	\$ 48,076	\$ 97,467	\$ 335,543
2012	190,000	41,900	97,467	329,367
2013	200,000	35,440	97,467	332,907
2014	205,000	28,240	97,467	330,707
2015	40,000	20,655	97,467	158,122
2016-2020	215,000	77,138	487,335	779,473
2021-2025	210,000	24,610	487,332	721,942
2026-2030	-	-	438,597	438,597
Total	<u>\$ 1,250,000</u>	<u>\$ 276,059</u>	<u>\$ 1,900,599</u>	<u>\$ 3,426,658</u>

### Note 9: Leases

#### 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	\$ 200,501
Less: accumulated depreciation	<u>(57,540)</u>
Total	<u>\$ 142,961</u>
Vehicles	\$ 3,112,325
Less: accumulated depreciation	<u>(998,040)</u>
Total	<u>\$ 2,114,285</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 (continued)

## **For The Year Ended December 31, 2010**

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

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2010, were as follows:

<u>Year</u>	<u>Payments</u>
2011	\$ 229,290
2012	2,403
Total Minimum Lease Payments	231,693
Less: Amount Representing Interest	(9,137)
Present Value of Minimum Lease Payment	<u>\$ 222,556</u>

### Operating Leases

During 2010, the City entered into a noncancelable operating lease for various copiers. Total costs for the lease was \$12,000 for the year ended December 31, 2010. The future minimum lease payments for these leases are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2011	\$ 18,000
2012	18,000
2013	18,000
2014	18,000
2015	6,000
Total	<u>\$ 78,000</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.

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

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

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

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

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided in 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 Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2010, the members of all three plans were required to contribute 10.00 percent of their annual covered salaries. The City's contribution rate of 14.00 percent was allocated to fund pension benefits for members of: the Traditional Plan was 8.50 percent from January 1 through February 28, 2010 and 9.00 percent from March 1 through December 31, 2010; the Combined Plan was 9.27 percent from January 1 through February 28, 2010 and 9.77 percent from March 1 through December 31, 2010. The City's required contributions for to the Traditional Pension and Combined plans for the years ended December 31, 2010, 2009, and 2008 were \$634,821, \$618,535, and \$541,480, respectively; 97.18 percent has been contributed for 2010 and 100 percent has been contributed for 2009 and 2008.

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

The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a 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 E. Town Street, Columbus, Ohio 43215-5164.

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

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

#### ***B. Ohio Police and Fire Pension Fund (continued)***

Plan members are required to contribute 10.00 percent of their annual covered salary, while the City is required to contribute 19.50 percent and 24.0 percent for police officers and firefighters, respectively. The portion of the City's contributions to fund pension obligations was 12.75 percent for police officers and 17.25 percent for firefighters. The City's contributions for pension obligations to OP&F for police and firefighters were \$405,512 and \$538,555 for the year ended December 31, 2010, \$440,584 and \$561,992 for the year ended December 31, 2009, \$417,361 and \$559,327 for the year ended December 31, 2008, respectively; 76.88 percent for police and 74.09 for firefighters has been contributed for 2010 and 100 percent for 2009 and 2008.

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

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

*Plan Description* - Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan is a defined contribution plan; and 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.

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

In order to qualify for post-employment health care coverage, age and service retirees under the Traditional Pension and Combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in 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 Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

*Funding Policy* – The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits. The 2010 local government employer contribution rate was 14.00 percent of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.00 percent of covered payroll for local government employers. Active members do not make contributions to the OPEB Plan.

## City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

### **For The Year Ended December 31, 2010**

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

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

OPERS' Post Employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 5.50 percent from January 1 through February 28, 2010 and 5.00 percent from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the Combined Plan was 4.73 percent from January 1 through February 28, 2010 and 4.23 percent from March 1 through December 31, 2010. The OPERS Board of Trustees is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's actual employer contributions for 2010, 2009, 2008 which were used to fund post-employment benefits were \$363,727, \$429,963 and \$541,480, respectively. 97.18 percent has been contributed for 2010 and 100 percent has been contributed for 2009 and 2008.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

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

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

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

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 E. Town Street, Columbus, OH 43215-5164.

## City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

### **For The Year Ended December 31, 2010**

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

##### ***B. Ohio Police and Fire Pension Fund (continued)***

*Funding Policy* – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50 percent and 24.00 percent of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50 percent of covered payroll for police employer units and 24.00 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2010, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of the Sections 115 and 401(h).

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

The City's contributions for 2010, 2009, and 2008 that were used to fund post-employment benefits were \$214,683 for police and \$210,739 for firefighters, \$233,250 for police and \$219,910 for firefighters, and \$220,956 for police and \$218,867 for firefighters, respectively. 76.88 percent for police and 74.09 for firefighters has been contributed for 2010 and 100 percent for 2009 and 2008.

#### **Note 13: Other Postemployment Benefits**

##### Plan Description

The City provides post-employment health care and life insurance benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its union contracts. The activity of the plan is reported in the City's General Fund as part of the general government expenditure function.

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

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### **Note 13: Other Postemployment Benefits (continued)**

#### Benefits Provided

The City provides post-employment health care and life insurance benefits to its retirees. To be eligible for benefits, a retiree must have qualified under the following union contracts with the City:

- Fraternal Order of Police, Lodge No. 15 representing Patrol Officers
- Ohio Patrolmen Benevolent Association representing Sergeants and Lieutenants
- Brook Park Fire Fighters Association and IAFF Local 1141 representing Firefighters

Post-employment benefits include reimbursement of costs associated with health care coverage up to \$400 per month and a life insurance benefit of \$5,000 which the City provides the premium payment. Dependents of eligible retirees will continue to receive the post-employment benefits at the time of the retiree's death. To receive the reimbursement of health care costs, the retiree must have retired on or before December 31, 2007.

As of December 31, 2010, 144 retirees and dependents are currently receiving the post-employment benefits mentioned above.

#### Funding Policy

The City's annual contributions to the plan are negotiated through the union contracts of the City. For the fiscal year ended December 31, 2010, the City contributed \$251,487 to the plan. The plan requires no matching contributions from the employees during their period of employment.

#### Annual OPEB Costs and Net OPEB Obligation

The City first had an actuarial valuation performed for the plan as of December 31, 2008 (the latest information available) to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended December 31, 2009. For 2008, the City's annual OPEB cost (expense) of \$238,709 was equal to the ARC for the fiscal year and the transition liability was set at zero. For 2010, the City's annual OPEB cost (expense) of \$238,709 was less than the actual employer contribution for the fiscal year and the net OPEB amount has been recorded as a prepayment on the government-wide financial statements. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2010, 2009 and 2008 are as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Employer Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
December 31, 2008	\$ 238,709	\$ 238,709	100.00%	\$ -
December 31, 2009	238,709	252,830	105.92%	(14,121)
December 31, 2010	238,709	251,487	105.35%	(12,778)

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

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### **Note 13: Other Postemployment Benefits (continued)**

#### Annual OPEB Costs and Net OPEB Obligation (continued)

##### ***Funded Status and Funding Progress***

The funded status of the plan as of December 31, 2008 (the latest information available), was as follows:

Actuarial Accrued Liability (AAL)	\$	4,209,513
Actuarial Value of Plan Assets		-
Unfunded Actuarial Accrued Liability (UAAL)	\$	4,209,513
Funded Ratio (Actuarial Value of Plan Assets/AAL)		0.00%
Covered Payroll	\$	13,626,003
UAAL as a Percentage of Covered Payroll		30.89%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the ARCs of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

##### ***Actuarial Methods and Assumptions***

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with long-term perspective of the calculations.

In the December 31, 2008 actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions include a discount rate of 4.00 percent and a healthcare cost trend rate of 3.00 percent which applies to uncapped reimbursements only and equals approximate historical increase in uncapped reimbursements. The actuarial value of assets was zero. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2008, was 30 years.

### **Note 14: 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, 2010, per occurrence for all types of coverage are as follows:

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

### **Note 14: Risk Management (continued)**

<u>Type of Coverage</u>	<u>Carrier</u>	<u>Coverage</u>
Property:		
Blanket building and contents	Selective Insurance Co. of America	\$ 45,587,129
Extra expense	Selective Insurance Co. of America	1 million
General liability:		
Commercial general liability	Selective Insurance Co. of America	5 million
Employee benefits	Selective Insurance Co. of America	3 million
Employers liability	Selective Insurance Co. of America	2 million
Automotive liability	Selective Insurance Co. of America	1 million
Excess liability:		
Umbrella	Selective Insurance Co. of America	10 million
Other coverage:		
Contractors equipment	Selective Insurance Co. of America	1,194,286
EDP equipment	Selective Insurance Co. of America	346,585
Employee dishonesty	Selective Insurance Co. of America	100,000
Valuable papers	Selective Insurance Co. of America	100,000
Accounts receivable	Selective Insurance Co. of America	100,000
Law enforcement	Selective Insurance Co. of America	1 million
Public officials	Selective Insurance Co. of America	6 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 a medical plan for full time employees and their families. The plan is self-funded for fiscal year 2010 and administered by a third party organization. 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 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 \$500,000 in the aggregate. In 2010, the City funded the self-insurance reserve \$477 per month for single coverage and \$1,290 per month for family coverage. These rates are paid by the fund from which the employee's compensation is paid and include medical, prescription, dental and vision coverage.

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

### **Note 14: Risk Management (continued)**

The claims liability of \$360,200 as estimated by the third party administrator and reported in the Self-Insurance Fund at December 31, 2010 is based on the requirements of the GASB 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. The liability represents the self-funded plan's portion of claims that remained outstanding at December 31, 2010. Changes in the fund's claim liability amount for the years ended 2008, 2009, and 2010 are as follows:

	<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>
2008	\$ 209,896	\$ 1,410,694	\$ (1,504,789)	\$ 115,801
2009	115,801	2,002,220	(1,991,734)	126,287
2010	126,287	2,481,439	(2,247,526)	360,200

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 15: Construction and Other Significant Commitments**

At December 31, 2010, the City's significant contractual commitments consisted of:

<u>Project</u>	<u>Contract Amount</u>	<u>Amount Accrued</u>	<u>Remaining on Contract</u>
West 150 <sup>th</sup> Street/Sewer project	\$ 2,260,014	\$ 2,260,014	\$ 0
Snow Road underpass	9,902,050	9,824,298	77,752
2010 Roads Program	627,807	497,062	130,745
2009 Roads Program	863,771	762,175	101,596
2008 Roads program	595,208	553,397	41,811
West 150 <sup>th</sup> Sewer project	<u>5,062,994</u>	<u>4,823,854</u>	<u>239,140</u>
Total	<u>\$ 19,311,844</u>	<u>\$ 18,720,800</u>	<u>\$ 591,044</u>

# City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

## **For The Year Ended December 31, 2010**

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### **Note 16: Interfund Transfers**

Interfund transfers for the year ended December 31, 2010, consisted of the following:

Transfer To	Transfer From			Total
	General Fund	Capital Improvements Fund	Nonmajor Governmental Funds	
Capital Improvements Fund	\$ -	\$ -	\$ 755,000	\$ 755,000
Non-Major Governmental Funds	1,136,000	1,532,113	-	2,668,113
Total	<u>\$ 1,136,000</u>	<u>\$ 1,532,113</u>	<u>\$ 755,000</u>	<u>\$ 3,423,113</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.

### **Note 17: 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, 2010.

#### **B. Litigation**

As of December 31, 2010, there is one lawsuit pending in which the probable ruling is unfavorable for the City. In accordance with GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, the City has estimated a claims and judgments liability in the combined amount of \$874,000.

There are additional claims and lawsuits that are pending against the City. The amount of the liability from these claims and lawsuits, 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, 2010.

## City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

### **For The Year Ended December 31, 2010**

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#### **Note 18: Accountability**

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

There are deficits in the Police Pension and Fire Pension Special Revenue Funds of \$191,062 and \$264,557, 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.

#### **Note 19: Subsequent Event**

In January 2011, the City received an unfavorable outcome in the lawsuit that was mentioned in Note 17B. The City has reached a settlement with the other party wherein the City agreed to pay \$874,000 over the course of the next four years. In April 2011, the City paid the first installment of \$485,000 to the other party as per the settlement.

# City of Brook Park, Ohio

Combining Statements and Individual Fund Schedules  
Non-Major Governmental Funds

## **For The Year Ended December 31, 2010**

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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.

#### *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.

#### *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 Brook Park 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.

#### *Community Diversion Fund*

The Community Diversion Fund accounts for reimbursements received from Cuyahoga County Juvenile Court to promote and develop a community diversion program to address juvenile misdemeanor and status offenders.

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

Combining Statements and Individual Fund Schedules  
Non-Major Governmental Funds

### **For The Year Ended December 31, 2010**

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

##### *Retiree Accrued Benefits Fund*

The Retiree Accrued Benefits Fund accounts for funds allocated to pay for the accrued compensated absences paid out to employees upon retirement.

##### *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.

##### *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.

##### *Continuing Training Program*

The Continuing Training Program Fund accounts for the accumulation of funds to provide for the training of the City's safety forces.

#### **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.

# City of Brook Park, Ohio

## Combining Balance Sheet Non-Major Governmental Funds

**December 31, 2010**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor General Obligation Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 4,017,855	\$ 566,779	\$ 4,584,634
Accrued Interest Receivable	1,088	-	1,088
Intergovernmental Receivable	671,612	1,235,389	1,907,001
Property Taxes Receivable	357,420	-	357,420
Special Assessments Receivable	-	88,430	88,430
<b>Total Assets</b>	<b>\$ 5,047,975</b>	<b>\$ 1,890,598</b>	<b>\$ 6,938,573</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts Payable	\$ 125,524	\$ -	\$ 125,524
Accrued Wages and Benefits	489,060	-	489,060
Intergovernmental Payable	13,095	-	13,095
Matured Compensated Absences Payable	23,904	-	23,904
Deferred Revenue	743,856	88,430	832,286
<b>Total Liabilities</b>	<b>1,395,439</b>	<b>88,430</b>	<b>1,483,869</b>
<b>Fund Balances:</b>			
Reserved for:			
Encumbrances	29,898	-	29,898
Intergovernmental Receivable	-	1,235,389	1,235,389
Unreserved:			
Designated for:			
Accrued Retiree Benefits	1,649,998	-	1,649,998
Undesignated, Reported in:			
General Fund	-	-	-
Special Revenue Funds	1,972,640	-	1,972,640
Debt Service Funds	-	566,779	566,779
<b>Total Fund Balance</b>	<b>3,652,536</b>	<b>1,802,168</b>	<b>5,454,704</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 5,047,975</b>	<b>\$ 1,890,598</b>	<b>\$ 6,938,573</b>

# 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, 2010

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor General Obligation Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>REVENUES</b>			
Property Taxes	\$ 347,709	\$ -	\$ 347,709
Intergovernmental	1,037,980	-	1,037,980
Fines and Forfeitures	207,542	-	207,542
Special Assessments	-	59,451	59,451
All Other Revenues	267,664	-	267,664
<b>Total Revenues</b>	<b>1,860,895</b>	<b>59,451</b>	<b>1,920,346</b>
<b>EXPENDITURES</b>			
Security of Persons and Property:			
Police	841,590	-	841,590
Fire	754,637	-	754,637
Public Health and Welfare	142,735	-	142,735
Leisure Time Activities	114,099	-	114,099
Community Development	80,970	-	80,970
Transportation	760,489	-	760,489
General Government	-	821	821
Debt Service:			
Principal Retirement	-	228,733	228,733
Interest and Fiscal Charges	-	53,477	53,477
<b>Total Expenditures</b>	<b>2,694,520</b>	<b>283,031</b>	<b>2,977,551</b>
Excess of Revenues Over (Under) Expenditures	(833,625)	(223,580)	(1,057,205)
<b>OTHER FINANCING SOURCES</b>			
Transfer In	1,136,000	1,532,113	2,668,113
Transfer Out	(755,000)	-	(755,000)
<b>Total Other Financing Sources</b>	<b>381,000</b>	<b>1,532,113</b>	<b>1,913,113</b>
Net Change in Fund Balances	(452,625)	1,308,533	855,908
Fund Balances - Beginning of Year	4,105,161	493,635	4,598,796
<b>Fund Balances - End of Year</b>	<b>\$ 3,652,536</b>	<b>\$ 1,802,168</b>	<b>\$ 5,454,704</b>

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# City of Brook Park, Ohio

## Combining Balance Sheet Non-Major Special Revenue Funds

**December 31, 2010**

	<u>Street Maintenance</u>	<u>State Highway</u>	<u>Permissive Tax</u>	<u>Economic Development</u>	<u>Brook Park Road Corridor</u>
<b>ASSETS</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 293,626	\$ 279,287	\$ 413,816	\$ 507,980	\$ 284,310
Accrued Interest Receivable	275	261	387	-	-
Intergovernmental Receivable	409,100	31,637	3,514	-	-
Property Taxes Receivable	-	-	-	-	-
<b>Total Assets</b>	<u>\$ 703,001</u>	<u>\$ 311,185</u>	<u>\$ 417,717</u>	<u>\$ 507,980</u>	<u>\$ 284,310</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ -	\$ -	\$ 665	\$ -	\$ -
Accrued Wages and Benefits	16,059	-	-	-	-
Intergovernmental Payable	13,095	-	-	-	-
Matured Compensated Absences Payable	-	-	-	-	-
Deferred Revenue	325,933	24,894	-	-	-
<b>Total Liabilities</b>	<u>355,087</u>	<u>24,894</u>	<u>665</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>					
Reserved for:					
Encumbrances	7,425	1,857	-	3,598	-
Unreserved:					
Designated for:					
Accrued Retiree Benefits	-	-	-	-	-
Undesignated (Deficit), Reported in:					
Special Revenue Funds	340,489	284,434	417,052	504,382	284,310
<b>Total Fund Balances (Deficit)</b>	<u>347,914</u>	<u>286,291</u>	<u>417,052</u>	<u>507,980</u>	<u>284,310</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 703,001</u>	<u>\$ 311,185</u>	<u>\$ 417,717</u>	<u>\$ 507,980</u>	<u>\$ 284,310</u>

(Continued)

# City of Brook Park, Ohio

## Combining Balance Sheet Non-Major Special Revenue Funds (Continued)

**December 31, 2010**

	<u>Special Recreation</u>	<u>Law Enforcement</u>	<u>DWI Enforcement &amp; Education</u>	<u>Federal Forfeiture</u>	<u>Community Diversion</u>
<b>ASSETS</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 166,657	\$ 162,345	\$ 28,387	\$ 176,558	\$ 6,816
Accrued Interest Receivable	-	-	-	165	-
Intergovernmental Receivable	-	158,855	137	32,760	-
Property Taxes Receivable	-	-	-	-	-
<b>Total Assets</b>	<u>\$ 166,657</u>	<u>\$ 321,200</u>	<u>\$ 28,524</u>	<u>\$ 209,483</u>	<u>\$ 6,816</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ -	\$ 124,859	\$ -	\$ -	\$ -
Accrued Wages and Benefits	-	-	-	-	-
Intergovernmental Payable	-	-	-	-	-
Matured Compensated Absences Payable	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>124,859</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>					
Reserved for:					
Encumbrances	985	15,460	573	-	-
Unreserved:					
Designated for:					
Accrued Retiree Benefits	-	-	-	-	-
Undesignated (Deficit), Reported in:					
Special Revenue Funds	165,672	180,881	27,951	209,483	6,816
<b>Total Fund Balances (Deficit)</b>	<u>166,657</u>	<u>196,341</u>	<u>28,524</u>	<u>209,483</u>	<u>6,816</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 166,657</u>	<u>\$ 321,200</u>	<u>\$ 28,524</u>	<u>\$ 209,483</u>	<u>\$ 6,816</u>

<b>Retiree Accrued Benefits</b>	<b>Police Pension</b>	<b>Fire Pension</b>	<b>Southwest General Health Center</b>	<b>Continuing Training Program</b>	<b>Nonmajor Special Revenue Funds</b>
\$ 1,673,902	\$ 12,109	\$ 5,273	\$ 1,049	\$ 5,740	\$ 4,017,855
-	-	-	-	-	1,088
-	12,353	12,353	10,903	-	671,612
-	129,668	129,668	98,084	-	357,420
<u>\$ 1,673,902</u>	<u>\$ 154,130</u>	<u>\$ 147,294</u>	<u>\$ 110,036</u>	<u>\$ 5,740</u>	<u>\$ 5,047,975</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125,524
-	203,171	269,830	-	-	489,060
-	-	-	-	-	13,095
23,904	-	-	-	-	23,904
-	142,021	142,021	108,987	-	743,856
<u>23,904</u>	<u>345,192</u>	<u>411,851</u>	<u>108,987</u>	<u>-</u>	<u>1,395,439</u>
-	-	-	-	-	29,898
1,649,998	-	-	-	-	1,649,998
-	(191,062)	(264,557)	1,049	5,740	1,972,640
<u>1,649,998</u>	<u>(191,062)</u>	<u>(264,557)</u>	<u>1,049</u>	<u>5,740</u>	<u>3,652,536</u>
<u>\$ 1,673,902</u>	<u>\$ 154,130</u>	<u>\$ 147,294</u>	<u>\$ 110,036</u>	<u>\$ 5,740</u>	<u>\$ 5,047,975</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, 2010

	<u>Street Maintenance</u>	<u>State Highway</u>	<u>Permissive Tax</u>	<u>Economic Development</u>	<u>Brook Park Road Corridor</u>
<b>REVENUES</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	781,350	59,798	46,369	-	-
Fines and Forfeitures	-	-	-	-	-
All Other Revenues	-	-	-	2,000	-
<b>Total Revenues</b>	<u>781,350</u>	<u>59,798</u>	<u>46,369</u>	<u>2,000</u>	<u>-</u>
<b>EXPENDITURES</b>					
Security of Persons and Property:					
Police	-	-	-	-	-
Fire	-	-	-	-	-
Public Health	-	-	-	-	-
Leisure Time Activities	-	-	-	-	-
Community Development	-	-	-	80,970	-
Transportation	740,364	4,149	15,976	-	-
<b>Total Expenditures</b>	<u>740,364</u>	<u>4,149</u>	<u>15,976</u>	<u>80,970</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>40,986</u>	<u>55,649</u>	<u>30,393</u>	<u>(78,970)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES</b>					
Transfer In	-	-	-	-	-
Transfer Out	-	-	-	(755,000)	-
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(755,000)</u>	<u>-</u>
Net Change in Fund Balances	40,986	55,649	30,393	(833,970)	-
Fund Balances (Deficit) - Beginning of Year	306,928	230,642	386,659	1,341,950	284,310
<b>Fund Balances (Deficit) - End of Year</b>	<u>\$ 347,914</u>	<u>\$ 286,291</u>	<u>\$ 417,052</u>	<u>\$ 507,980</u>	<u>\$ 284,310</u>

<u>Special Recreation</u>	<u>Law Enforcement</u>	<u>DWI Enforcement &amp; Education</u>	<u>Federal Forfeiture</u>	<u>Community Diversion</u>	<u>Retiree Accrued Benefits</u>	<u>Police Pension</u>	<u>Fire Pension</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 126,113	\$ 126,113
-	-	-	-	-	-	51,121	51,121
-	180,234	1,748	25,560	-	-	-	-
<u>185,280</u>	<u>12,058</u>	<u>-</u>	<u>65,646</u>	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>185,280</u>	<u>192,292</u>	<u>1,748</u>	<u>91,206</u>	<u>1,800</u>	<u>-</u>	<u>177,234</u>	<u>177,234</u>
-	139,004	54	-	790	80,060	618,957	-
-	-	-	-	-	-	-	754,637
-	-	-	-	-	-	-	-
109,921	-	-	-	-	4,178	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>109,921</u>	<u>139,004</u>	<u>54</u>	<u>-</u>	<u>790</u>	<u>84,238</u>	<u>618,957</u>	<u>754,637</u>
<u>75,359</u>	<u>53,288</u>	<u>1,694</u>	<u>91,206</u>	<u>1,010</u>	<u>(84,238)</u>	<u>(441,723)</u>	<u>(577,403)</u>
-	-	-	-	-	200,000	431,000	505,000
-	-	-	-	-	-	-	-
-	-	-	-	-	200,000	431,000	505,000
<u>75,359</u>	<u>53,288</u>	<u>1,694</u>	<u>91,206</u>	<u>1,010</u>	<u>115,762</u>	<u>(10,723)</u>	<u>(72,403)</u>
<u>91,298</u>	<u>143,053</u>	<u>26,830</u>	<u>118,277</u>	<u>5,806</u>	<u>1,534,236</u>	<u>(180,339)</u>	<u>(192,154)</u>
<u>\$ 166,657</u>	<u>\$ 196,341</u>	<u>\$ 28,524</u>	<u>\$ 209,483</u>	<u>\$ 6,816</u>	<u>\$ 1,649,998</u>	<u>\$ (191,062)</u>	<u>\$ (264,557)</u>

(Continued)

# City of Brook Park, Ohio

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances Non-Major Special Revenue Funds (Continued)

### **For The Year Ended December 31, 2010**

	<b>Southwest General Health Center</b>	<b>Continuing Training Program</b>	<b>Nonmajor Special Revenue Funds</b>
<b>REVENUES</b>			
Property Taxes	\$ 95,483	\$ -	\$ 347,709
Intergovernmental	48,221	-	1,037,980
Fines and Forfeitures	-	-	207,542
All Other Revenues	-	880	267,664
<b>Total Revenues</b>	<b>143,704</b>	<b>880</b>	<b>1,860,895</b>
<b>EXPENDITURES</b>			
Security of Persons and Property:			
Police	-	2,725	841,590
Fire	-	-	754,637
Public Health	142,735	-	142,735
Leisure Time Activities	-	-	114,099
Community Development	-	-	80,970
Transportation	-	-	760,489
<b>Total Expenditures</b>	<b>142,735</b>	<b>2,725</b>	<b>2,694,520</b>
Excess of Revenues Over (Under) Expenditures	969	(1,845)	(833,625)
<b>OTHER FINANCING SOURCES</b>			
Transfer In	-	-	1,136,000
Transfer Out	-	-	(755,000)
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>381,000</b>
Net Change in Fund Balances	969	(1,845)	(452,625)
Fund Balances (Deficit) - Beginning of Year	80	7,585	4,105,161
<b>Fund Balances (Deficit) - End of Year</b>	<b>\$ 1,049</b>	<b>\$ 5,740</b>	<b>\$ 3,652,536</b>

**Individual Fund  
Schedules of Revenues, Expenditures and  
Changes in Fund Balances -  
Budget (Non – GAAP Budgetary 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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 1,799,080	\$ 1,684,274	\$ 1,684,274	\$ -
Income Taxes	14,815,440	15,566,427	15,566,427	-
Other Taxes	260,900	271,165	271,165	-
Intergovernmental	1,622,514	1,883,753	1,883,753	-
Interest	35,800	46,308	46,308	-
Licenses and Permits	509,135	544,912	544,912	-
Fines and Forfeitures	274,429	335,435	335,435	-
Rentals	-	2,500	2,500	-
Charges for Services	2,202,441	2,267,147	2,334,580	67,433
Contributions and Donations	-	15,208	15,208	-
All Other Revenues	252,588	198,557	198,597	40
<b>Total Revenues</b>	<b>21,772,327</b>	<b>22,815,686</b>	<b>22,883,159</b>	<b>67,473</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property				
Correctional Facility				
Personal Services	160,129	164,055	161,564	2,491
Travel and Education	100	100	-	100
Contractual Services	19,685	21,485	16,175	5,310
Supplies and Materials	450	450	-	450
Other Expenses	35,025	33,225	18,832	14,393
<b>Total Correctional Facility</b>	<b>215,389</b>	<b>219,315</b>	<b>196,571</b>	<b>22,744</b>
School Guards				
Personal Services	91,919	91,919	91,374	545
Other Expenses	100	100	-	100
<b>Total School Guards</b>	<b>92,019</b>	<b>92,019</b>	<b>91,374</b>	<b>645</b>
Fire Department				
Personal Services	3,947,720	3,917,720	3,831,045	86,675
Travel and Education	5,000	3,600	3,533	67
Contractual Services	178,973	175,180	130,722	44,458
Supplies and Materials	44,184	49,377	44,391	4,986
Other Expenses	42,428	42,428	34,343	8,085
<b>Total Fire Department</b>	<b>4,218,305</b>	<b>4,188,305</b>	<b>4,044,034</b>	<b>144,271</b>
Police Department				
Personal Services	4,121,278	4,061,278	3,967,199	94,079
Travel and Education	5,158	4,597	4,396	201
Contractual Services	117,158	121,820	114,665	7,155
Supplies and Materials	55,787	75,329	68,214	7,115
Other Expenses	91,371	126,159	104,782	21,377
<b>Total Police Department</b>	<b>4,390,752</b>	<b>4,389,183</b>	<b>4,259,256</b>	<b>129,927</b>

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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Animal Control				
Personal Services	141,299	147,072	140,773	6,299
Travel and Education	150	574	574	-
Contractual Services	48,752	52,472	37,404	15,068
Supplies and Materials	2,794	1,820	486	1,334
Other Expenses	11,404	11,733	9,617	2,116
Total Animal Control	204,399	213,671	188,854	24,817
Safety Director				
Personal Services	117,638	117,638	117,289	349
Travel and Education	100	-	-	-
Contractual Services	600	1,176	1,119	57
Supplies and Materials	300	99	-	99
Other Expenses	1,250	1,080	930	150
Total Safety Director	119,888	119,993	119,338	655
Safety Building				
Personal Services	561,971	561,971	548,058	13,913
Travel and Education	500	500	-	500
Contractual Services	120,455	131,321	110,872	20,449
Supplies and Materials	1,655	1,655	926	729
Other Expenses	250	150	-	150
Total Safety Building	684,831	695,597	659,856	35,741
Safety Town				
Personal Services	4,775	4,775	4,775	-
Contractual Services	2,200	2,000	1,875	125
Supplies and Materials	150	150	-	150
Other Expenses	486	686	656	30
Total Safety Town	7,611	7,611	7,306	305
Street Lighting				
Contractual Services	347,255	397,255	394,532	2,723
Supplies and Materials	1,800	1,877	1,877	-
Total Street Lighting	349,055	399,132	396,409	2,723
Traffic Lights				
Contractual Services	54,249	77,456	68,660	8,796
Supplies and Materials	4,975	3,475	-	3,475
Total Traffic Lights	59,224	80,931	68,660	12,271

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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Disaster Services				
Personal Services	25,868	27,311	26,040	1,271
Travel and Education	-	161	161	-
Contractual Services	936	1,076	1,046	30
Supplies and Materials	600	7,317	6,570	747
Other Expenses	7,500	7,057	6,403	654
Total Disaster Services	34,904	42,922	40,220	2,702
Total Security of Persons and Property	10,376,377	10,448,679	10,071,878	376,801
Public Health & Welfare				
County Board of Health				
Contractual Services	82,007	82,007	82,007	-
Office of Aging				
Personal Services	191,431	191,431	183,442	7,989
Travel and Education	50	50	-	50
Contractual Services	1,339	1,861	1,466	395
Supplies and Materials	10,585	10,585	8,540	2,045
Other Expenses	13,495	17,973	17,237	736
Total Office of Aging	216,900	221,900	210,685	11,215
Total Public Health and Welfare	298,907	303,907	292,692	11,215
Leisure Time Activities				
Recreation Commission				
Personal Services	15,164	15,164	15,163	1
Recreation Center				
Personal Services	793,110	793,110	769,985	23,125
Travel and Education	500	500	434	66
Contractual Services	671,235	673,735	598,941	74,794
Supplies and Materials	43,934	43,934	38,404	5,530
Other Expenses	20,389	20,389	15,615	4,774
Total Recreation Center	1,529,168	1,531,668	1,423,379	108,289
Home Day Celebration				
Personal Services	18,039	18,039	13,791	4,248
Contractual Services	40,450	29,512	28,693	819
Supplies and Materials	2,000	1,000	398	602
Other Expenses	2,960	2,898	1,929	969
Total Home Day Celebration	63,449	51,449	44,811	6,638

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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Parks and Play Grounds				
Personal Services	465,616	464,190	420,987	43,203
Travel and Education	100	100	45	55
Contractual Services	89,460	89,102	76,093	13,009
Supplies and Materials	65,288	70,448	57,198	13,250
Other Expenses	86,357	81,955	49,348	32,607
Total Parks and Play Grounds	706,821	705,795	603,671	102,124
Public Recreation				
Contractual Services	72,451	72,451	69,149	3,302
Supplies and Materials	10,618	10,618	8,596	2,022
Other Expenses	16,961	16,961	9,489	7,472
Total Public Recreation	100,030	100,030	87,234	12,796
Total Leisure Time Activities	2,414,632	2,404,106	2,174,258	229,848
Community Development				
Planning Commission				
Personal Services	14,870	14,870	14,867	3
Supplies and Materials	100	100	-	100
Total Planning Commission	14,970	14,970	14,867	103
Community Development				
Personal Services	86,766	86,766	86,757	9
Travel and Education	800	800	224	576
Contractual Services	2,591	2,591	2,377	214
Supplies and Materials	500	500	77	423
Other Expenses	545	545	344	201
Total Community Development	91,202	91,202	89,779	1,423
Board of Zoning Appeals				
Personal Services	17,844	17,844	15,052	2,792
Building Department				
Personal Services	578,787	578,787	576,281	2,506
Travel and Education	1,500	1,500	1,477	23
Contractual Services	30,546	30,206	27,097	3,109
Supplies and Materials	5,533	6,219	3,996	2,223
Other Expenses	6,993	7,847	6,977	870
Total Building Department	623,359	624,559	615,828	8,731

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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Tree and Tree Lawns				
Personal Services	323,299	323,299	258,017	65,282
Travel and Education	150	150	-	150
Contractual Services	1,750	2,424	2,424	-
Supplies and Materials	3,956	4,081	2,003	2,078
Other Expenses	6,716	5,917	4,218	1,699
Total Tree and Tree Lawns	<u>335,871</u>	<u>335,871</u>	<u>266,662</u>	<u>69,209</u>
Total Community Development	<u>1,083,246</u>	<u>1,084,446</u>	<u>1,002,188</u>	<u>82,258</u>
Public Works				
Service Director				
Personal Services	534,552	534,552	527,136	7,416
Travel and Education	500	500	125	375
Contractual Services	8,650	9,150	8,615	535
Supplies and Materials	8,368	7,615	5,857	1,758
Other Expenses	2,364	4,192	3,961	231
Total Service Director	<u>554,434</u>	<u>556,009</u>	<u>545,694</u>	<u>10,315</u>
Service Building				
Personal Services	73,198	73,487	71,036	2,451
Travel and Education	250	155	-	155
Contractual Services	235,254	237,228	177,597	59,631
Supplies and Materials	47,741	46,273	35,882	10,391
Other Expenses	38,104	72,692	47,487	25,205
Total Service Building	<u>394,547</u>	<u>429,835</u>	<u>332,002</u>	<u>97,833</u>
Sanitation Department				
Personal Services	709,046	709,046	675,654	33,392
Travel and Education	1,000	550	5	545
Contractual Services	4,586	9,136	7,551	1,585
Supplies and Materials	103,738	103,570	72,803	30,767
Other Expenses	509,697	507,565	463,531	44,034
Total Sanitation Department	<u>1,328,067</u>	<u>1,329,867</u>	<u>1,219,544</u>	<u>110,323</u>
Sewers, Drains, and Pump Stations				
Personal Services	755,745	761,749	754,962	6,787
Travel and Education	100	429	429	-
Contractual Services	65,831	64,672	51,248	13,424
Supplies and Materials	47,283	50,020	43,680	6,340
Other Expenses	33,812	35,304	27,182	8,122
Total Sewers, Drains, and Pump Stations	<u>902,771</u>	<u>912,174</u>	<u>877,501</u>	<u>34,673</u>
Total Public Works	<u>3,179,819</u>	<u>3,227,885</u>	<u>2,974,741</u>	<u>253,144</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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Transportation				
Street Cleaning				
Personal Services	70,254	71,109	70,767	342
Contractual Services	50	50	36	14
Supplies and Materials	5,197	5,197	4,196	1,001
Other Expenses	4,700	4,700	2,721	1,979
Total Street Cleaning	80,201	81,056	77,720	3,336
Traffic Signs				
Personal Services	66,404	66,404	64,837	1,567
Travel and Education	-	45	45	-
Contractual Services	50	50	36	14
Supplies and Materials	1,100	1,055	460	595
Other Expenses	500	500	25	475
Total Traffic Signs	68,054	68,054	65,403	2,651
Snow Removal				
Personal Services	225,127	225,127	158,048	67,079
Contractual Services	500	2,478	2,478	-
Supplies and Materials	104,044	110,525	97,554	12,971
Other Expenses	321,477	353,018	333,526	19,492
Total Snow Removal	651,148	691,148	591,606	99,542
Total Transportation	799,403	840,258	734,729	105,529
General Government				
City Council				
Personal Services	134,913	134,913	134,912	1
Travel and Education	4,500	4,500	3,032	1,468
Contractual Services	18,316	18,316	8,098	10,218
Supplies and Materials	1,700	1,700	1,383	317
Other Expenses	1,819	1,819	377	1,442
Total City Council	161,248	161,248	147,802	13,446
Clerk of Council				
Personal Services	144,444	144,444	144,145	299
Travel and Education	500	500	100	400
Contractual Services	1,126	1,326	1,205	121
Supplies and Materials	400	400	203	197
Total Clerk of Council	146,470	146,670	145,653	1,017

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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Mayor's Court				
Personal Services	108,468	108,721	108,710	11
Travel and Education	1,000	874	868	6
Contractual Services	12,159	14,906	14,627	279
Supplies and Materials	1,700	1,590	1,524	66
Other Expenses	50	40	38	2
Total Mayor's Court	123,377	126,131	125,767	364
Civil Service Commission				
Personal Services	30,760	30,760	27,576	3,184
Travel and Education	-	251	251	-
Contractual Services	14,228	14,138	2,848	11,290
Supplies and Materials	350	440	190	250
Other Expenses	9,593	9,342	3,515	5,827
Total Civil Service Commission	54,931	54,931	34,380	20,551
Mayor's Office				
Personal Services	264,738	264,738	261,057	3,681
Travel and Education	4,000	6,034	5,957	77
Contractual Services	7,336	9,507	6,994	2,513
Supplies and Materials	3,982	5,103	4,888	215
Other Expenses	3,251	3,596	2,788	808
Total Mayor's Office	283,307	288,978	281,684	7,294
Human Resources				
Personal Services	103,790	103,790	103,741	49
Travel and Education	500	500	215	285
Contractual Services	11,004	11,004	8,167	2,837
Supplies and Materials	400	400	27	373
Other Expenses	100	100	-	100
Total Human Resources	115,794	115,794	112,150	3,644
Public Properties				
Personal Services	336,511	336,511	327,844	8,667
Travel and Education	250	250	185	65
Contractual Services	22,283	22,283	11,886	10,397
Supplies and Materials	2,162	2,162	151	2,011
Other Expenses	1,982	1,982	55	1,927
Total Public Properties	363,188	363,188	340,121	23,067

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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Legal Department				
Personal Services	275,218	281,567	277,877	3,690
Travel and Education	1,000	824	190	634
Contractual Services	1,400	1,576	1,496	80
Supplies and Materials	650	650	115	535
Other Expenses	50	50	-	50
Total Legal Department	278,318	284,667	279,678	4,989
Finance Department				
Personal Services	395,782	395,782	383,794	11,988
Travel and Education	3,020	4,620	4,576	44
Contractual Services	87,299	88,539	75,244	13,295
Supplies and Materials	7,640	7,482	7,378	104
Other Expenses	231	549	357	192
Total Finance Department	493,972	496,972	471,349	25,623
Tax Department				
Personal Services	277,085	277,085	269,442	7,643
Travel and Education	1,800	2,155	2,155	-
Contractual Services	50,328	50,328	49,824	504
Supplies and Materials	19,414	19,059	13,394	5,665
Other Expenses	283,725	283,725	162,221	121,504
Total Tax Department	632,352	632,352	497,036	135,316
Tax Review Board				
Personal Services	4,195	4,195	4,184	11
Retirees				
Personal Services	277,202	277,202	251,487	25,715
Mechanics				
Personal Services	634,354	677,278	664,841	12,437
Travel and Education	1,700	1,545	1,545	-
Contractual Services	428	673	649	24
Supplies and Materials	4,625	4,535	3,484	1,051
Other Expenses	570	570	139	431
Total Mechanics	641,677	684,601	670,658	13,943
Engineering				
Contractual Services	48,000	48,000	48,000	-

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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Lands and Buildings				
Personal Services	-	3,175	1,033	2,142
Contractual Services	162,601	160,371	143,588	16,783
Supplies and Materials	3,482	5,061	3,869	1,192
Other Expenses	19,315	19,966	14,537	5,429
Total Lands and Buildings	185,398	188,573	163,027	25,546
Other General Government				
Personal Services	530,135	545,135	532,031	13,104
Travel and Education	8,000	4,550	4,514	36
Contractual Services	408,708	687,637	542,115	145,522
Supplies and Materials	71,756	56,678	11,108	45,570
Other Expenses	288,424	288,025	217,013	71,012
Total Other General Government	1,307,023	1,582,025	1,306,781	275,244
Total General Government	5,116,452	5,455,527	4,879,757	575,770
<b>Total Expenditures</b>	<b>23,268,836</b>	<b>23,764,808</b>	<b>22,130,243</b>	<b>1,634,565</b>
Excess of Revenues Over (Under) Expenditures	(1,496,509)	(949,122)	752,916	1,702,038
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	-	4,323	4,323	-
Transfers Out	(926,000)	(1,136,000)	(1,136,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(926,000)</b>	<b>(1,131,677)</b>	<b>(1,131,677)</b>	<b>-</b>
Net Change in Fund Balance	(2,422,509)	(2,080,799)	(378,761)	1,702,038
Cash Fund Balance - Beginning of Year	2,731,185	2,731,185	2,731,185	-
Current Year Encumbrances	-	-	398,029	398,029
<b>Cash Fund Balance - End of Year</b>	<b>\$ 308,676</b>	<b>\$ 650,386</b>	<b>\$ 2,750,453</b>	<b>\$ 2,100,067</b>

# City of Brook Park, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual Capital Improvements Fund **For The Year Ended December 31, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Income Taxes	\$ 1,186,804	\$ 1,270,247	\$ 1,270,247	\$ -
Intergovernmental	4,402,230	4,257,335	3,896,854	(360,481)
Special Assessments	34,613	23,482	23,482	-
All Other Revenues	96,546	112,856	112,857	1
<b>Total Revenues</b>	<b>5,720,193</b>	<b>5,663,920</b>	<b>5,303,440</b>	<b>(360,480)</b>
<b>Expenditures:</b>				
Current:				
Community Development				
Contractual Services	50,314	140,314	122,539	17,775
Public Works				
Sewers and Drains				
Contractual Services	169,718	179,718	176,219	3,499
Transportation				
Street Paving and Repair				
Contractual Services	145,272	206,648	204,782	1,866
Other	254	4,637	4,637	-
<b>Total Transportation</b>	<b>145,526</b>	<b>211,285</b>	<b>209,419</b>	<b>1,866</b>

Continued

# City of Brook Park, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual Capital Improvements Fund (continued) **For The Year Ended December 31, 2010**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
General Government				
Income Tax Department				
Personal Services	27,729	27,729	26,883	846
Travel and Education	200	239	229	10
Contractual Services	5,581	5,581	3,610	1,971
Supplies and Materials	350	311	173	138
Other	31,525	31,525	18,024	13,501
Total General Government	65,385	65,385	48,919	16,466
Capital Outlay				
Building Department	1,342	1,689	1,641	48
Community Development	511,857	541,857	538,017	3,840
Council	3,185	7,273	4,677	2,596
Finance Department	-	2,741	2,451	290
Fire Department	239,779	264,777	263,499	1,278
Lands and Buildings	15,323	106,823	94,823	12,000
Legal Department	6,000	8,000	8,000	-
Mayor's Office	2,737	5,057	3,170	1,887
Mechanics	-	4,682	4,087	595
Office of Aging	19,329	19,329	19,329	-
Parks and Playgrounds	-	42,608	42,608	-
Police Department	105,264	141,200	137,390	3,810
Recreation Center	4,046	6,281	5,035	1,246
Safety Building	13,751	13,751	13,751	-
Sanitation	77,235	97,235	94,012	3,223
Service Building	1,952	37,362	36,826	536
Sewers and Drains	4,418,608	4,732,758	4,336,983	395,775
Snow Removal	64,028	79,028	75,824	3,204
Street Paving and Repair	378,224	1,005,965	978,227	27,738
Tax Department	13,915	16,927	14,251	2,676
Trees and Tree Lawns	-	10,798	9,338	1,460
Total Capital Outlay	5,876,575	7,146,141	6,683,939	462,202
<b>Total Expenditures</b>	<b>6,307,518</b>	<b>7,742,843</b>	<b>7,241,035</b>	<b>501,808</b>
Excess of Revenues Over (Under) Expenditures	(587,325)	(2,078,923)	(1,937,595)	141,328

Continued

## City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 Capital Improvements Fund (continued)  
**For The Year Ended December 31, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Other Financing Sources (Uses)</b>				
OWDA Loans Issued	1,576,135	1,455,276	-	(1,455,276)
OPWC Loans Issued	573,140	-	-	-
Transfers In	-	755,000	755,000	-
Transfers Out	(265,047)	(265,047)	(265,047)	-
<b>Total Other Financing Sources (Uses)</b>	<u>1,884,228</u>	<u>1,945,229</u>	<u>489,953</u>	<u>(1,455,276)</u>
Net Change in Fund Balance	1,296,903	(133,694)	(1,447,642)	(1,313,948)
Cash Fund Balance - Beginning of Year	6,775,796	6,775,796	6,775,796	-
Current Year Encumbrances	-	-	1,246,184	1,246,184
<b>Cash Fund Balance - End of Year</b>	<u>\$ 8,072,699</u>	<u>\$ 6,642,102</u>	<u>\$ 6,574,338</u>	<u>\$ (67,764)</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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 823,199	\$ 818,200	\$ 818,200	\$ -
Interest	854	246	246	-
<b>Total Revenues</b>	<u>824,053</u>	<u>818,446</u>	<u>818,446</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Transportation				
Street Paving and Repair				
Personal Services	687,348	687,348	672,663	14,685
Travel and Education	250	250	89	161
Contractual Services	5,085	7,239	3,589	3,650
Supplies and Materials	47,283	47,268	36,746	10,522
Other	66,844	64,705	41,177	23,528
<b>Total Expenditures</b>	<u>806,810</u>	<u>806,810</u>	<u>754,264</u>	<u>52,546</u>
Net Change in Fund Balance	17,243	11,636	64,182	52,546
Cash Fund Balance - Beginning of Year	222,019	222,019	222,019	-
Current Year Encumbrances	-	-	7,425	7,425
<b>Cash Fund Balance - End of Year</b>	<u>\$ 239,262</u>	<u>\$ 233,655</u>	<u>\$ 293,626</u>	<u>\$ 59,971</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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 66,746	\$ 63,274	\$ 63,274	\$ -
Interest	645	274	274	-
<b>Total Revenues</b>	<b>67,391</b>	<b>63,548</b>	<b>63,548</b>	<b>-</b>
<b>Expenditures:</b>				
Current:				
Transportation				
Street Paving and Repair				
Supplies and Materials	25,239	25,239	6,006	19,233
<b>Total Expenditures</b>	<b>25,239</b>	<b>25,239</b>	<b>6,006</b>	<b>19,233</b>
Net Change in Fund Balance	42,152	38,309	57,542	19,233
Cash Fund Balance - Beginning of Year	219,888	219,888	219,888	-
Current Year Encumbrances	-	-	1,857	1,857
<b>Cash Fund Balance - End of Year</b>	<b>\$ 262,040</b>	<b>\$ 258,197</b>	<b>\$ 279,287</b>	<b>\$ 21,090</b>

# 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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 47,093	\$ 47,525	\$ 47,525	\$ -
Interest	943	433	433	-
<b>Total Revenues</b>	<u>48,036</u>	<u>47,958</u>	<u>47,958</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Transportation				
Street Paving and Repair				
Supplies and Materials	50,000	50,000	-	50,000
Other	50,000	50,000	15,311	34,689
<b>Total Expenditures</b>	<u>100,000</u>	<u>100,000</u>	<u>15,311</u>	<u>84,689</u>
Net Change in Fund Balance	(51,964)	(52,042)	32,647	84,689
Cash Fund Balance - Beginning of Year	381,169	381,169	381,169	-
<b>Cash Fund Balance - End of Year</b>	<u>\$ 329,205</u>	<u>\$ 329,127</u>	<u>\$ 413,816</u>	<u>\$ 84,689</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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
All Other Revenues	\$ 1,000	\$ 2,000	\$ 2,000	\$ -
<b>Total Revenues</b>	<u>1,000</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Community Development				
Contractual Services	121,598	121,565	84,435	37,130
Other	100	133	133	-
<b>Total Expenditures</b>	<u>121,698</u>	<u>121,698</u>	<u>84,568</u>	<u>37,130</u>
Excess of Revenues Over (Under) Expenditures	(120,698)	(119,698)	(82,568)	37,130
<b>Other Financing Sources (Uses)</b>				
Transfers Out	-	(755,000)	(755,000)	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(755,000)</u>	<u>(755,000)</u>	<u>-</u>
Net Change in Fund Balance	(120,698)	(874,698)	(837,568)	37,130
Cash Fund Balance - Beginning of Year	1,341,950	1,341,950	1,341,950	-
Current Year Encumbrances	-	-	3,598	3,598
<b>Cash Fund Balance - End of Year</b>	<u>\$ 1,221,252</u>	<u>\$ 467,252</u>	<u>\$ 507,980</u>	<u>\$ 40,728</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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures:</b>				
Current:				
Community Development				
Contractual Services	\$ 500	\$ 500	\$ -	\$ 500
<b>Total Expenditures</b>	<u>500</u>	<u>500</u>	<u>-</u>	<u>500</u>
Net Change in Fund Balance	(500)	(500)	-	500
Cash Fund Balance - Beginning of Year	284,310	284,310	284,310	-
<b>Cash Fund Balance - End of Year</b>	<u>\$ 283,810</u>	<u>\$ 283,810</u>	<u>\$ 284,310</u>	<u>\$ 500</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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
All Other Revenues	\$ 174,172	\$ 185,280	\$ 185,280	\$ -
<b>Total Revenues</b>	<u>174,172</u>	<u>185,280</u>	<u>185,280</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Leisure Time Activities				
Public Recreation				
Travel and Education	808	808	200	608
Contractual Services	66,335	66,335	51,078	15,257
Supplies and Materials	1,700	1,700	3	1,697
Other	74,449	74,449	59,625	14,824
<b>Total Expenditures</b>	<u>143,292</u>	<u>143,292</u>	<u>110,906</u>	<u>32,386</u>
Net Change in Fund Balance	30,880	41,988	74,374	32,386
Cash Fund Balance - Beginning of Year	91,298	91,298	91,298	-
Current Year Encumbrances	-	-	985	985
<b>Cash Fund Balance - End of Year</b>	<u>\$ 122,178</u>	<u>\$ 133,286</u>	<u>\$ 166,657</u>	<u>\$ 33,371</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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Fines and Forfeitures	\$ 9,620	\$ 32,854	\$ 32,854	\$ -
All Other Revenues	11,256	12,058	12,058	-
<b>Total Revenues</b>	<b>20,876</b>	<b>44,912</b>	<b>44,912</b>	<b>-</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property				
Police and Others				
Travel and Education	7,250	11,825	3,775	8,050
Contractual Services	10,000	12,425	12,425	-
Supplies and Materials	15,000	25,000	23,044	1,956
<b>Total Expenditures</b>	<b>32,250</b>	<b>49,250</b>	<b>39,244</b>	<b>10,006</b>
Net Change in Fund Balance	(11,374)	(4,338)	5,668	10,006
Cash Fund Balance - Beginning of Year	141,217	141,217	141,217	-
Current Year Encumbrances	-	-	15,460	15,460
<b>Cash Fund Balance - End of Year</b>	<b>\$ 129,843</b>	<b>\$ 136,879</b>	<b>\$ 162,345</b>	<b>\$ 25,466</b>

# 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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Fines and Forfeitures	\$ 1,623	\$ 1,693	\$ 1,693	\$ -
<b>Total Revenues</b>	<u>1,623</u>	<u>1,693</u>	<u>1,693</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property				
Police and Others				
Travel and Education	-	1,146	627	519
Other	1,146	-	-	-
<b>Total Expenditures</b>	<u>1,146</u>	<u>1,146</u>	<u>627</u>	<u>519</u>
Net Change in Fund Balance	477	547	1,066	519
Cash Fund Balance - Beginning of Year	26,748	26,748	26,748	-
Current Year Encumbrances	-	-	573	573
<b>Cash Fund Balance - End of Year</b>	<u>\$ 27,225</u>	<u>\$ 27,295</u>	<u>\$ 28,387</u>	<u>\$ 1,092</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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Interest	\$ 293	\$ 149	\$ 149	\$ -
All Other Revenues	23,700	65,869	65,869	-
<b>Total Revenues</b>	<u>23,993</u>	<u>66,018</u>	<u>66,018</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property				
Police and Others				
Contractual Services	1,500	1,500	-	1,500
Supplies and Materials	50,000	50,000	-	50,000
<b>Total Expenditures</b>	<u>51,500</u>	<u>51,500</u>	<u>-</u>	<u>51,500</u>
Net Change in Fund Balance	(27,507)	14,518	66,018	51,500
Cash Fund Balance - Beginning of Year	110,540	110,540	110,540	-
<b>Cash Fund Balance - End of Year</b>	<u>\$ 83,033</u>	<u>\$ 125,058</u>	<u>\$ 176,558</u>	<u>\$ 51,500</u>

# City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 Community Diversion Fund  
**For The Year Ended December 31, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
All Other Revenues	\$ 1,800	\$ 1,800	\$ 1,800	\$ -
<b>Total Revenues</b>	<u>1,800</u>	<u>1,800</u>	<u>1,800</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property				
Police and Others				
Personal Services	2,017	2,017	785	1,232
Contractual Services	250	250	-	250
Supplies and Materials	100	100	5	95
Other	100	100	-	100
<b>Total Expenditures</b>	<u>2,467</u>	<u>2,467</u>	<u>790</u>	<u>1,677</u>
Net Change in Fund Balance	(667)	(667)	1,010	1,677
Cash Fund Balance - Beginning of Year	5,806	5,806	5,806	-
<b>Cash Fund Balance - End of Year</b>	<u>\$ 5,139</u>	<u>\$ 5,139</u>	<u>\$ 6,816</u>	<u>\$ 1,677</u>

# City of Brook Park, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual Retiree Accrued Benefits Fund **For The Year Ended December 31, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures:</b>				
Current:				
Security of Persons and Property				
Police and Others:				
Personal Services	\$ 236,231	\$ 236,231	\$ 56,156	\$ 180,075
Fire				
Personal Services	246,193	246,193	58,524	187,669
Total Security of Persons & Property	<u>482,424</u>	<u>482,424</u>	<u>114,680</u>	<u>367,744</u>
Leisure Time Activities				
Parks & Playgrounds				
Personal Services	17,576	17,576	4,178	13,398
<b>Total Expenditures</b>	<u>500,000</u>	<u>500,000</u>	<u>118,858</u>	<u>381,142</u>
Excess of Revenues Over (Under) Expenditures	(500,000)	(500,000)	(118,858)	381,142
<b>Other Financing Sources</b>				
Transfers In	-	200,000	200,000	-
<b>Total Other Financing Sources</b>	<u>-</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Net Change in Fund Balance	(500,000)	(300,000)	81,142	381,142
Cash Fund Balance - Beginning of Year	1,592,760	1,592,760	1,592,760	-
<b>Cash Fund Balance - End of Year</b>	<u>\$ 1,092,760</u>	<u>\$ 1,292,760</u>	<u>\$ 1,673,902</u>	<u>\$ 381,142</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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 136,152	\$ 126,113	\$ 126,113	\$ -
Intergovernmental	51,655	51,121	51,121	-
<b>Total Revenues</b>	<u>187,807</u>	<u>177,234</u>	<u>177,234</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property				
Police and Others				
Personal Services	649,923	644,993	634,162	10,831
<b>Total Expenditures</b>	<u>649,923</u>	<u>644,993</u>	<u>634,162</u>	<u>10,831</u>
Excess of Revenues Over (Under) Expenditures	(462,116)	(467,759)	(456,928)	10,831
<b>Other Financing Sources</b>				
Transfers In	431,000	431,000	431,000	-
<b>Total Other Financing Sources</b>	<u>431,000</u>	<u>431,000</u>	<u>431,000</u>	<u>-</u>
Net Change in Fund Balance	(31,116)	(36,759)	(25,928)	10,831
Cash Fund Balance - Beginning of Year	38,037	38,037	38,037	-
<b>Cash Fund Balance - End of Year</b>	<u>\$ 6,921</u>	<u>\$ 1,278</u>	<u>\$ 12,109</u>	<u>\$ 10,831</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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 136,152	\$ 126,113	\$ 126,113	\$ -
Intergovernmental	51,655	51,121	51,121	-
<b>Total Revenues</b>	<u>187,807</u>	<u>177,234</u>	<u>177,234</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property				
Fire				
Personal Services	750,032	755,354	751,358	3,996
<b>Total Expenditures</b>	<u>750,032</u>	<u>755,354</u>	<u>751,358</u>	<u>3,996</u>
Excess of Revenues Over (Under) Expenditures	(562,225)	(578,120)	(574,124)	3,996
<b>Other Financing Sources</b>				
Transfers In	495,000	505,000	505,000	-
<b>Total Other Financing Sources</b>	<u>495,000</u>	<u>505,000</u>	<u>505,000</u>	<u>-</u>
Net Change in Fund Balance	(67,225)	(73,120)	(69,124)	3,996
Cash Fund Balance - Beginning of Year	74,397	74,397	74,397	-
<b>Cash Fund Balance - End of Year</b>	<u>\$ 7,172</u>	<u>\$ 1,277</u>	<u>\$ 5,273</u>	<u>\$ 3,996</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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 103,986	\$ 95,483	\$ 95,483	\$ -
Intergovernmental	47,524	48,221	48,221	-
<b>Total Revenues</b>	<u>151,510</u>	<u>143,704</u>	<u>143,704</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Public Health and Welfare				
Contractual Services	147,124	142,735	142,735	-
<b>Total Expenditures</b>	<u>147,124</u>	<u>142,735</u>	<u>142,735</u>	<u>-</u>
Net Change in Fund Balance	4,386	969	969	-
Cash Fund Balance - Beginning of Year	80	80	80	-
<b>Cash Fund Balance - End of Year</b>	<u>\$ 4,466</u>	<u>\$ 1,049</u>	<u>\$ 1,049</u>	<u>\$ -</u>

# City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 Continuing Training Program Fund  
**For The Year Ended December 31, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
All Other Revenues	\$ 5,160	\$ 880	\$ 880	\$ -
<b>Total Revenues</b>	<u>5,160</u>	<u>880</u>	<u>880</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property				
Police and Others				
Travel and Education	8,000	8,000	2,725	5,275
<b>Total Expenditures</b>	<u>8,000</u>	<u>8,000</u>	<u>2,725</u>	<u>5,275</u>
Net Change in Fund Balance	(2,840)	(7,120)	(1,845)	5,275
Cash Fund Balance - Beginning of Year	7,585	7,585	7,585	-
<b>Cash Fund Balance - End of Year</b>	<u>\$ 4,745</u>	<u>\$ 465</u>	<u>\$ 5,740</u>	<u>\$ 5,275</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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 63,353	\$ 31,677	\$ 31,677	\$ -
Special Assessments	58,400	59,451	59,451	-
<b>Total Revenues</b>	<u>121,753</u>	<u>91,128</u>	<u>91,128</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
General Government				
Contractual Services	1,000	1,000	821	179
Debt Service:				
Principal	277,467	277,467	228,733	48,734
Interest & Fiscal Charges	53,475	53,477	53,477	-
<b>Total Expenditures</b>	<u>331,942</u>	<u>331,944</u>	<u>283,031</u>	<u>48,913</u>
Excess of Revenues Over (Under) Expenditures	(210,189)	(240,816)	(191,903)	48,913
<b>Other Financing Sources</b>				
Transfers In	265,047	265,047	265,047	-
<b>Total Other Financing Sources</b>	<u>265,047</u>	<u>265,047</u>	<u>265,047</u>	<u>-</u>
Net Change in Fund Balance	54,858	24,231	73,144	48,913
Cash Fund Balance - Beginning of Year	493,635	493,635	493,635	-
<b>Cash Fund Balance - End of Year</b>	<u>\$ 548,493</u>	<u>\$ 517,866</u>	<u>\$ 566,779</u>	<u>\$ 48,913</u>

# City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Equity-  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 Self Insured Medical Benefits Fund  
**For The Year Ended December 31, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for Services	\$ 2,378,526	\$ 2,144,196	\$ 2,144,196	\$ -
<b>Total Revenues</b>	<u>2,378,526</u>	<u>2,144,196</u>	<u>2,144,196</u>	<u>-</u>
<b>Expenses</b>				
Current:				
Fringe Benefits	<u>2,378,526</u>	<u>2,378,526</u>	<u>2,246,855</u>	<u>131,671</u>
<b>Total Expenses</b>	<u>2,378,526</u>	<u>2,378,526</u>	<u>2,246,855</u>	<u>131,671</u>
Net Change in Fund Equity	-	(234,330)	(102,659)	131,671
Cash Fund Equity - Beginning of Year	724,371	724,371	724,371	-
Current Year Encumbrances	-	-	919	919
<b>Cash Fund Equity - End of Year</b>	<u>\$ 724,371</u>	<u>\$ 490,041</u>	<u>\$ 622,631</u>	<u>\$ 132,590</u>

# City of Brook Park, Ohio

## Combining Statements

### **Agency Funds**

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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.

##### *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.

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

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

# City of Brook Park

## Combining Statement of Assets and Liabilities Agency Funds

**December 31, 2010**

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	<u>Cash Bonds Held</u>	<u>Mayor's Court</u>	<u>Board of Building Standards</u>	<u>Payroll Deduction Employees' Share</u>	<u>Total</u>
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$69,149	\$ -	\$ 2,690	\$ 795	\$ 72,634
Cash and Cash Equivalents: in Segregated Accounts	-	33,313	-	-	33,313
Total Assets	<u>\$69,149</u>	<u>\$33,313</u>	<u>\$ 2,690</u>	<u>\$ 795</u>	<u>\$105,947</u>
<b>Liabilities</b>					
Deposits Held and Due to Others	\$69,149	\$ 2,567	\$ 2,690	\$ 795	\$ 75,201
Due to Others	-	30,746	-	-	30,746
Total Liabilities	<u>\$69,149</u>	<u>\$33,313</u>	<u>\$ 2,690</u>	<u>\$ 795</u>	<u>\$105,947</u>

# City of Brook Park, Ohio

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

### **For The Year Ended December 31, 2010**

	Balance 12/31/2009	Additions	Deletions	Balance 12/31/2010
<b>Cash Bonds Held</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 47,629	\$ 36,020	\$ 14,500	\$ 69,149
<b>Liabilities</b>				
Deposits Held	\$ 47,629	\$ 36,020	\$ 14,500	\$ 69,149
<b>Mayor's Court</b>				
<b>Assets</b>				
Cash and Cash Equivalents: in Segregated Accounts	\$ 64,944	452,288	483,919	33,313
<b>Liabilities</b>				
Deposits Held	\$ 12,670	\$ 42,003	\$ 52,106	\$ 2,567
Due to Others	52,274	410,285	431,813	30,746
Total Liabilities	\$ 64,944	\$452,288	\$483,919	\$ 33,313
<b>Board of Building Standards</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 725	\$ 2,454	\$ 489	\$ 2,690
<b>Liabilities</b>				
Deposits Held	\$ 725	\$ 2,454	\$ 489	\$ 2,690
<b>Payroll Deduction Employees' Share</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 2,435	\$ 82,989	\$ 84,629	\$ 795
<b>Liabilities</b>				
Deposits Held	\$ 2,435	\$ 82,989	\$ 84,629	\$ 795
<b>Total - All Agency Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 50,789	\$121,463	\$ 99,618	\$ 72,634
Cash and Cash Equivalents: in Segregated Accounts	64,944	452,288	483,919	33,313
Total Assets	\$ 115,733	\$573,751	\$583,537	\$ 105,947
<b>Liabilities</b>				
Deposits Held	\$ 63,459	\$163,466	\$151,724	\$ 75,201
Due to Others	52,274	410,285	431,813	30,746
Total Liabilities	\$ 115,733	\$573,751	\$583,537	\$ 105,947

**STATISTICAL SECTION**

# City of Brook Park, Ohio

## Statistical Section

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

<u>Contents</u>	<u>Page(s)</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S2 – S7
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	S8 - S13
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S14–S17
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	S18-S19
<b>Operating Information</b> These schedules contain service data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	S20-S23

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

# City of Brook Park, Ohio

Net Assets by Component  
Accrual Basis of Accounting

## Last Eight Fiscal Years

**Table 1**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Governmental activities:								
Invested in capital assets, net of related debt	\$46,861,418	\$47,583,487	\$52,402,275	\$52,981,641	\$55,327,938	\$63,019,962	\$66,056,261	\$69,340,252
Restricted for:								
Capital projects	5,584,361	7,874,313	4,691,061	9,786,661	12,272,001	10,585,857	6,705,275	5,797,424
Debt service	360,131	459,283	434,576	436,703	459,559	541,282	574,620	651,203
Other purposes	-	794,726	578,019	548,690	2,094,496	272,025	366,682	501,409
Special revenues	1,901,028	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	1,604,073	1,341,950	507,980
Street paving and repair	-	-	-	-	-	1,079,360	1,240,057	1,402,084
Unreserved	<u>11,813,192</u>	<u>13,458,738</u>	<u>14,684,243</u>	<u>13,281,656</u>	<u>9,634,437</u>	<u>6,171,898</u>	<u>5,585,468</u>	<u>5,286,791</u>
Total net assets - governmental activities	<u>\$66,520,130</u>	<u>\$70,170,547</u>	<u>\$72,790,174</u>	<u>\$77,035,351</u>	<u>\$79,788,431</u>	<u>\$83,274,457</u>	<u>\$81,870,313</u>	<u>\$83,487,143</u>

# City of Brook Park, Ohio

## Changes in Net Assets Accrual Basis of Accounting

### Last Eight Fiscal Years

**Table 2**

	2003	2004	2005	2006	2007	2008	2009	2010
Program revenues:								
Charges for services								
General government	\$ 3,042,445	\$ 1,265,925	\$ 833,257	\$ 615,951	\$ 539,909	\$ 618,514	\$ 483,471	\$ 600,787
Security of persons and property	867,879	1,036,569	954,234	1,020,166	949,365	1,000,487	1,350,977	1,262,634
Public health and welfare	1,274	1,292	1,342	6,971	6,996	6,375	25,956	20,622
Transportation	-	-	-	-	-	-	46,222	13,218
Leisure time activities	381,847	386,834	472,138	502,615	498,148	551,417	603,543	589,582
Community development	1,231,005	1,093,248	990,994	1,026,504	1,142,305	1,246,241	1,313,937	1,257,755
Public works	-	-	-	-	-	-	109,097	26,060
Total charges for services	<u>5,524,450</u>	<u>3,783,868</u>	<u>3,251,965</u>	<u>3,172,207</u>	<u>3,136,723</u>	<u>3,423,034</u>	<u>3,933,203</u>	<u>3,770,658</u>
Operating grants and contributions								
General government	-	-	-	-	-	-	-	9,000
Security of persons and property	12,243	37,002	54,307	44,511	30,099	21,103	3,004	35,846
Public health and welfare	-	-	14,467	10,768	10,580	-	-	-
Transportation	-	-	-	23,287	23,474	973,759	949,509	949,074
Community development	11,978	-	-	-	-	-	-	-
Public works	-	-	-	142,135	182,117	-	-	-
Total operating grants and contributions	<u>24,221</u>	<u>37,002</u>	<u>68,774</u>	<u>220,701</u>	<u>246,270</u>	<u>994,862</u>	<u>952,513</u>	<u>993,920</u>
Capital grants and contributions								
General government	-	-	-	-	-	34,842	-	-
Security of persons and property	-	-	-	-	-	1,749	103,500	3,000
Transportation	-	-	453,674	98,188	1,396,638	5,370,901	1,156,966	-
Leisure time activities	-	-	-	-	-	-	-	35,000
Community development	-	660,991	109,546	141,101	665,925	65,645	-	-
Public works	-	-	-	-	-	-	183,223	3,958,586
Total capital grants and contributions	<u>-</u>	<u>660,991</u>	<u>563,220</u>	<u>239,289</u>	<u>2,062,563</u>	<u>5,473,137</u>	<u>1,443,689</u>	<u>3,996,586</u>
Total program revenues	<u>5,548,671</u>	<u>4,481,861</u>	<u>3,883,959</u>	<u>3,632,197</u>	<u>5,445,556</u>	<u>9,891,033</u>	<u>6,329,405</u>	<u>8,761,164</u>

Continued

# City of Brook Park, Ohio

## Changes in Net Assets (continued) Accrual Basis of Accounting

### Last Eight Fiscal Years

**Table 2**

	2003	2004	2005	2006	2007	2008	2009	2010
Expenses:								
General government	10,675,655	7,379,928	5,743,052	4,752,217	5,183,964	5,319,134	5,200,887	4,979,667
Security of persons and property	9,075,363	9,776,933	11,422,459	11,396,843	12,258,151	11,325,203	12,524,620	12,160,835
Public health and welfare	226,005	253,214	317,628	332,619	566,718	483,130	393,134	542,592
Transportation	510,314	3,311,938	3,550,660	2,635,279	2,618,477	2,766,466	2,504,805	2,613,821
Leisure time activities	2,497,528	3,634,961	3,064,683	2,940,351	2,928,253	2,866,895	2,818,681	2,581,318
Community development	1,538,318	2,119,789	1,767,010	1,770,697	2,125,890	2,701,221	1,507,000	1,790,631
Public works	2,717,718	2,532,212	3,379,002	4,277,913	4,380,006	4,351,316	4,308,772	3,537,459
Interest and fiscal charges	283,376	214,990	193,895	57,224	70,405	54,951	47,563	44,829
Total primary government expenses	<u>27,524,277</u>	<u>29,223,965</u>	<u>29,438,389</u>	<u>28,163,143</u>	<u>30,131,864</u>	<u>29,868,316</u>	<u>29,305,462</u>	<u>28,251,152</u>
Net (expense)/revenue	<u>(21,975,606)</u>	<u>(24,742,104)</u>	<u>(25,554,430)</u>	<u>(24,530,946)</u>	<u>(24,686,308)</u>	<u>(19,977,283)</u>	<u>(22,976,057)</u>	<u>(19,489,988)</u>
General revenues								
Property taxes	2,741,358	2,866,014	2,954,239	4,521,976	2,261,148	2,331,911	2,134,450	2,026,186
Municipal income taxes	21,656,942	21,964,703	22,159,579	20,655,175	21,321,660	18,358,018	17,343,214	17,029,564
Grants and entitlements								
not restricted to specific programs	8,908,485	3,266,535	2,280,824	2,453,114	2,695,712	2,087,153	1,944,138	2,016,732
Investment earnings	257,922	289,315	778,295	1,112,436	1,135,195	686,197	150,111	29,733
All other revenues	8,532	5,954	1,120	33,422	25,673	30	-	4,603
Total general revenues	<u>33,573,239</u>	<u>28,392,521</u>	<u>28,174,057</u>	<u>28,776,123</u>	<u>27,439,388</u>	<u>23,463,309</u>	<u>21,571,913</u>	<u>21,106,818</u>
Change in net assets	<u>\$ 11,597,633</u>	<u>\$ 3,650,417</u>	<u>\$ 2,619,627</u>	<u>\$ 4,245,177</u>	<u>\$ 2,753,080</u>	<u>\$ 3,486,026</u>	<u>\$(1,404,144)</u>	<u>\$ 1,616,830</u>

## City of Brook Park, Ohio

### Fund Balances, Governmental Funds Modified Accrual Basis of Accounting

#### Last Ten Fiscal Years

**Table 3**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General fund:										
Reserved	\$ 274,381	\$ 323,115	\$ 425,788	\$ 495,738	\$ 489,431	\$ 509,811	\$ 654,598	\$ 561,726	\$ 581,663	\$ 713,926
Unreserved	11,675,657	9,806,732	11,730,682	11,023,224	11,521,684	11,018,809	9,058,619	4,905,898	3,445,039	3,563,619
Total general fund	<u>11,950,038</u>	<u>10,129,847</u>	<u>12,156,470</u>	<u>11,518,962</u>	<u>12,011,115</u>	<u>11,528,620</u>	<u>9,713,217</u>	<u>5,467,624</u>	<u>4,026,702</u>	<u>4,277,545</u>
All other governmental funds:										
Reserved	1,378,840	469,732	1,040,000	1,815,210	763,151	652,675	1,869,385	3,897,002	2,354,819	1,896,185
Unreserved:										
Designated:										
Accrued retiree benefits	-	-	-	-	-	-	1,315,162	1,049,591	1,534,236	1,649,998
Undesignated, reported in:										
Special revenue	1,770,579	2,970,745	1,385,264	3,007,938	3,049,015	1,560,280	1,374,871	2,527,419	2,551,083	1,972,640
Debt service	-	-	408,175	417,283	434,576	436,703	459,559	460,119	493,635	566,779
Capital project	2,241,266	5,840,404	4,653,507	6,119,652	4,037,983	9,223,506	10,441,047	7,272,257	5,770,241	5,942,772
Total all other governmental funds	<u>5,390,685</u>	<u>9,280,881</u>	<u>7,486,946</u>	<u>11,360,083</u>	<u>8,284,725</u>	<u>11,873,164</u>	<u>15,460,024</u>	<u>15,206,388</u>	<u>12,704,014</u>	<u>12,028,374</u>
Total governmental funds	<u>\$17,340,723</u>	<u>\$19,410,728</u>	<u>\$19,643,416</u>	<u>\$22,879,045</u>	<u>\$20,295,840</u>	<u>\$23,401,784</u>	<u>\$25,173,241</u>	<u>\$20,674,012</u>	<u>\$16,730,716</u>	<u>\$16,305,919</u>

# City of Brook Park, Ohio

## Changes in Fund Balances, Governmental Funds Modified Basis of Accounting

### Last Ten Fiscal Years

**Table 4**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Revenues:</b>										
Property Taxes	\$ 2,502,658	\$ 2,446,419	\$ 2,381,452	\$ 2,493,335	\$ 2,601,395	\$ 3,360,471	\$ 2,759,724	\$ 2,338,903	\$ 2,223,343	\$ 2,031,983
Income Taxes	18,570,711	20,521,265	21,904,475	21,880,786	21,465,211	20,648,297	21,582,162	17,999,769	16,863,883	16,959,103
Other Taxes	447,917	346,705	281,358	349,222	349,022	260,397	359,472	358,969	274,922	271,452
Intergovernmental	2,800,180	2,261,918	8,905,015	3,867,885	2,784,225	2,871,206	4,938,245	8,224,555	4,553,194	6,508,356
Interest	615,732	298,621	257,922	289,315	778,295	1,112,436	1,135,195	684,229	240,545	33,181
Licenses and Permits	547,312	413,044	468,381	397,508	396,603	393,337	433,795	465,318	411,410	547,492
Fines and Forfeitures	357,076	311,830	364,412	444,678	398,155	384,660	395,605	358,033	294,582	531,713
Rentals	-	-	-	-	-	-	-	2,775	3,000	2,500
Charges for Services	1,659,130	2,121,999	1,714,850	1,689,473	1,726,212	1,733,112	1,833,367	1,979,578	2,273,175	2,360,691
Contributions and Donations	-	-	-	-	-	-	-	18,307	22,176	15,208
Special Assessments	4,317	4,282	4,282	4,280	19,637	119,767	105,473	83,419	84,655	82,933
All Other Revenues	325,499	609,329	845,019	1,252,209	690,124	694,520	499,629	599,053	521,282	528,085
<b>Total Revenues</b>	<b>27,830,532</b>	<b>29,335,412</b>	<b>37,127,166</b>	<b>32,668,691</b>	<b>31,208,879</b>	<b>31,578,203</b>	<b>34,042,667</b>	<b>33,112,908</b>	<b>27,766,167</b>	<b>29,872,697</b>
<b>Expenditures:</b>										
<b>Current:</b>										
Security of persons and property	8,148,858	9,059,154	9,402,099	9,672,735	10,289,356	10,793,884	11,703,939	11,984,162	11,981,074	11,588,747
Public health and welfare	230,450	236,480	226,005	239,884	314,991	324,927	559,409	490,831	404,083	433,317
Leisure time activities	2,278,621	2,383,237	2,483,022	2,519,902	2,536,300	2,628,688	2,634,424	2,532,652	2,418,962	2,176,888
Community development	2,907,431	1,669,826	2,141,842	1,474,557	1,535,699	1,657,861	1,127,745	2,710,605	1,758,463	1,168,046
Public works	2,441,957	2,673,386	2,747,140	2,915,119	2,929,810	3,068,509	4,048,769	3,891,294	3,600,960	2,942,100
Transportation	1,599,714	2,432,753	2,890,366	2,523,547	2,633,551	1,582,956	1,807,115	2,014,481	1,593,031	1,560,812
General government	6,178,149	3,979,782	4,223,424	4,382,641	6,231,592	4,740,737	4,848,012	5,263,908	5,100,208	4,826,362
Capital Outlay	4,817,482	3,340,489	11,736,127	7,738,958	5,690,763	3,660,098	5,964,107	10,833,340	5,437,258	5,420,568
<b>Debt Service:</b>										
Principal retirement	1,357,000	1,437,000	1,517,000	1,612,000	1,852,000	165,000	170,000	170,000	175,000	228,733
Interest and fiscal charges	396,862	328,300	289,995	200,920	177,807	69,496	66,196	62,625	58,375	53,477
<b>Total expenditures</b>	<b>30,356,524</b>	<b>27,540,407</b>	<b>37,657,020</b>	<b>33,280,263</b>	<b>34,191,869</b>	<b>28,692,156</b>	<b>32,929,716</b>	<b>39,953,898</b>	<b>32,527,414</b>	<b>30,399,050</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(2,525,992)</b>	<b>1,795,005</b>	<b>(529,854)</b>	<b>(611,572)</b>	<b>(2,982,990)</b>	<b>2,886,047</b>	<b>1,112,951</b>	<b>(6,840,990)</b>	<b>(4,761,247)</b>	<b>(526,353)</b>

Continued

# City of Brook Park, Ohio

## Changes in Fund Balances, Governmental Funds (continued) Modified Basis of Accounting

### Last Ten Fiscal Years

**Table 4**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Other financing sources (uses):										
Notes issued	-	-	-	2,255,000	-	-	-	-	-	-
OWDA Loan issued	-	-	-	-	-	-	-	-	339,187	-
OPWC loans issued	-	-	-	-	-	-	-	1,678,203	271,129	92,896
Capital leases	1,317,372	-	668,230	354,053	373,287	185,639	631,381	650,985	157,445	-
Cleveland airport agreement	6,128,582	-	-	-	-	-	-	-	-	-
Sale of capital assets	34,703	275,000	94,312	15,004	26,498	34,258	27,125	12,573	50,190	8,660
Transfers in	6,760,137	6,667,075	3,811,180	4,753,525	4,737,090	4,666,838	3,949,538	1,209,598	2,313,639	3,423,113
Transfers out	(6,576,961)	(6,667,075)	(3,811,180)	(4,753,525)	(4,737,090)	(4,666,838)	(3,949,538)	(1,209,598)	(2,313,639)	(3,423,113)
Total other financing sources (uses)	<u>7,663,833</u>	<u>275,000</u>	<u>762,542</u>	<u>2,624,057</u>	<u>399,785</u>	<u>219,897</u>	<u>658,506</u>	<u>2,341,761</u>	<u>817,951</u>	<u>101,556</u>
Net change in fund balances	<u>\$ 5,137,841</u>	<u>\$ 2,070,005</u>	<u>\$ 232,688</u>	<u>\$ 2,012,485</u>	<u>\$ (2,583,205)</u>	<u>\$ 3,105,944</u>	<u>\$ 1,771,457</u>	<u>\$ (4,499,229)</u>	<u>\$ (3,943,296)</u>	<u>\$ (424,797)</u>
Debt service as a percentage of noncapital expenditures	6.09%	7.41%	6.96%	6.01%	6.93%	0.89%	0.84%	0.79%	0.85%	1.11%

# City of Brook Park, Ohio

## Assessed Valuations and Estimated True Values

### Last Ten Years

**Table 5**

<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 of Real Property</u>	<u>Direct Tax Rate</u>
2001	\$ 266,452,600	\$ 167,037,360	\$ 18,890,960	\$ 159,067,518	\$ 611,448,438	\$ 1,238,542,743	\$ 4.80
2002	265,952,730	154,479,690	14,372,580	132,327,007	567,132,007	1,201,235,486	4.80
2003	265,876,430	154,084,030	14,367,430	122,445,643	556,773,533	1,199,887,029	4.80
2004	288,926,640	144,414,500	13,492,460	118,219,380	565,052,980	1,238,117,543	4.80
2005	289,201,130	151,477,000	13,754,000	125,239,739	579,671,869	1,259,080,371	4.80
2006	290,141,140	157,113,310	12,380,180	129,294,459	588,929,089	1,280,280,628	4.80
2007	313,620,240	159,071,900	11,951,610	84,910,572	569,554,322	1,238,161,570	4.75
2008	314,329,200	142,446,360	8,447,320	58,744,121	523,967,001	1,305,073,029	4.75
2009	315,453,260	169,275,580	8,664,680	29,901,423	523,294,943	1,384,939,543	4.75
2010	290,810,300	148,270,160	9,019,390	-	448,099,850	1,254,515,600	4.75

**Source:** Cuyahoga County Auditor

Note: In Collection Year 2010, tangible personal property taxes were completely phased out. Therefore, this tax will no longer be collected.

## City of Brook Park, Ohio

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

### Last Ten Years

**Table 6**

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					
2001	\$ 3.85	\$ 0.95	\$ -	\$ 4.80	\$ 63.80	\$ 2.40	\$ 11.72	\$ 5.88	\$ 88.60
2002	3.85	0.95	-	4.80	63.80	2.40	11.72	5.88	88.60
2003	3.85	0.95	-	4.80	69.80	2.40	11.72	5.88	94.60
2004	3.85	0.95	-	4.80	69.80	2.40	13.52	5.88	96.40
2005	3.85	0.95	-	4.80	69.80	2.40	13.52	6.78	97.30
2006	3.85	0.95	-	4.80	74.90	2.40	13.42	6.78	102.30
2007	3.85	0.90	-	4.75	74.90	2.40	13.42	6.78	102.25
2008	3.85	0.90	-	4.75	74.90	2.40	13.42	6.78	102.25
2009	3.85	0.90	-	4.75	74.90	2.40	13.32	7.28	102.65
2010	3.85	0.90	-	4.75	74.90	2.40	13.32	7.58	102.95

**Source:** Cuyahoga County Auditor

(1) – Southwest General Hospital, Police & Firemen Pension Fund, and Tri City Senior Center. Tri City Senior Center was not renewed in 2007 and is excluded after the 2006 rate.

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

## City of Brook Park, Ohio

### Real Property Tax Levies And Collections

**Last Ten Years**

**Table 7a**

<u>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>
2001	\$2,132,394	\$2,051,067	96%	\$ 49,844	\$ 2,100,911	99%
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	2,063,162	98%
2005	2,199,007	2,065,256	94%	61,074	2,126,330	97%
2006	2,169,941	2,111,420	97%	131,737	2,243,157	103%
2007	2,275,106	2,197,527	97%	57,903	2,255,430	99%
2008	2,293,775	2,222,011	97%	77,522	2,299,533	100%
2009	2,310,821	2,234,522	97%	51,048	2,285,570	99%
2010	2,199,507	2,134,591	97%	65,000	2,199,591	100%

**Source:** Cuyahoga County Auditor

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

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

## City of Brook Park, Ohio

### Tangible Personal Property Tax Levies And Collections

**Last Ten Years**

**Table 7b**

<u>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>
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%
2005	622,546	617,509	99%	33,698	651,207	105%
2006	407,294	405,424	100%	14,359	419,783	103%
2007	291,696	284,344	97%	1,031,518	1,315,862	451%
2008	139,575	139,418	100%	16,815	156,233	112%
2009	5,822	5,819	100%	24,757	30,576	525%
2010	3,070	3,070	100%	-	3,070	100%

**Source:** Cuyahoga County Auditor

# City of Brook Park, Ohio

## Principal Taxpayers - Real Estate Tax (1)

**2010 and 2002**

**Table 8**

Name of Taxpayer	December 31, 2010	
	Assessed Value (1)	Percent of Total Assessed Value
Ford Motor Company	\$ 20,055,470	4.48%
MWP Company	11,162,230	2.49%
Tech Park Limited Partnership	8,181,700	1.83%
Cleveland Electric Illuminating	8,000,500	1.79%
Laich, Walter	6,345,510	1.42%
CP-Cleveland ADC, LLC	5,372,590	1.20%
Albrecht Inc.	5,207,690	1.16%
CP-Snow Prop, LLC	4,705,330	1.05%
Brookgate Associates, LLC	4,237,050	0.95%
Foseco Metallurgical Inc.	2,245,810	0.50%
Total	<u>\$ 75,513,880</u>	<u>16.87%</u>

Name of Taxpayer	December 31, 2002	
	Assessed Value (1)	Percent of Total Assessed Value
Ford Motor Company	\$ 30,069,700	5.03%
City of Cleveland	11,545,420	2.04%
Tech Park Limited Partnership	9,674,950	1.71%
MWP Company	7,353,470	1.30%
Eastland Properties Association Limited Parntership	3,668,280	0.65%
Deborah Salzberg Succ. Trs.	3,017,670	0.53%
Foseco, Inc.	2,291,630	0.41%
Fairfield Inn by Marriott	1,765,580	0.31%
AAA Apartments	1,715,600	0.30%
Sandelmand Sanford & Susan Trs.	1,710,240	0.30%
Total	<u>\$ 72,812,540</u>	<u>12.58%</u>

**Source:** Cuyahoga County Auditor  
 (1) Excludes Public Utilities  
 Information prior to 2002 is not available

## City of Brook Park, Ohio

### Municipal Income Tax Collections By Source Modified Accrual Basis of Accounting

#### Last Ten Years

#### Table 9

<u>Withheld Year</u>	<u>Individual Tax</u>	<u>Municipal Direct Tax</u>	<u>Business Direct Tax</u>	<u>Income Tax Collections</u>
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
2005	19,356,185	733,870	1,375,156	21,465,211
2006	18,530,174	726,347	1,391,776	20,648,297
2007	19,251,983	684,848	1,645,331	21,582,162
2008	16,200,253	655,380	1,144,136	17,999,769
2009	14,835,940	688,482	1,339,461	16,863,883
2010	14,904,762	610,161	1,444,180	16,959,103

**Source:** City Financial Records

## City of Brook Park, Ohio

### Ratio of Outstanding Debt to Total Personal Income and Debt per Capita

#### Last Ten Years

**Table 10**

Fiscal Year	Governmental Activities			Lease Purchase Agreements	Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	OPWC Loans	OWDA Loan				
2001	\$6,273,000	\$ -	\$ -	\$ 1,546,089	\$ 7,819,089	1.81%	\$ 369
2002	4,836,000	-	-	1,263,712	6,099,712	1.41%	287
2003	3,319,000	-	-	1,461,052	4,780,052	1.10%	225
2004	3,962,000	-	-	1,446,808	5,408,808	1.25%	255
2005	2,110,000	-	-	1,277,147	3,387,147	0.78%	160
2006	1,945,000	-	-	1,075,745	3,020,745	0.70%	142
2007	1,775,000	-	-	1,146,912	2,921,912	0.67%	138
2008	1,605,000	1,678,203	-	1,142,044	4,425,247	1.02%	209
2009	1,430,000	1,949,332	339,187	650,507	4,369,026	1.01%	206
2010	1,250,000	1,993,495	-	222,556	3,466,051	0.80%	163

**Source:** City Financial Records

Population and Personal Income data are presented on Table 15

The OPWC Loans are in the City's name; however, \$1,235,389 of the total outstanding at December 31, 2010 will be reimbursed by the City of Cleveland. The funding structure of the OWDA Loan was changed from a loan to grant during 2010. Therefore, the City is no longer required to repay the \$339,187.

N/A – Information not available.

## City of Brook Park, Ohio

### Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita

#### Last Ten Years

#### Table 11

<u>Year</u>	<u>Net General Bonded Debt (1)</u>	<u>Assessed Value</u>	<u>Population (2)</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Debt per Capita</u>
2001	\$ 5,700,453	\$ 611,448,438	21,218	0.93%	\$ 268.66
2002	4,427,214	567,132,007	21,218	0.78%	208.65
2003	5,425,825	556,773,533	21,218	0.97%	255.72
2004	3,544,717	565,052,980	21,218	0.63%	167.06
2005	1,675,424	579,671,869	21,218	0.29%	78.96
2006	1,508,297	588,929,089	21,218	0.26%	71.09
2007	1,315,441	569,554,322	21,218	0.23%	62.00
2008	3,965,128	523,967,001	21,218	0.76%	186.88
2009	3,875,391	523,294,943	21,218	0.74%	182.65
2010	1,663,883	448,099,850	21,218	0.37%	78.42

(1) Net general bonded debt equals the amount of general obligation bonds payable from the City's full faith and credit minus the debt service fund balance available to pay general obligation debt

(2) Source: U.S. Census Bureau

## City of Brook Park, Ohio

### Computation of Direct and Overlapping Debt

**December 31, 2010**

**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>
<b>Direct Debt:</b>			
City of Brook Park			
General Obligation Bonds	\$ 1,250,000	100.00%	\$ 1,250,000
OPWC Loan	1,993,495	100.00%	1,993,495
Capital Leases	222,556	100.00%	222,556
<b>Total Direct Debt</b>	<u>3,466,051</u>		<u>3,466,051</u>
<b>Overlapping Debt:</b>			
Berea City School District	14,045,000	32.12%	4,511,060
Cleveland City School District	187,664,706	0.38%	719,478
Cuyahoga County	319,446,948	1.59%	5,066,961
Regional Transit Authority	152,760,000	1.59%	2,423,028
<b>Total Overlapping Debt</b>	<u>673,916,654</u>		<u>12,720,527</u>
<b>Total</b>	<u>\$ 677,382,705</u>		<u>\$ 16,186,578</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

## Legal Debt Margin

### Last Ten Fiscal Years

**Table 13**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Assessed Valuation	\$ 611,448,438	\$ 567,132,007	\$ 556,773,533	\$ 565,052,980	\$ 579,671,869	\$ 588,929,089	\$ 569,554,322	\$ 523,967,001	\$ 523,294,943	\$ 448,099,850
Overall debt limit - 10.5% of assessed value	64,202,086	59,548,861	58,461,221	59,330,563	60,865,546	61,837,554	59,803,204	55,016,535	54,945,969	47,050,484
Gross indebtedness	6,273,000	4,836,000	3,319,000	3,962,000	2,110,000	1,945,000	1,775,000	1,605,000	1,430,000	3,243,495
Less: debt outside limitation	(6,273,000)	(4,836,000)	(3,319,000)	-	-	-	-	-	-	(1,235,389)
Less: amount available in debt service fund	(404,547)	(408,786)	(408,175)	(417,283)	(434,576)	(436,703)	(459,559)	(460,119)	(493,635)	(1,802,168)
Net debt within 10.5% limit	-	-	-	3,544,717	1,675,424	1,508,297	1,315,441	1,144,881	936,365	205,938
<b>Legal Debt Margin</b>	<b>\$ 64,202,086</b>	<b>\$ 59,548,861</b>	<b>\$ 58,461,221</b>	<b>\$ 55,785,846</b>	<b>\$ 59,190,122</b>	<b>\$ 60,329,257</b>	<b>\$ 58,487,763</b>	<b>\$ 53,871,654</b>	<b>\$ 54,009,604</b>	<b>\$ 46,844,546</b>
Debt Limit - 5.5% of assessed unvoted value	\$ 33,629,664	\$ 31,192,260	\$ 30,622,544	\$ 31,077,914	\$ 31,881,953	\$ 32,391,100	\$ 31,325,488	\$ 28,818,185	\$ 28,781,222	\$ 24,645,492
Gross indebtedness authorized by council:	6,273,000	4,836,000	3,319,000	3,962,000	2,110,000	1,945,000	1,775,000	1,605,000	1,430,000	3,243,495
Less: debt outside limitation	(6,273,000)	(4,836,000)	(3,319,000)	-	-	-	-	-	-	(1,235,389)
Less: amount available in debt service fund	(404,547)	(408,786)	(408,175)	(417,283)	(434,576)	(436,703)	(459,559)	(460,119)	(493,635)	(1,802,168)
Net debt within 5.5% limit	-	-	-	3,544,717	1,675,424	1,508,297	1,315,441	1,144,881	936,365	205,938
<b>Unvoted debt margin</b>	<b>\$ 33,629,664</b>	<b>\$ 31,192,260</b>	<b>\$ 30,622,544</b>	<b>\$ 27,533,197</b>	<b>\$ 30,206,529</b>	<b>\$ 30,882,803</b>	<b>\$ 30,010,047</b>	<b>\$ 27,673,304</b>	<b>\$ 27,844,857</b>	<b>\$ 24,439,554</b>

**Source:** Cuyahoga County Auditor and City Financial Records

## City of Brook Park, Ohio

### Principal Employers

#### Current Year and 2007

**Table 14**

<u>Employer</u>	2010	
	<u>Employees</u>	<u>Percentage of</u>
Department of the Interior	1,730	8.41%
Ford Motor Company	1,298	6.31%
Marc Glassman Inc.	558	2.71%
PNC Bank	406	1.98%
City of Brook Park	351	1.71%
Berea City School District	313	1.52%
Ohio Aerospace Institute	303	1.47%
Credit First National	251	1.22%
Lakefront Lines, Inc.	234	1.14%
Vesuvius USA Corp.	218	1.07%
Total	<u>5,662</u>	<u>27.54%</u>
Total City Employment	<u>20,560</u>	<u>100.00%</u>

  

<u>Employer</u>	2007	
	<u>Employees</u>	<u>Percentage of</u>
Ford Motor Company	1,999	9.27%
Department of the Interior	1,500	6.95%
Marc Glassman Inc.	669	3.10%
National City Corporation	434	2.01%
City of Brook Park	386	1.79%
Berea City School District	311	1.44%
Foseco Metallurgical Inc.	285	1.32%
SGT Inc.	180	0.83%
Analex Corporation	135	0.63%
Zin Technologies	134	0.62%
Total	<u>6,033</u>	<u>27.96%</u>
Total City Employment	<u>21,574</u>	<u>100.00%</u>

**Source:** City Income Tax Department. Information prior to 2007 is not available.

# City of Brook Park, Ohio

## Demographic and Economic Statistics

### Last Ten Years

**Table 15**

Year	Population (1)	Total Personal Income (4)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)	School Enrollment (2)	Cuyahoga County Unemployment Rate (3)
2001	21,218	\$ 433,080,598	\$ 20,411	\$ 46,333	39.8	7,820	4.6%
2002	21,218	433,080,598	20,411	46,333	39.8	7,653	6.5%
2003	21,218	433,080,598	20,411	46,333	39.8	7,505	6.7%
2004	21,218	433,080,598	20,411	46,333	39.8	7,801	6.5%
2005	21,218	433,080,598	20,411	46,333	39.8	7,511	6.5%
2006	21,218	433,080,598	20,411	46,333	39.8	7,526	5.4%
2007	21,218	433,080,598	20,411	46,333	39.8	7,713	6.1%
2008	21,218	433,080,598	20,411	46,333	39.8	7,157	7.1%
2009	21,218	433,080,598	20,411	46,333	39.8	7,181	8.9%
2010	21,218	433,080,598	20,411	46,333	39.8	7,099	9.5%

(1) Source: U. S. Census

(a) Years 2001 through 2010 - 2000 Federal Census

(2) Source: Ohio Department of Education Website

(3) Source: Ohio Bureau of Employment Services, U.S. Department of Labor, Bureau of Labor Statistics for Cleveland

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

N/A – Information not available

# City of Brook Park, Ohio

## Full Time Employees by Function/Program (1)

### Last Nine Years

**Table 16**

	2002	2003	2004	2005	2006	2007	2008	2009 (2)	2010
Function/program:									
General government:									
Council	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Finance	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.00
Tax	6.00	6.00	5.00	5.00	5.00	5.00	6.00	4.50	4.00
Law	2.00	2.00	2.00	2.00	2.00	1.00	2.00	2.00	2.00
Mayor's office	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.00	2.00
Human resources	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Civil service	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.50	0.50
Clerk of courts	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Security of persons and property:									
Safety department	12.00	12.00	11.00	11.00	11.00	11.00	11.00	10.00	11.00
Animal warden	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00
Police	42.00	45.00	45.00	45.00	44.00	44.00	44.00	44.00	43.00
Police administration	-	-	-	-	2.00	2.00	2.00	1.00	1.00
Property maintenance	4.00	5.00	5.00	5.00	4.00	5.00	5.00	3.50	4.00
Fire	40.00	40.00	40.00	40.00	40.00	36.00	40.00	42.00	37.00
Fire administration	-	-	-	-	1.00	1.00	1.00	1.00	1.00
Public health and welfare:									
Office of aging	-	1.00	-	1.00	1.00	1.00	3.00	2.50	2.50
Leisure time activities:									
Recreation	8.00	9.00	9.00	9.00	9.00	9.00	8.00	9.00	7.50
Community development:									
Building	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Economic development	2.00	3.00	3.00	3.00	1.00	1.00	1.00	1.00	1.00
Transportation:									
Service	61.00	61.00	60.00	58.00	59.00	56.00	53.00	50.50	43.50
Public works:									
Service	6.00	6.00	6.00	5.00	5.00	5.00	5.00	5.00	5.00
Service dispatch	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Totals	<u>205.00</u>	<u>212.00</u>	<u>208.00</u>	<u>206.00</u>	<u>206.00</u>	<u>199.00</u>	<u>203.00</u>	<u>196.50</u>	<u>181.00</u>

**Source:** City Payroll Records

- (1) Information prior to 2002 is not available
- (2) Starting in 2009, the City is reflecting permanent part-time employees as .5 persons

# City of Brook Park, Ohio

## Operating Indicators by Function/Program (1)

### Last Nine Years

### Table 17

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Function/program:									
General government:									
Council and clerk									
Number of ordinances passed	103	97	105	93	83	85	110	87	55
Number of resolutions passed	43	33	30	37	30	22	37	24	21
Finance department:									
Number of checks/vouchers issued (excluding payroll)	N/A	6,594	6,550	6,378	6,446	6,023	5,891	5,666	5,115
Number of purchase orders issued	N/A	N/A	2,353	2,167	2,079	1,928	1,865	1,507	1,349
Number of W-2 forms issued	420	419	402	402	382	382	382	385	351
City W-2 wages (in millions)	13	13	13	13	13	13	12	14	14
Agency ratings - Fitch	AA-3	AA-3	AA-3	AA-3	AA-3	AA-3	AA-3	AA-3	AA
Income tax department:									
Number of individual returns	9,522	9,360	9,040	8,824	8,587	10,119	10,427	10,256	10,572
Number of business returns	1,478	1,586	1,529	1,538	1,582	1,658	1,682	1,615	1,668
Number of business withholding accounts	1,455	1,552	1,539	1,554	1,470	1,554	1,580	1,561	1,591
Civil service:									
Number of exams given	2	7	1	-	4	2	3	1	2
Building department									
Number of permits issued	986	1,076	1,188	904	1,570	1,553	1,257	1,331	1,439
Security of persons and property:									
Police:									
Number of traffic citations issued	N/A	3,111	3,808	4,038	3,337	5,403	4,197	3,463	2,853
Number of parking citations issued	N/A	1,491	1,860	1,375	1,773	1,784	1,844	1,444	2,125
Number of criminal arrests	N/A	252	190	212	208	254	462	531	814
Animal warden service calls responded to per annual report	N/A	111	83	64	81	75	127	163	187

## City of Brook Park, Ohio

### Operating Indicators by Function/Program (1) (continued)

#### Last Nine Years

#### Table 17

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Security of persons and property:									
Fire:									
EMS calls	2,038	1,946	2,172	2,240	2,230	2,092	1,981	2,102	2,190
Fire and fire-related calls	526	521	395	359	388	435	359	423	418
Hydrants tested	1,201	1,204	1,204	1,204	1,204	1,250	1,250	1,250	1,250
Leisure time activities:									
Recreation:									
Number of memberships	6,680	6,815	7,031	7,220	7,576	7,653	7,961	7,746	4,762
Community development:									
Parking fees collected due to Economic development dept.	\$ 1,570,473	\$ 923,268	\$ 855,278	\$ 855,840	\$ 827,354	\$ 962,131	\$ 1,061,234	\$ 1,051,743	\$ 995,999
Public works:									
Refuse disposal per year (tons)	21,479	10,870	10,848	13,470	13,020	12,867	9,138	9,858	10,901
Refuse disposal costs per year	\$ 362,539	\$ 409,506	\$ 424,033	\$ 417,180	\$ 436,085	\$ 419,775	\$ 411,540	\$ 468,255	\$ 386,998
Percentage of waste recycled	2.23%	6.67%	6.25%	4.60%	4.25%	6.21%	4.12%	2.41%	2.00%
Transportation:									
Snowfall in inches	69.80	98.60	95.80	108.40	34.60	75.70	85.20	85.20	58.40
Cost of salt purchased	\$ 151,150	\$ 407,933	\$ 264,719	\$ 464,333	\$ 151,524	\$ 281,519	\$ 379,808	\$ 238,218	\$ 222,818
Asphalt used in road maintenance (tons)	325	280	512	387	240	165	125	425	348
Concrete used in road maintenance (yards)	420	324	365	300	300	300	300	590	110
Number of trees removed	200	200	200	248	157	144	131	98	78
Number of trees planted	150	190	150	125	110	124	105	102	80
Senior citizen driveway plowing participants	1,171	1,222	1,264	1,367	1,320	1,366	1,368	1,312	1,210

**Source:** Information was provided from the various departments within the City

(1) Information prior to 2002 is not available

(2) Information does not include amended returns, voids, etc.

N/A- Information is not available

# City of Brook Park, Ohio

## Capital Assets Statistics by Function/Program (1)

### Last Nine Years

**Table 18**

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Function/program:									
General government:									
City Hall square footage	16,880	16,880	16,880	16,880	16,880	16,880	16,880	16,880	16,880
Other departmental vehicles	11	11	11	11	14	14	13	12	12
Security of persons and property:									
Police:									
Stations	1	1	1	1	1	1	1	1	1
Square footage of Police (and Fire) building	16,072	16,072	16,072	16,072	16,072	16,072	16,072	16,072	16,072
Number of vehicles	47	46	45	52	45	36	33	33	33
Number of street lights	2,565	2,565	2,565	2,565	2,565	2,565	2,565	2,565	2,565
Number of traffic lights	49	49	49	49	49	49	49	44	44
Fire:									
Stations	3	3	3	3	3	3	3	3	3
Square footage of station	16,072	16,072	16,072	16,072	16,072	16,072	16,072	16,072	16,072
Square footage of station - Ruple	3,807	3,807	3,807	3,807	3,807	3,807	3,807	3,807	3,807
Square footage of station - W. 130th	924	924	924	924	924	924	924	929	929
Number of Vehicles	13	14	15	16	14	15	15	15	15
Leisure time activities:									
Recreation:									
Number of Parks	7	7	7	7	7	7	7	7	7
Number of Pools	2	2	2	2	2	2	2	2	2
Number of Diving Tanks	1	1	1	1	1	1	1	1	1
Square footage of Recreation Center	105,300	105,300	105,300	105,300	105,300	105,300	105,300	105,300	105,300
Public works:									
Streets (miles)	46	46	46	46	46	46	46	46	46
Service vehicles	70	76	70	70	74	74	74	74	74

**Source:** Information is provided from the City's capital asset records

(1) Information prior to 2002 is not available

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**Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

Members of the City Council  
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 (the “City”), as of and for the year ended December 31, 2010, which collectively comprise the City’s basic financial statements and have issued our report thereon dated June 20, 2011 wherein we noted the City adopted *GASB Statement Nos. 51, 53 and 58* as disclosed in Note 3. 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’s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control over financial reporting.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City’s financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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 solely for the information and use of management, City Council, others within the entity, and the Auditor of State's Office and is not intended to be and should not be used by anyone other than these specified parties.

*Ciuni & Panichi, Inc.*

Cleveland, Ohio  
June 20, 2011

 **C&P Advisors, LLC**  
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**A member of CPAUSA**



# Dave Yost • Auditor of State

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 26, 2011