



Comprehensive Annual Financial Report

# NORTH OLMSTED, OHIO

For the Year Ended December 31, 2014





**INTRODUCTORY  
SECTION**

# **City of North Olmsted, Ohio**

**Comprehensive Annual Financial Report  
For the Year Ended December 31, 2014**

**Issued by: Department of Finance  
Carrie B. Copfer, CPA, Director of Finance  
Keith Sperling, Assistant Director of Finance**

# City of North Olmsted, Ohio

## Comprehensive Annual Financial Report For the Year Ended December 31, 2014

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# City of North Olmsted, Ohio

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# City of North Olmsted, Ohio

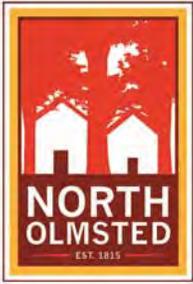
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## CITY of NORTH OLMSTED

Carrie B. Copfer, CPA | Director, Department of Finance

A 5200 Dover Center Road | North Olmsted, Ohio 44070 P 440-716-4144 F 440-716-4235

June 30, 2015

Honorable Kevin M. Kennedy  
Citizens of North Olmsted, Ohio  
And Members of City Council

Ohio law (Ohio Administrative Code Section 117-2-03(B)) requires that all cities file annual audited financial reports prepared on a GAAP (Generally Accepted Accounting Principles) basis with the Auditor of State within six months of the close of each fiscal year. This report is published to fulfill that requirement for the fiscal year ended December 31, 2014.

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

The Auditor of the State of Ohio, David Yost, an independent auditor has issued an unmodified (“clean”) opinion on the City of North Olmsted’s financial statements for the year ended December 31, 2014. The Independent Auditor’s Report is located at the front of the financial section of this report.

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

## PROFILE OF THE GOVERNMENT

### Basic Information

North Olmsted was once a part of the Connecticut Western Reserve, claimed by the state of Connecticut. Investors bought land from the state, sight unseen, and went west to divide it up and sell it to settlers. Aaron Olmstead was one of the early landowners, but he never lived here. His son, Charles Olmstead, owned much of the land along Butternut Ridge and sold plots to the pioneer settlers beginning in 1815. In 1820, Charles Olmstead offered his father’s library of 500 books to the community, then called Lenox, if they would change the name to Olmstead. They agreed, and the books, brought by oxcart from Connecticut, were used as a circulating library. The remaining 153 books are on display in the City’s library. Over the course of the years, the “a” was omitted and the city became known as “North Olmsted.”

In 1908, the residents voted to incorporate, becoming a village. In 1951, North Olmsted became a city because it had a population of over 5,000 people. The rapid growth was attributed to returning World War II veterans looking to provide a suburban living for their families. At one time the City was considered the fastest growing city in Ohio because it more than doubled in size from 1950 to 1960 and doubled again in 1970. Since the 1970 census, the population of North Olmsted has stayed relatively constant. The 2010 census was 32,718, which represents a four percent decline from the 2000 census.

The City is a suburban community located in Cuyahoga County in Northeastern Ohio, approximately 13 miles southwest of the downtown area of the City of Cleveland and approximately 18 miles southeast of the City of Lorain. The City is served by diversified transportation facilities. There is immediate access to three State and U.S. highways and interstate highways I-80 (the Ohio Turnpike) and I-480, with access to interstate highways I-90 and I-71 within five miles of the City. The City is served by Cleveland Hopkins International Airport, located within five miles of the City, and is adjacent to areas served by Conrail and Amtrak railroads.

The City of North Olmsted's primary government consists of all funds and departments, which are not legally separate from the City and provide a full range of services including:

- ◆ Police, Emergency Medical Services and Fire Protection
- ◆ Parks and Recreational Activities and Facilities
- ◆ 18 hole Golf Course and Historic Ballroom
- ◆ Senior Center and Related Programs
- ◆ Local Human Services - ministering to youth, disabled, seniors and needy families
- ◆ Planning and Zoning Committees
- ◆ Building Code Enforcement
- ◆ Waste Water Treatment Plant Processing of Sanitary Sewage
- ◆ Maintenance and Improvement of City Roads and Infrastructure
- ◆ Maintenance and Improvement of Storm and Sanitary Sewer Systems
- ◆ Administrative and Legislative functions including Council, Law, Finance, Human Resources and Information Technology

The City of North Olmsted operates under and is governed by its Charter, first adopted by the voters in 1959. The Charter has been and may be amended by the voters from time to time. The City is also subject to some general laws applicable to all cities. Under the Ohio Constitution, the City may exercise all powers of local self-government, and police powers to the extent not in conflict with applicable general laws. The Charter provides for a mayor-council form of government.

Legislative authority is vested in a seven-member Council, of whom three members are at-large and four members are from wards, all elected to four-year terms. The Council sets compensation of City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes. The presiding officer is the President of Council, elected specifically to that office by the voters for a four-year term. The President of Council has no vote except in the event of a tie. The Charter establishes certain administrative departments and the Council may establish divisions of those departments or additional departments and has exercised that authority.

The City's chief executive and administrative officer is the Mayor, elected by the voters specifically to that office for a four-year term. The other elected City officials are the Director of Finance and the Director of Law, each elected to a four-year term. All elected officials, except the Mayor and Director of Finance, serve part-time.

The Mayor has authority to appoint the directors of Public Safety, Public Service, Human Resources, Planning and Economic Development, certain City employees and members of a number of City boards and commissions. The Mayor generally may remove, without the concurrence of Council and in accordance with civil service and collective bargaining agreement requirements, all officers and employees he has appointed, except that directors of the aforementioned departments may only be removed with the concurrence of two-thirds of the members of Council. The Mayor may not remove officers and employees of Council, Finance or the Law departments.

The Mayor may veto any legislation passed by Council. A veto may be overridden by a two-thirds vote of all members of Council.

### **Component Unit**

The North Olmsted Commission on Paratransit, Inc. (N.O.C.O.P.) has been presented as a discretely presented component unit of the primary government, based on the significant services and resources provided by the City. A complete discussion of the City's reporting entity is provided in Notes 1 and 22 of the basic financial statements.

### **Budgetary Process**

A temporary appropriation resolution to control expenditures may be passed on or around January 1 of each year for the period January 1 to March 31. An annual appropriation measure must be passed by April 1 of each year for the period January 1 to December 31. Appropriations by fund must be within the estimated resources as certified by the County Budget Commission, and the total of expenditures and encumbrances may not exceed the appropriations at any level of control. Any revisions that alter the appropriations at the legal level of budgetary control must first be approved by City Council. Council may pass supplemental fund appropriations so long as the total appropriations by fund does not exceed the amounts set forth in the most recent Certificate of Estimated Resources. The City maintains budgetary control on a cash basis by department for salaries, other expenditures and debt service. Estimated expenditure amounts must be encumbered prior to the release of purchase orders to vendors or finalization of other contracts. Encumbrances that would exceed the available appropriation level are identified on an ongoing basis and are not approved or recorded until City Council authorizes additional appropriations or transfers. Unencumbered appropriations lapse at the end of each calendar year.

Formal budgetary integration is employed as a management control device during the year for all funds consistent with statutory provisions. Permanent appropriations are adopted by Council and are amended throughout the year by supplemental appropriations, which either reallocate or increase the original appropriated amounts. During the year, supplemental appropriation measures were legally enacted; however, none of these amendments were significant. The budgetary figures, which appear in the statement of budgetary comparisons, represent the original permanent appropriation and the final appropriations amounts, including all amendments and modifications.

## **FACTORS AFFECTING FINANCIAL CONDITION**

### **Summary of Local Economy**

The City is a suburban residential community and a commercial center for the western portion of the County and adjacent Lorain County. The City has actively promoted commercial, residential and light industrial development, and has established a City-wide community reinvestment area and participated in an enterprise zone within the County for that purpose, as hereinafter discussed in more detail.

The largest commercial development in the City includes the Great Northern Mall and the adjacent Great Northern Shopping Center, together constituting a 2.0 million square foot retail complex with approximately 225 stores, professional and medical offices and restaurants; the Great Northern Corporate Center I, II and III, a 267,000 square foot executive office complex; and the Great Northern Technology Center, a 144,000 square foot office complex. All of this development is located adjacent to an interchange on interstate highway I-480. The properties have been developed in phases over the past 40 years, and the businesses located in them now provide employment for approximately 4,800 persons. The local economy has developed and redeveloped around this area. Though the mall was sold in 2014, improvements continued to the property with modernization and enlarging of all mall entrances and several store renovations and expansions.

While the City has several larger taxpayers, it is not dependent on a single revenue source or a single taxpayer, which is a strength during an economic downturn. The City Charter allows for 11.1 charter millage to be levied on property, which also is unique to cities. Additionally, the City, which currently offers residents 100 percent credit on up to two percent for municipal income taxes paid to their workplace city, can adjust that credit through an ordinance of Council.

The recession that has affected the global, national and regional economies since 2008 appeared to finally stop affecting municipal income taxes in 2014 as they came in greater than the 2007 levels, which was the

previous largest year in collections. Municipal income tax collections increased from the prior year by 6.4 percent on the cash basis, with increases in withholding and individual taxpayer collections being offset by a slight decline in net profit business collections. The average yearly unemployment rate in the county declined by 1.3 percent to 6.4 percent during 2014; though this statistic does not account for those persons who are unemployed, but no longer looking for work. The City's number of building permits declined by 9.3 percent, however, two more automobile dealerships on the 'North Olmsted Auto Mile' made significant renovations, upgrades and various additions along with the mall and retail corridor various improvements. The number of single family home sales and the average sales price of homes in North Olmsted remained relatively constant at 452 and \$119,802, respectively. Though this is still well below the pre-recession values, this is not inconsistent with the results of other municipalities in the region.

## **Relevant Financial Policies**

### ***Internal Control***

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure the assets of the government are protected from loss, theft or misuse and adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by management.

All internal controls are designed within the above framework. Accordingly, we believe the City's system of internal controls is adequate to safeguard assets and provide reasonable assurance of proper recording of transactions.

### ***Basis of Accounting***

This is the twelfth year the City has prepared financial statements following GASB Statement 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments." GASB 34 creates basic financial statements for reporting the City's financial activities as follows:

*Government-wide financial statements* - These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by many businesses. The government-wide statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

*Fund financial statements* - These statements present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities accrual information presented in the governmental-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

*Statements of budgetary comparisons* - These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

### ***Debt Administration***

The debt service funds account for the accumulation of resources for the payment of general long-term obligations. Revenue sources for these funds include receipts from property taxes and transfers from other funds consisting of income taxes, hotel/motel taxes, sewer user charges and golf user charges.

The Mayor and his administration prioritize capital projects for which borrowings are required. City Council approves such borrowings for these purposes. Both the Administration and Council have been committed to borrowing for the prioritized list of current capital needs at an amount less than the City is retiring each year in general obligation debt so that each year the City's total general obligation debt is declining. This is a general policy with the Mayor's and City Council's consideration of the impact of voted tax issues and self-supporting enterprise fund debt.

In April of 2006, the City of North Olmsted received a rating increase to an A1 rating from Moody's Investor Service Inc. for limited tax and an Aa3 rating for unlimited tax. Fitch IBCA affirmed the City's A+ rating in April 2006, and again in August 2009. In April of 2010, under pressure from the federal government, all three rating agencies adjusted the way municipal debts were rated basing it on the likelihood of default, which is the standard for corporate debt. This will increase the market of potential municipal buyers, and theoretically, reduce the cost of borrowing due to the increased competition. Moody's Investor Services raised the City's rating to Aa2 on all outstanding debt, due to the recalibration, while Fitch raised the rating to AA-. Moody's affirmed that rating in July 2010 and again in January of 2013 for the general obligation bond issue and all of the City's outstanding debt. Fitch reaffirmed the current rating in July 2013 during a standard surveillance review.

### **Capital Improvements**

The City issued \$2,575,000 of Capital Improvement and Equipment Bond Anticipation Notes in February of 2014, of which \$2,150,000 was for improving the City's Recreation Center and \$425,000 was for design and reconstruction of the Windsor Culvert a storm water improvement project. To improve certain designated streets within the city, the Permanent Improvement Street and Storm Fund had \$500,000 allocated for that purpose.

### **Major Initiatives**

**Master Plan** – The city's charter requires a review of the city master plan every ten years, so in late 2013 a committee of residents and stakeholders was formed called the Committee for the Future, which gave input over a 14 month period and led community engagement in several public forums. The completed plan is an action agenda for realizing the community's shared vision for the future. There are 54 specific actions grouped within the following five goals:

- Strengthening Quality of Place
- Advancing Prosperity
- Improving Housing Choices
- Retrofitting Infrastructure
- Enhancing Amenities

The community voted for their top five actions at the final open house. "Create a Town Centre", "Identify Storm Water Management Projects", and "Re-imagine the Existing Recreation Center" were the highest vote recipients. Council adopted the plan in early February of 2015 and it will serve as the city's long range planning document for the next ten years.

**City Bicentennial** – In 2014, the city formed a committee of volunteers and community leaders to begin the planning for the city's bicentennial in 2015 with a year full of events, including a new year's eve celebration, July 5<sup>th</sup> fireworks, etc. and information sharing about our history and where we want to be in the future through an interactive web page and a bicentennial magazine, which coincided appropriately with the master planning project. Two hundred years is worthy of a year of celebration.

**Recreation Center** – Architects and recreation management developed a new space configuration and usage of the recreation center's existing footprint and designed and built a state of the art fitness center to serve all ages, both resident and non-resident. Additionally, they developed a better people-friendly traffic flow with a new front lobby, renovated locker rooms, including the addition of a family friendly changing room, added new fitness and meeting rooms and ice rink locker rooms for hockey teams.

**Storm Water Improvements** – The city reviewed and revised its storm water maintenance and improvement plan after a flood in May of 2014 from a significant rain event. In addition to cleaning out all the large ditches and increasing the capacity where possible, the city designed a renovation for a culvert, replaced a pond valve and flood gate control system in a storm water channel on the city owned golf course. The city is in the process of designing storm water detention basins and has borrowed \$1 million dollars toward this project for 2015.

**EPA/WWTP Improvements** - The City obtained approval from the Ohio EPA and the Ohio Water Development Authority for loans from Ohio EPA's Water Pollution Control Loan Fund, administered by the OWDA, to pay costs of two phases of a substantial improvement program to the sanitary system collection system and treatment facilities that had been part of a several year study and design. The Collection system improvements in phase one were substantially completed in 2012, while phase two, which is primarily for the significant plant improvements and also includes additional collection system improvements began in 2013. Construction is anticipated to be completed in fall of 2015.

**Technology Advances** - In 2014, the Finance Department and Fleet Division implemented the capital asset, fleet work order, and inventory modules. This eliminated duplicate entry and record keeping, while further integrating and automating processes within the city financial information system. In 2014, the city's information technology network infrastructure was drastically improved by installing a solid, robust core server platform that utilizes virtualization technology. This created the necessary redundancy, increased the speed of the network, reduced the on-site information technology footprint by 90 percent, and lowered the cost of maintenance, utilities, and future software upgrades.

### **Long-term Financial Planning**

The City does not have a formal long-term capital plan; however, the Mayor and his administration have developed a five year capital plan and are utilizing it for planning and budgeting purposes.

The City, in its effort to reduce its reliance on borrowing for ongoing capital street improvements, has continued to shift the road crew costs by 50 percent to the General Fund and allowing fund balance reserves in the Street Maintenance and Repair Fund and/or the Permanent Improvement Street and Storm Fund to commit \$500,000 toward annual street improvements.

In 2011, the City established and began reserving with a four year funding plan for both separation and 27<sup>th</sup> pay funds to reduce the spikes in an operating budget when these benefits are paid out in future years. The 2014 budget included continued funding of these reserves.

## **AWARDS AND ACKNOWLEDGEMENTS**

### **GFOA Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of North Olmsted for its comprehensive annual financial report for the fiscal year ended December 31, 2013. This was the fifteenth consecutive year that the city has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

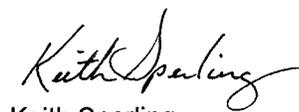
### **Acknowledgments**

The 2014 Comprehensive Annual Financial Report was prepared by the Finance Department with cooperation from all city departments. We would like to express our appreciation to Ciuni & Panichi, Inc. for their guidance in the preparation of this report.

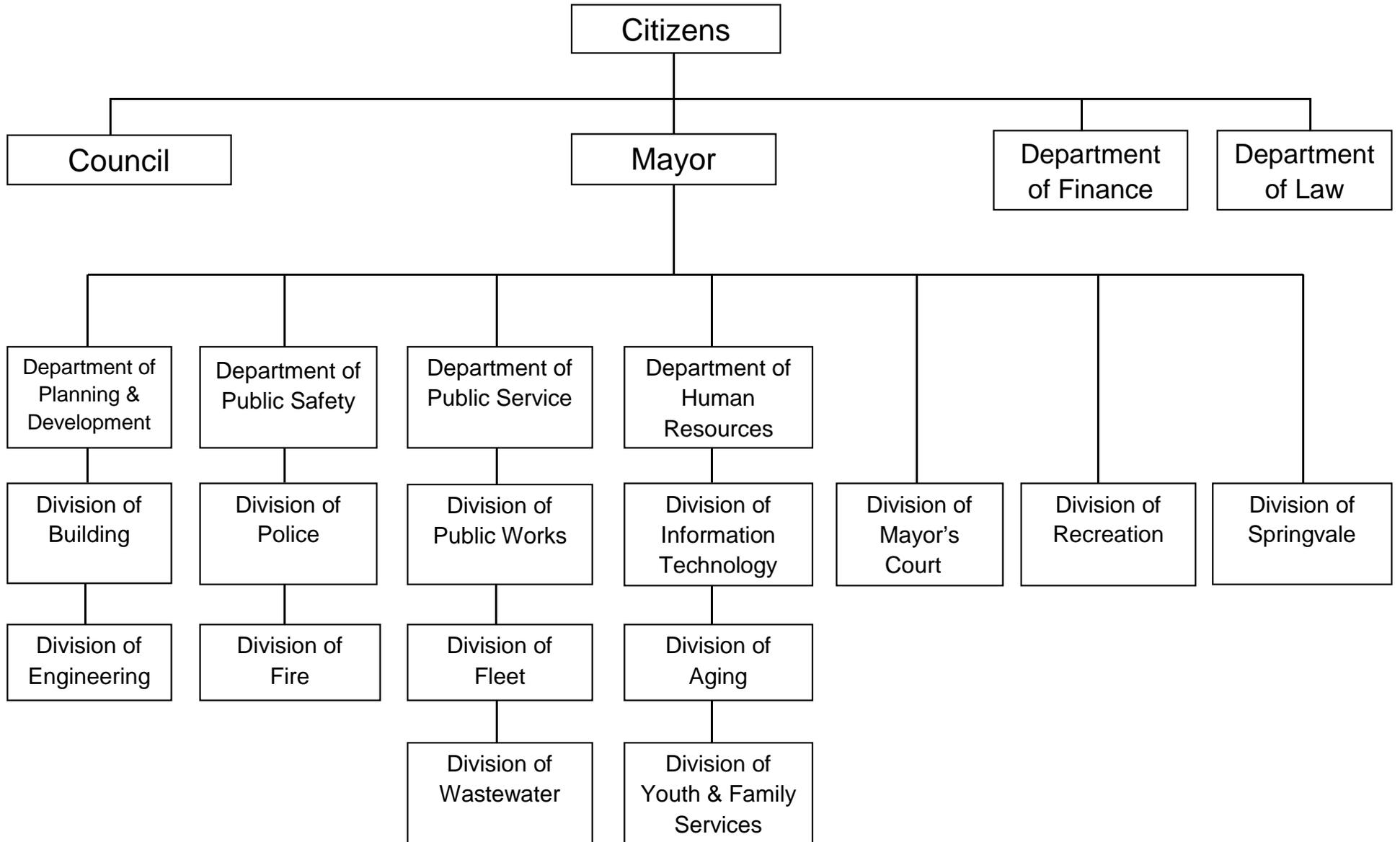
We would also like to thank the Mayor and members of City Council for supporting the preparation of this report, which expresses their commitment to financial integrity. In closing, we are grateful to the residents and taxpayers of the City of North Olmsted for entrusting us with the fiscal administration of their local government.

Respectfully submitted,

  
Carrie B. Copfer, CPA  
Director of Finance

  
Keith Sperling  
Assistant Director of Finance

# CITY OF NORTH OLMSTED ORGANIZATIONAL CHART



# City of North Olmsted, Ohio

## Principal City Officials

**December 31, 2014**

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### Elected Officials

Kevin M. Kennedy .....	Mayor
Michael R. Gareau, Jr.....	Director of Law
Carrie B. Copfer .....	Director of Finance
Nicole Dailey Jones.....	President of Council
Louis Brossard .....	Council Ward 1
Paul R. Barker .....	Council Ward 2
Paul Schumann.....	Council Ward 3
Mary Ellen Hemann .....	Council Ward 4
Kevin G. Kearney.....	Council-At-Large
Duane H. Limpert.....	Council-At-Large
Angela Williamson.....	Council-At-Large

### Appointed Officials

Cheryl Farver .....	Director of Human Resources
Donald Glauner .....	Director of Public Safety and Service
Kimberly Wenger.....	Director of Planning Development



Government Finance Officers Association

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

Presented to

**City of North Olmsted  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2013**

Executive Director/CEO

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**FINANCIAL  
SECTION**

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

City of North Olmsted  
Cuyahoga County  
5200 Dover Center Road  
North Olmsted, Ohio 44070

To the City Council:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the City of North Olmsted, Cuyahoga County, Ohio (the City), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the City of North Olmsted, Cuyahoga County, Ohio, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

#### *Supplementary and Other Information*

Our audit was conducted to opine on the City's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2015, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

June 30, 2015

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## **City of North Olmsted**

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2014*

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The Management's Discussion and Analysis of the City of North Olmsted's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2014. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

### **Financial Highlights**

Key financial highlights for 2014 are as follows:

- The total assets and deferred outflows of resources of the City exceeded total liabilities and deferred inflows of resources at the close of 2014 by \$71,787,096. This is an increase of \$1,626,060 over 2013 net position. Net position of the City's governmental activities decreased \$867,863 from 2013, while net position of the business-type activities increased \$2,493,923.
- Total liabilities increased by \$6,217,247 from 2013. The main factor affecting this increase was an increase in long-term liabilities of \$6,095,957 during 2014.
- The General Fund reported a fund balance of \$7,165,884 at the end of the 2014, which is a decrease of \$206,112 from 2013. The General Fund expenditures increased \$911,450 from 2013 to 2014 and revenues (excluding other financing sources) increased \$540,085.

### **Using This Comprehensive Annual Financial Report (CAFR)**

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

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

# City of North Olmsted

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2014*

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## **Reporting the City of North Olmsted as a Whole**

### ***Statement of Net Position and Statement of Activities***

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole considers all financial transactions and measures how the City did financially during fiscal year 2014. The *Statement of Net Position* includes assets, deferred outflows of resources, liabilities and deferred inflows of resources and the *Statement of Activities* includes revenues and expenses; however, they both use the accrual basis of accounting similar to the accounting method used by the private sector. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- Assets
- Deferred outflows of resources
- Liabilities
- Deferred inflows of resources
- Net position (assets and deferred outflows of resources minus liabilities and deferred inflows of resources)
- Program expenses and revenues
- General revenues
- Net position beginning and end of year

## **Reporting the City of North Olmsted's Most Significant Funds**

### ***Fund Financial Statements***

The presentation of the City's major funds begins on page 22. Fund financial reports provide detailed information about the City's major funds based on the restrictions on the use of monies. The City has established many funds which account for the multitude of services, facilities and infrastructure provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of North Olmsted, the major governmental funds are the General Fund, Permanent Improvements Fund and General Obligation Bond Retirement Fund and the major enterprise funds are the Springvale Golf Course and Ballroom Fund and Sewer Revenue Fund.

## **City of North Olmsted**

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2014*

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### ***Governmental Funds***

Most of the City's activities are reported in the governmental funds which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. Governmental funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that are expected to be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the *Statement of Net Position* and the *Statement of Activities*) and governmental funds is reconciled within the financial statements.

### ***Proprietary Funds***

The City of North Olmsted maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities. The City uses enterprise funds to account for the operations of its golf course and ballroom and sanitary sewer plant and system. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains this type of fund for its self-insurance of health related employee benefits and self-insurance of workers' compensation. Because this predominately affects governmental rather than business functions, it has been included within the governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found beginning on page 28 of this report.

### ***Fiduciary Funds***

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

### **Notes to the Basic 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 basic financial statements can be found starting on page 33 of this report.

**City of North Olmsted**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended December 31, 2014*

**Other Information**

In addition to the basic financial statements and the accompanying notes, this report also presents certain other information that the City believes readers will find useful. After the notes to the basic financial statements, the combining statements referred to earlier in connection with non-major governmental funds are presented, as well as individual detailed budgetary comparisons for all funds. This information can be found starting on page 69 of this report.

**The City of North Olmsted as a Whole**

The *Statement of Net Position* looks at the City as a whole. Table 1 provides a summary of the City's net position for 2014 compared to 2013.

Table 1  
Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Assets:						
Current and other assets	\$ 38,265,828	\$ 37,105,799	\$ 5,791,925	\$ 3,670,996	\$ 44,057,753	\$ 40,776,795
Capital assets, net	<u>52,599,548</u>	<u>56,345,795</u>	<u>77,315,212</u>	<u>69,177,329</u>	<u>129,914,760</u>	<u>125,523,124</u>
Total assets	<u>90,865,376</u>	<u>93,451,594</u>	<u>83,107,137</u>	<u>72,848,325</u>	<u>173,972,513</u>	<u>166,299,919</u>
Deferred outflows of resources	<u>236,117</u>	<u>273,150</u>	<u>154,738</u>	<u>176,845</u>	<u>390,855</u>	<u>449,995</u>
Liabilities:						
Current liabilities	1,286,747	1,299,800	2,468,685	2,334,342	3,755,432	3,634,142
Long-term liabilities	<u>28,324,274</u>	<u>29,836,756</u>	<u>61,736,355</u>	<u>54,127,916</u>	<u>90,060,629</u>	<u>83,964,672</u>
Total liabilities	<u>29,611,021</u>	<u>31,136,556</u>	<u>64,205,040</u>	<u>56,462,258</u>	<u>93,816,061</u>	<u>87,598,814</u>
Deferred inflows of resources	<u>8,760,211</u>	<u>8,990,064</u>	<u>-</u>	<u>-</u>	<u>8,760,211</u>	<u>8,990,064</u>
Net position:						
Net investment in capital assets	29,341,888	31,940,364	14,085,646	15,645,038	43,427,534	47,585,402
Restricted	15,588,152	14,478,809	-	-	15,588,152	14,478,809
Unrestricted	<u>7,800,221</u>	<u>7,178,951</u>	<u>4,971,189</u>	<u>917,874</u>	<u>12,771,410</u>	<u>8,096,825</u>
Total Net Position	\$ <u>52,730,261</u>	\$ <u>53,598,124</u>	\$ <u>19,056,835</u>	\$ <u>16,562,912</u>	\$ <u>71,787,096</u>	\$ <u>70,161,036</u>

Net position may serve over time as a useful indicator of a government's financial position. For the City of North Olmsted, total assets exceed total liabilities by \$71,787,096 as of December 31, 2014, which is a \$1,626,060 increase from the prior year. At the end of the current year, the City of North Olmsted is able to report positive balances in all three categories of net position.

## **City of North Olmsted**

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2014*

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The largest portion of the City's net position (60.5 percent) reflects the investments in capital assets (land, construction in progress, buildings, improvements other than buildings, machinery and equipment, furniture and fixtures and infrastructure) less any related debt to acquire those assets that remains outstanding. These capital assets are used to provide services to the City's citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Total assets for 2014 increased \$7,672,594 when compared to 2013 and total liabilities increased by \$6,217,247. The increase in total assets was primarily due to an increase in capital assets, which is related to the ongoing wastewater treatment plant and collection system improvement projects. Another contributor to the was the increase in cash and cash equivalents, which is mainly due to charges for services exceeding sewer revenue expenditures and charges for services in the Hospitalization fund exceeding claim payments during 2014. The increase in total liabilities is primarily due to an increase in the City's long term liabilities, which can also be attributed to the aforementioned wastewater improvement projects, which are financed by low-interest OWDA loans.

In order to further understand what makes up the changes in net position for the current year, Table 2 provides further details regarding the results of activities for the current year.

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**City of North Olmsted**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended December 31, 2014*

Table 2  
Changes in Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenues:						
Program revenues:						
Charges for services	\$ 5,208,835	\$ 5,158,180	\$ 10,393,338	\$ 9,294,481	\$ 15,602,173	\$ 14,452,661
Operating grants and contributions	1,796,331	2,100,956	-	-	1,796,331	2,100,956
Capital grants and contributions	-	418,172	-	31,676	-	449,848
Total program revenues	<u>7,005,166</u>	<u>7,677,308</u>	<u>10,393,338</u>	<u>9,326,157</u>	<u>17,398,504</u>	<u>17,003,465</u>
General revenues:						
Property taxes and other taxes	9,183,826	9,525,254	-	-	9,183,826	9,525,254
Municipal income taxes	13,926,264	13,815,005	-	-	13,926,264	13,815,005
Grants and entitlements	2,201,218	2,147,473	-	-	2,201,218	2,147,473
Other	103,669	98,971	-	-	103,669	98,971
Total general revenues	<u>25,414,977</u>	<u>25,586,703</u>	<u>-</u>	<u>-</u>	<u>25,414,977</u>	<u>25,586,703</u>
Total revenues	<u>32,420,143</u>	<u>33,264,011</u>	<u>10,393,338</u>	<u>9,326,157</u>	<u>42,813,481</u>	<u>42,590,168</u>
Program expenses:						
General government	4,200,635	4,612,689	-	-	4,200,635	4,612,689
Security of persons and property	12,948,527	12,974,261	-	-	12,948,527	12,974,261
Public health and welfare	529,304	504,219	-	-	529,304	504,219
Transportation	9,608,806	10,161,662	-	-	9,608,806	10,161,662
Basic utility services	1,920,086	1,700,564	-	-	1,920,086	1,700,564
Leisure time activities	2,850,349	2,583,952	-	-	2,850,349	2,583,952
Economic development	328,696	339,198	-	-	328,696	339,198
Interest and fiscal charges	941,826	1,371,593	-	-	941,826	1,371,593
Springvale Golf Course and Ballroom	-	-	1,547,407	1,598,902	1,547,407	1,598,902
Sewer	-	-	6,311,785	6,562,518	6,311,785	6,562,518
Total program expenses	<u>33,328,229</u>	<u>34,248,138</u>	<u>7,859,192</u>	<u>8,161,420</u>	<u>41,187,421</u>	<u>42,409,558</u>
Change in net position before transfers	(908,086)	(984,127)	2,534,146	1,164,737	1,626,060	180,610
Transfers	<u>40,223</u>	<u>13,368</u>	<u>(40,223)</u>	<u>(13,368)</u>	<u>-</u>	<u>-</u>
Change in net position	(867,863)	(970,759)	2,493,923	1,151,369	1,626,060	180,610
Net position, beginning of year	<u>53,598,124</u>	<u>54,568,883</u>	<u>16,562,912</u>	<u>15,411,543</u>	<u>70,161,036</u>	<u>69,980,426</u>
Net position, end of year	\$ <u>52,730,261</u>	\$ <u>53,598,124</u>	\$ <u>19,056,835</u>	\$ <u>16,562,912</u>	\$ <u>71,787,096</u>	\$ <u>70,161,036</u>

# City of North Olmsted

Management's Discussion and Analysis (Unaudited)  
For the Fiscal Year Ended December 31, 2014

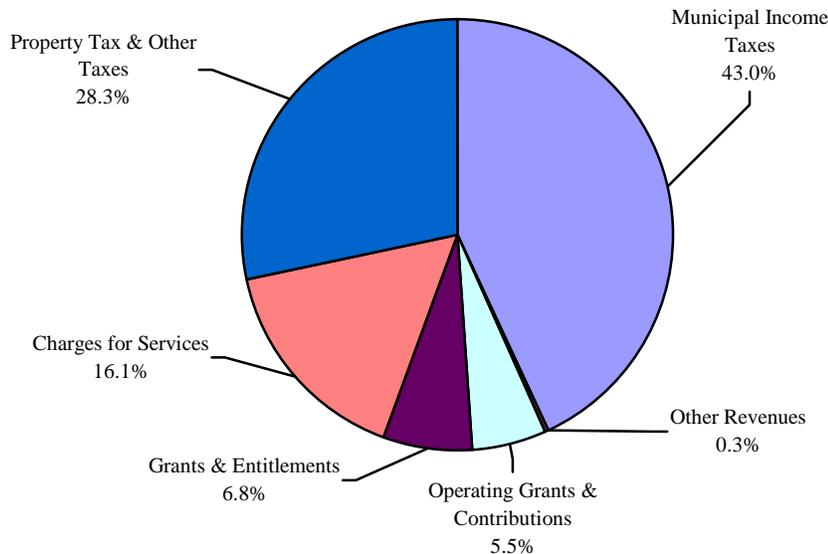
## Governmental Activities

Overall, total governmental activities revenues decreased by \$843,868. Program revenues represent 21.6 percent of the total governmental activities revenues. This includes charges for services and both operating and capital grants. Program revenues decreased in 2014 by \$672,142. The decrease in program revenues is primarily due to a decrease in operating and capital grants of \$722,797. The decrease in grants can be partly attributed to the FEMA grant the City received in the prior year related to disaster clean-up. In addition, the City previously received large grants for community development and road projects.

General revenues represent the other 78.4 percent of total governmental activities with municipal income taxes at 43.0 percent, property and other local taxes at 28.3 percent and grants, entitlements and other miscellaneous revenues representing the remaining 7.1 percent. General revenues decreased in 2014 by \$171,726.

Municipal income tax revenue, which comprises the City's largest source of general revenues, increased \$111,259 from 2013, which is only an increase of approximately 1 percent. The increase in income taxes is due to increased amount collected from withholdings which is a result of the gradually improving economy. Property and other local taxes decreased by \$341,428 which reflects the decline in real property values for tax year 2013 (collection year 2014). Grants and entitlements were consistent to 2013 as it increased only \$53,745 in 2014, or approximately 2.5 percent. Other general revenues increased by \$4,698 in 2014.

Revenues by Source, Governmental Activities



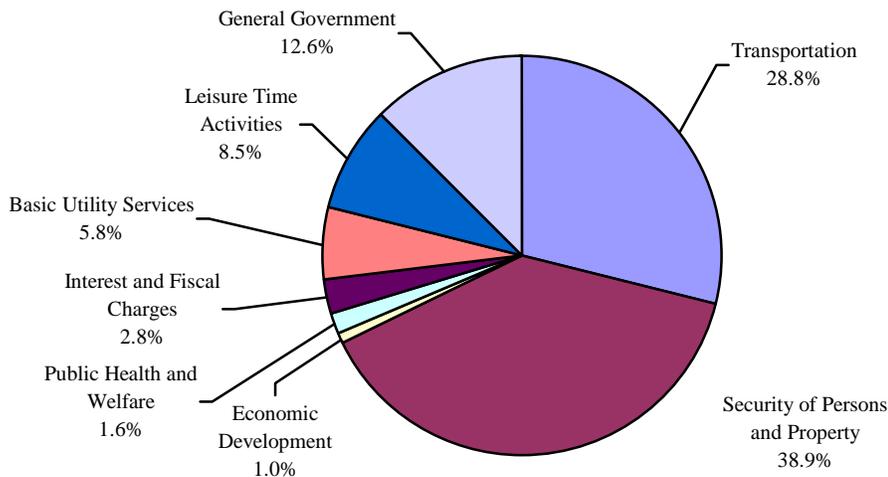
# City of North Olmsted

Management's Discussion and Analysis (Unaudited)  
For the Fiscal Year Ended December 31, 2014

In total, the City's governmental activities experienced a decrease in 2014 expenses of \$919,909. A major factor contributing to the overall decrease in expenses was a decrease in interest and fiscal charges which is a result of the City's decreasing long-term debt obligations as well as a decrease in depreciation expense. The decrease in depreciation expense is one of the main contributors to the decreases in transportation and general government expenses during 2014. In addition, the amount spent on infrastructure and land improvements decreased due to fewer major projects in 2014, which was a cause for the decrease in depreciation expense. The remaining costs of Governmental Activities remained relatively stable as a result of the city's ability to control costs.

The City's expenses are categorized by function. Security of persons and property is the City's largest program function and represented 38.9 percent of program expenses in 2014. This includes the cost of providing police, dispatch, fire, and paramedic services. The second largest program function is transportation, which represents 28.8 percent of program expenses in 2014. This includes the cost of providing all public works services such as street and storm channel maintenance and improvements, public property maintenance, snow removal, brush removal and equipment maintenance. General government represents 12.6 percent of program expenses. This includes all the general governmental expenses used by the entire City such as council, mayor, administration, finance, law, human resources, information technologies, etc.

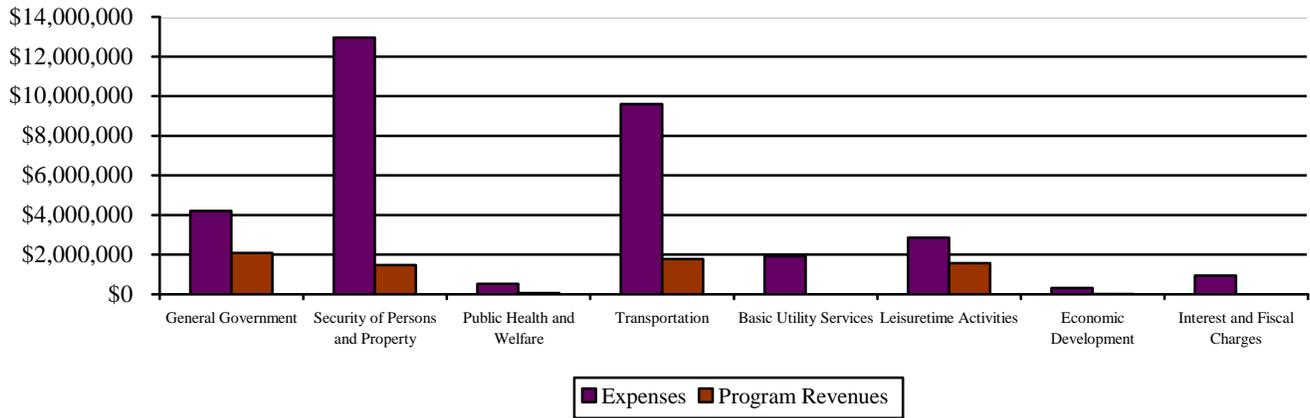
**Expenses by Function, Governmental Activities**



**City of North Olmsted**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended December 31, 2014*

As can be seen in the chart below, all programs have a heavy reliance on general revenues, with 78.4 percent of total 2014 revenues coming from general revenues.

**Expenses and Program Revenues Governmental Activities**



**Business-Type Activities**

Overall, total business-type activities revenue increased \$1,067,181 in 2014. Charges for services are the primary source of program revenues for the business-type activities. The Springvale Golf Course and Ballroom (Springvale) has both golf and event revenues. The sewer plant and collection system operations (WWTP) represent the largest share of the charges for services. Sewer charges for services increased by 12.5 percent, which is a result of the increase in sewer rates in 2014. Springvale charges for services also increased in 2014, by 8.6 percent, which was primarily due to an increase in greens fees, golf outings, and ballroom event, food and bar revenues. The increased golf revenues are attributable to favorable weather conditions experienced during 2014 as well as drainage improvements made to the Course which resulted in fewer closed days due to rain. These two conditions resulted in 4.5 percent more rounds of golf being played. In addition, the ballroom saw an increase in rentals for 2014.

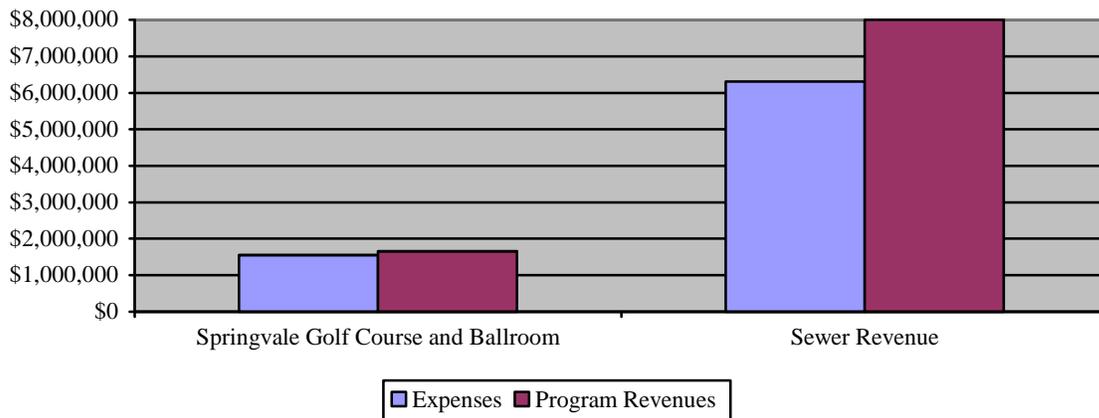
## City of North Olmsted

Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended December 31, 2014

Business-type activities expense decreased in 2014 by \$302,228, from the prior year. Sewer expenses decreased by 3.8 percent, while the Springvale expenses decreased by 3.2 percent in 2014. These decreases were very minor and are due to normal year-over-year fluctuations that occur in these activities.

### Expenses and Program Revenues Business-Type Activities



### Financial Analysis of the City's Funds

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

#### Governmental Funds

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 balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Information about the City's governmental funds begins on page 22. These funds are accounted for by using the modified accrual basis of accounting.

As of December 31, 2014, the City's governmental funds reported combined ending fund balances of \$21,337,242. Of that amount, \$20,080,588 constitutes fund balances in a spendable form. The remaining \$1,256,654 fund balance is reported as nonspendable to indicate that it is not available for spending because it cannot be used to liquidate future liabilities because it will not be in a spendable form in the next year.

All governmental funds had total revenues of \$32,873,545 and expenditures of \$34,643,624, resulting in a deficiency of revenues under expenditures of \$1,770,079. After consideration of \$2,656,605 in net other financing sources, the current year net change in fund balance was \$886,526.

## City of North Olmsted

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2014*

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The General Fund is the most significant fund as it is the source for providing a significant portion of major governmental activities such as police, fire, service, legislative and administrative functions. In 2014, the General Fund had total revenues of \$19,369,092 and expenditures of \$19,631,958, resulting in a decrease in fund balance of \$206,112 after consideration of \$56,754 in net other financing sources, for an ending fund balance at December 31, 2014 of \$7,165,884. General Fund revenues increased \$540,085 from 2013, while expenditures increased by \$911,450. The increase in General Fund revenues was due to an increase in municipal income taxes and charges for services, offset by a decrease in property and other local taxes revenues. Municipal income tax revenue increased \$617,459 in 2014 as a result of increased collections from employer withholdings and individuals. The decline in property and other local taxes of \$136,994 was due to a decrease in property tax values during the 2013 levy year which were collected in 2014. The increase in General Fund expenditures was due to a 43 percent increase in healthcare costs due to higher claims in 2013 as well as inclement weather in 2014 resulting in more overtime.

The Permanent Improvements Fund accounts for 15 percent of the municipal income tax receipts and expenditures for the permanent improvement of streets and storm sewer system. In 2014, the Permanent Improvements Fund had total revenues of \$2,173,561 and expenditures of \$682,662, resulting in an increase in fund balance of \$602,583 after consideration of \$888,316 in net other financing uses, for an ending fund balance at December 31, 2014 of \$2,623,982. Revenues decreased by \$45,500 from the prior year primarily due to a decrease in grants revenue during the year. Expenditures decreased from the prior year by \$1,196,048 as a result of the notes being converted to bonds during 2013 and debt service payments moving to the bond retirement fund during 2014.

The General Obligation Bond Retirement Fund accounts for resources that are used for payments of principal and interest and fiscal charges on general obligation debt. In 2014, the General Obligation Bond Retirement Fund had total revenues of \$2,693,180 and expenditures of \$3,641,886 resulting in an increase in fund balance of \$600,946 after consideration of \$1,549,652 in net other financing sources, for an ending fund balance at December 31, 2014 of \$5,766,321. The General Obligation Bond Retirement Fund revenues decreased \$40,794 in 2014. This decrease was primarily due to less property tax received in 2014 as a result of reduced property valuations for tax year 2013 (collection year 2014). The expenditures are set by the bond and note payments and decreased from the prior year due to a large note repayment in 2013 when the note was converted to a bond and resulted in a lower annual principal payment in 2014. In addition, as the City's overall debt balances decrease, the annual debt payments also decrease.

### ***General Fund Budgeting Highlights***

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund. The City amended its General Fund budget at various times throughout fiscal year 2014. All recommendations for budget amendments are initially presented to the Finance Committee of City Council for review before they are presented to the whole City Council for Ordinance enactment on the change. Budgetary modifications between the legal level of control categories may only be made by resolution of the City Council. The City allows intra-department budget modifications if they are within the same legal level of control category. The General Fund supports many of the City's major activities such as the police, fire and service departments, as well as most legislative and administrative activities. The General Fund is monitored closely, looking for possible revenue shortfalls or potential overspending by individual departments.

## City of North Olmsted

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

*For the Fiscal Year Ended December 31, 2014*

For the General Fund, the original budgeted revenues and other financing sources were \$18,367,534. The final budgeted revenues and other financing sources were \$18,396,292. The City actually received \$19,191,815 in 2014. While the excess was a result of greater than anticipated revenues across all revenue types, the more significant variances were municipal income taxes, intergovernmental, and charges for services. The City was conservative with its estimate for municipal income taxes, and received more from payroll withholding and from individuals than anticipated. The City's intergovernmental revenues were also greater than expected due to the City receiving approximately \$145,000 more in local government revenue than was budgeted from the County and State. Additionally, Homestead/Rollback, grants, and intergovernmental reimbursements for school crossing guards were higher than budgeted. Charges for service revenue was greater than anticipated due to the City's conservative estimates for only the second year of the Mayor's Court program.

The original appropriations, including other financing uses for the General Fund were \$21,752,248. The final appropriations, including other financing uses, were \$21,778,541. Actual expenditures, excluding other financing uses ended \$1,476,227 below the final budgeted amount. This was most notable in security of persons and property and general government. The expenditure variances in security of persons and property are primarily for severance and vacation buy backs not taken in the police and fire departments as well as for staffing vacancies that were not immediately filled. The fire departments also spent less on EMS billing fees than was included in the budget. General government expenditures were less than budgeted across all areas in 2014, but the greatest variance was for wages and benefits due to attrition and timing of replacements. There was an \$868,556 deficiency of revenues under expenditures before the \$241,943 net other financing uses. This resulted in a net decrease of the General Fund balance of \$1,110,499.

### Capital Assets and Debt Administration

#### *Capital Assets*

	Governmental Activities		Business-Type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Land	\$ 4,445,992	\$ 4,445,992	\$ 2,340,714	\$ 2,340,714	\$ 6,786,706	\$ 6,786,706
Construction in progress	1,590,295	368,886	44,549,356	34,898,261	46,139,651	35,267,147
Other non-depreciable assets	23,000	23,000	-	-	23,000	23,000
Land improvements	1,112,179	1,120,637	1,067,370	1,094,766	2,179,549	2,215,403
Buildings and improvements	14,620,950	14,813,195	5,601,804	5,894,148	20,222,754	20,707,343
Furniture and fixtures	45,924	51,417	13,684	14,466	59,608	65,883
Vehicles and equipment	2,756,023	2,584,395	14,756,793	15,593,173	17,512,816	18,177,568
Infrastructure	<u>28,005,185</u>	<u>32,938,273</u>	<u>8,985,491</u>	<u>9,341,801</u>	<u>36,990,676</u>	<u>42,280,074</u>
Total	<u>\$ 52,599,548</u>	<u>\$ 56,345,795</u>	<u>\$ 77,315,212</u>	<u>\$ 69,177,329</u>	<u>\$ 129,914,760</u>	<u>\$ 125,523,124</u>

Total capital assets net of depreciation of the City's governmental activities as of December 31, 2014, were \$52,599,548, which was \$3,746,247 lower than December 31, 2013. The most significant additions were in construction in progress of \$1,744,443 and vehicles and equipment of \$635,155. In 2014, the largest construction in progress addition was the Recreation Center renovations and the largest vehicle and equipment additions included a bucket truck and a lease for fitness equipment. The capital asset additions were offset by annual depreciation expense of \$6,720,793.

Business-type activities net capital assets increased by \$8,137,883 from 2013 which is primarily due to an increase in construction in progress, which includes \$9,651,095 in improvements to the City's sanitary sewer

## City of North Olmsted

Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended December 31, 2014

plant. The capital asset additions for business-type activities were offset by annual depreciation expense of \$1,943,085. For additional information see Note 9 to the basic financial statements.

### Debt and Other Long-Term Obligations

As of December 31, 2014, the City of North Olmsted had \$90,060,629 in total debt and other long-term obligations outstanding with \$8,337,834 due within one year.

	Governmental Activities		Business-Type Activities		Totals	
	2014	2013	2014	2013	2014	2013
General obligation bonds	\$ 20,750,420	\$ 24,664,457	\$ 6,463,388	\$ 8,221,294	\$ 27,213,808	\$ 32,885,751
OWDA loan	-	-	54,244,535	37,086,769	54,244,535	37,086,769
OPWC loans	-	-	195,500	260,667	195,500	260,667
Police pension liability	81,218	84,565	-	-	81,218	84,565
Long-term notes	2,425,000	-	-	-	2,425,000	-
Compensated absences	4,717,759	4,684,350	402,802	418,780	5,120,561	5,103,130
Claims payable	186,015	389,260	-	-	186,015	389,260
Capital lease payable	163,862	14,124	28,325	980	192,187	15,104
Other long-term liabilities	-	-	401,805	8,139,426	401,805	8,139,426
Total	\$ 28,324,274	\$ 29,836,756	\$ 61,736,355	\$ 54,127,916	\$ 90,060,629	\$ 83,964,672

The general obligation bonds are composed of many various purposes which include street and storm improvements, sanitary sewer improvements, equipment, computerization, golf course purchase and improvements, recreation center and parks improvements, city building improvements and new library and fire station construction. Many revenue sources assist in the payment of debt service.

The City has several OPWC and OWDA loans outstanding; however, the OPWC loans are interest-free loans.

The State of Ohio statute limits the amount of general obligation debt a governmental entity may issue to 10.5 percent of the total assessed valuation. The City's overall legal debt margin was \$63,984,714 at December 31, 2014. This represents the aggregate principal amount of additional voted and unvoted debt which the City may issue over and above what the City currently has outstanding without exceeding the limitation. This calculation does not take into account the City's ability to repay such debt levels within current resources. Additional information concerning the City's debt can be found in Notes 13, 14 and 15 to the basic financial statements.

### Economic Factors and Next Year's Budget

The City of North Olmsted continues to experience many financial challenges based on the current state of the economy and the permanent revenue losses that have been enacted by the State. Municipal income tax revenue increased by 2.5 percent in 2012, 6.1 percent in 2013, and 6.6 percent in 2014. Municipal income tax revenues are expected to remain steady for 2015 as unemployment continues to trend downward. Additionally, the housing market has levelled off which will stabilize property tax revenue. In an effort to offset the nearly \$1,000,000 yearly loss in revenue from the State due to cuts in local government funding and the elimination of the estate tax as of January 1, 2013, City administration and Council have been reviewing operations for opportunities to gain efficiency and contain costs, including closely monitoring employee attrition. City officials have also been proactively seeking additional revenue opportunities including establishing a Mayor's Court in 2013, and pursuing various grants.

## **City of North Olmsted**

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2014*

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### **Requests for Information**

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and show the City's accountability for all money it receives, spends, or invests. If you have any questions about this report or need financial information, contact the Director of Finance, City of North Olmsted, 5200 Dover Center Road, North Olmsted, Ohio, 44070; telephone 440-777-8000 or e-mail at [finance@north-olmsted.com](mailto:finance@north-olmsted.com).

# City of North Olmsted, Ohio

## Statement of Net Position

**December 31, 2014**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	North Olmsted Commission on Paratransit, Inc.
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 19,015,391	\$ 6,522,502	\$ 25,537,893	\$ 39,003
Accounts receivable	438,810	-	438,810	-
Materials and supplies inventory	370,158	144,212	514,370	-
Prepaid items	106,351	71,461	177,812	-
Internal balances	3,421,689	(3,421,689)	-	-
Intergovernmental receivable	1,717,311	2,475,439	4,192,750	-
Income taxes receivable	4,046,946	-	4,046,946	-
Taxes receivable - property and other	9,149,172	-	9,149,172	-
Non-depreciable capital assets	6,059,287	46,890,070	52,949,357	-
Depreciable capital assets, net	<u>46,540,261</u>	<u>30,425,142</u>	<u>76,965,403</u>	-
Total assets	<u>90,865,376</u>	<u>83,107,137</u>	<u>173,972,513</u>	<u>39,003</u>
<b>Deferred outflows of resources:</b>				
Deferred loss on refunding	<u>236,117</u>	<u>154,738</u>	<u>390,855</u>	-
<b>Liabilities:</b>				
Accounts and contracts payable	304,449	282,590	587,039	-
Accrued wages and benefits	749,470	114,105	863,575	-
Intergovernmental payable	15,613	7,907	23,520	-
Retainage payable	-	1,905,305	1,905,305	-
Accrued interest payable	67,215	158,778	225,993	-
Notes payable	150,000	-	150,000	-
<b>Long-term liabilities:</b>				
Due within one year	5,918,428	2,419,406	8,337,834	-
Due in more than one year	<u>22,405,846</u>	<u>59,316,949</u>	<u>81,722,795</u>	-
Total liabilities	<u>29,611,021</u>	<u>64,205,040</u>	<u>93,816,061</u>	-
<b>Deferred inflows of resources:</b>				
Property taxes	<u>8,760,211</u>	-	<u>8,760,211</u>	-
<b>Net position:</b>				
Net investment in capital assets	29,341,888	14,085,646	43,427,534	-
<b>Restricted for:</b>				
Debt service	7,384,896	-	7,384,896	-
Capital projects	1,138,817	-	1,138,817	-
Community development	73,955	-	73,955	-
Highways and streets	4,723,437	-	4,723,437	-
Public safety	509,197	-	509,197	-
Recreation	86,380	-	86,380	-
Solid waste management	1,136,124	-	1,136,124	-
Federal and other grants	535,346	-	535,346	-
Unrestricted	<u>7,800,221</u>	<u>4,971,189</u>	<u>12,771,410</u>	<u>39,003</u>
Total net position	<u>\$ 52,730,261</u>	<u>\$ 19,056,835</u>	<u>\$ 71,787,096</u>	<u>\$ 39,003</u>

The accompanying notes are an integral part of these financial statements.

# City of North Olmsted, Ohio

## Statement of Activities

**For the Year Ended December 31, 2014**

	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>
Primary government:			
Governmental activities:			
General government	\$ 4,200,635	\$ 2,030,517	\$ 55,726
Security of persons and property	12,948,527	1,341,069	129,368
Public health and welfare	529,304	7,446	60,909
Transportation	9,608,806	241,171	1,545,273
Basic utility services	1,920,086	-	5,000
Leisure time activities	2,850,349	1,570,024	55
Economic development	328,696	18,608	-
Interest and fiscal charges	941,826	-	-
Total governmental activities	<u>33,328,229</u>	<u>5,208,835</u>	<u>1,796,331</u>
Business-type activities:			
Springvale Golf Course and Ballroom	1,547,407	1,655,305	-
Sewer Revenue	<u>6,311,785</u>	<u>8,738,033</u>	<u>-</u>
Total business-type activities	<u>7,859,192</u>	<u>10,393,338</u>	<u>-</u>
Total primary government	\$ <u>41,187,421</u>	\$ <u>15,602,173</u>	\$ <u>1,796,331</u>
Component unit:			
North Olmsted Commission on Paratransit, Inc.	\$ <u>364</u>	\$ <u>-</u>	\$ <u>-</u>

General revenues:

- Property taxes levied for:
  - General purposes
  - Recreation
  - Fire pension
  - Police pension
  - Debt service
- Municipal income taxes levied for:
  - General purposes
  - Solid waste management
  - Capital outlay
- Grants and entitlements not restricted to specific programs
- Investment income
- Miscellaneous income
- Total general revenues
- Transfers
- Total general revenues and transfers
- Change in net position
- Net position, beginning of year
- Net position, end of year

The accompanying notes are an integral part of these financial statements.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business- Type Activities	Total	North Olmsted Commission on Paratransit, Inc.
\$ (2,114,392)	\$ -	\$ (2,114,392)	\$ -
(11,478,090)	-	(11,478,090)	-
(460,949)	-	(460,949)	-
(7,822,362)	-	(7,822,362)	-
(1,915,086)	-	(1,915,086)	-
(1,280,270)	-	(1,280,270)	-
(310,088)	-	(310,088)	-
<u>(941,826)</u>	<u>-</u>	<u>(941,826)</u>	<u>-</u>
<u>(26,323,063)</u>	<u>-</u>	<u>(26,323,063)</u>	<u>-</u>
-	107,898	107,898	-
<u>-</u>	<u>2,426,248</u>	<u>2,426,248</u>	<u>-</u>
<u>-</u>	<u>2,534,146</u>	<u>2,534,146</u>	<u>-</u>
<u>(26,323,063)</u>	<u>2,534,146</u>	<u>(23,788,917)</u>	<u>-</u>
-	-	-	(364)
4,759,012	-	4,759,012	-
803,919	-	803,919	-
200,980	-	200,980	-
204,236	-	204,236	-
3,215,679	-	3,215,679	-
9,748,392	-	9,748,392	-
2,088,940	-	2,088,940	-
2,088,932	-	2,088,932	-
2,201,218	-	2,201,218	-
39,775	-	39,775	-
<u>63,894</u>	<u>-</u>	<u>63,894</u>	<u>-</u>
25,414,977	-	25,414,977	-
<u>40,223</u>	<u>(40,223)</u>	<u>-</u>	<u>-</u>
<u>25,455,200</u>	<u>(40,223)</u>	<u>25,414,977</u>	<u>-</u>
(867,863)	2,493,923	1,626,060	(364)
<u>53,598,124</u>	<u>16,562,912</u>	<u>70,161,036</u>	<u>39,367</u>
<u>\$ 52,730,261</u>	<u>\$ 19,056,835</u>	<u>\$ 71,787,096</u>	<u>\$ 39,003</u>

# City of North Olmsted, Ohio

## Balance Sheet Governmental Funds

**December 31, 2014**

	<u>General</u>	<u>Permanent Improvements</u>	<u>General Obligation Bond Retirement</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>					
Current assets:					
Equity in pooled cash and cash equivalents	\$ 4,786,501	\$ 2,336,947	\$ 2,625,080	\$ 5,480,828	\$ 15,229,356
Income taxes receivable	2,832,862	607,042	-	607,042	4,046,946
Taxes receivable - property and other	4,600,989	-	2,262,993	2,285,190	9,149,172
Intergovernmental receivable	639,043	130	219,147	858,991	1,717,311
Accounts receivable	414,528	-	-	24,282	438,810
Interfund receivable	34,654	-	3,141,241	-	3,175,895
Materials and supplies inventory	318,431	-	-	51,727	370,158
Prepaid items	82,143	-	-	24,208	106,351
Non-current assets:					
Advances to other funds	780,145	-	-	-	780,145
<b>Total assets</b>	<b>\$ 14,489,296</b>	<b>\$ 2,944,119</b>	<b>\$ 8,248,461</b>	<b>\$ 9,332,268</b>	<b>\$ 35,014,144</b>
<b>Liabilities, deferred inflows of resources and fund balances:</b>					
<b>Liabilities:</b>					
Accounts and contracts payable	\$ 109,677	\$ 1,118	\$ -	\$ 192,824	\$ 303,619
Accrued wages and benefits	657,702	-	-	91,768	749,470
Intergovernmental payable	2,267	-	-	5,481	7,748
Interfund payable	-	-	-	34,654	34,654
Notes payable	-	42,500	-	107,500	150,000
<b>Total liabilities</b>	<b>769,646</b>	<b>43,618</b>	<b>-</b>	<b>432,227</b>	<b>1,245,491</b>
<b>Deferred inflows or resources:</b>					
Property taxes	4,413,042	-	2,173,587	2,173,582	8,760,211
Unavailable revenues	2,140,724	276,519	308,553	945,404	3,671,200
<b>Total deferred inflows of resources</b>	<b>6,553,766</b>	<b>276,519</b>	<b>2,482,140</b>	<b>3,118,986</b>	<b>12,431,411</b>
<b>Fund balances:</b>					
Nonspendable	1,180,719	-	-	75,935	1,256,654
Restricted	-	-	5,766,321	4,367,992	10,134,313
Committed	-	2,623,982	-	1,337,128	3,961,110
Assigned	4,714,841	-	-	-	4,714,841
Unassigned	1,270,324	-	-	-	1,270,324
<b>Total fund balances</b>	<b>7,165,884</b>	<b>2,623,982</b>	<b>5,766,321</b>	<b>5,781,055</b>	<b>21,337,242</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 14,489,296</b>	<b>\$ 2,944,119</b>	<b>\$ 8,248,461</b>	<b>\$ 9,332,268</b>	<b>\$ 35,014,144</b>

The accompanying notes are an integral part of these financial statements.

# City of North Olmsted, Ohio

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

**December 31, 2014**

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Total governmental fund balances		\$	21,337,242
<i>Amounts reported for governmental activities in the Statement of Net Position are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			52,599,548
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.			
	Property and other taxes	\$	360,333
	Municipal income taxes		1,842,594
	Intergovernmental		1,318,674
	Charges for services		<u>149,599</u>
	Total		3,671,200
In the Statement of Activities, interest is accrued on outstanding long-term obligations, whereas in governmental funds, an interest expenditure is reported when due.			(67,215)
Long-term liabilities are not due and payable in the current period and are therefore not reported in the funds.			
	Police pension liability		(81,218)
	General obligation bonds		(20,750,420)
	Deferred charge on refunding		236,117
	Capital improvement notes		(2,425,000)
	Capital leases payable		(163,862)
	Compensated absences		<u>(4,717,759)</u>
	Total		(27,902,142)
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.			
	Net position		3,591,325
	Internal balances		<u>(499,697)</u>
<i>Net position of governmental activities</i>		\$	<u>52,730,261</u>

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

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

### **For the Year Ended December 31, 2014**

	<u>General</u>	<u>Permanent Improvements</u>	<u>General Obligation Bond Retirement</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>					
Property and other local taxes	\$ 4,499,303	\$ -	\$ 2,237,488	\$ 2,554,683	\$ 9,291,474
Municipal income taxes	10,022,252	2,147,616	-	2,147,624	14,317,492
Charges for services	1,615,654	25,685	-	1,109,268	2,750,607
Fines, licenses and permits	1,382,204	-	-	298,913	1,681,117
Intergovernmental	1,751,070	260	453,667	1,926,028	4,131,025
Investment income	36,130	-	2,025	1,620	39,775
Miscellaneous income	<u>62,479</u>	<u>-</u>	<u>-</u>	<u>599,576</u>	<u>662,055</u>
Total revenues	<u>19,369,092</u>	<u>2,173,561</u>	<u>2,693,180</u>	<u>8,637,712</u>	<u>32,873,545</u>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	4,029,150	-	-	161,379	4,190,529
Security of persons and property	12,010,031	-	-	1,184,899	13,194,930
Public health and welfare	455,551	-	-	66,571	522,122
Transportation	2,803,312	682,662	-	1,763,902	5,249,876
Basic utility services	-	-	-	1,923,981	1,923,981
Leisure time activities	-	-	-	2,620,445	2,620,445
Economic development	315,772	-	-	5,286	321,058
Capital outlay	-	-	-	1,746,234	1,746,234
<b>Debt service:</b>					
Principal	14,242	-	3,042,000	815,839	3,872,081
Interest and fiscal charges	3,900	-	571,830	398,582	974,312
Issuance costs	<u>-</u>	<u>-</u>	<u>28,056</u>	<u>-</u>	<u>28,056</u>
Total expenditures	<u>19,631,958</u>	<u>682,662</u>	<u>3,641,886</u>	<u>10,687,118</u>	<u>34,643,624</u>
Excess (deficiency) of revenues over expenditures	<u>(262,866)</u>	<u>1,490,899</u>	<u>(948,706)</u>	<u>(2,049,406)</u>	<u>(1,770,079)</u>
<b>Other financing sources (uses):</b>					
Proceeds from issuance of notes	-	382,500	-	2,042,500	2,425,000
Premium on issuance of notes	-	-	11,510	-	11,510
Inception of capital lease	-	-	-	176,472	176,472
Sale of capital assets	3,400	-	-	-	3,400
Transfers - in	53,354	-	1,538,142	4,397	1,595,893
Transfers - out	<u>-</u>	<u>(1,270,816)</u>	<u>-</u>	<u>(284,854)</u>	<u>(1,555,670)</u>
Total other financing sources (uses)	<u>56,754</u>	<u>(888,316)</u>	<u>1,549,652</u>	<u>1,938,515</u>	<u>2,656,605</u>
Net change in fund balances	(206,112)	602,583	600,946	(110,891)	886,526
Fund balances, beginning of year	<u>7,371,996</u>	<u>2,021,399</u>	<u>5,165,375</u>	<u>5,891,946</u>	<u>20,450,716</u>
Fund balances, end of year	\$ <u>7,165,884</u>	\$ <u>2,623,982</u>	\$ <u>5,766,321</u>	\$ <u>5,781,055</u>	\$ <u>21,337,242</u>

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, 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, 2014**

Net change in fund balances - total governmental funds \$ 886,526

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

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

Capital outlay	\$ 2,981,358	
Depreciation expense	<u>(6,720,793)</u>	
Total		(3,739,435)

In the Statement of Activities, only the gain or loss on the disposal of capital assets is reported, whereas, in the governmental funds, the proceeds from the disposal increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets.

(6,812)

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

Property and local taxes	(107,648)	
Municipal income taxes	(391,228)	
Charges for services	32,604	
Intergovernmental	<u>12,870</u>	
Total		(453,402)

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

Long-term notes issued	(2,425,000)	
Inception of capital lease	<u>(176,472)</u>	
Total		(2,601,472)

Repayment of long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

General obligation bonds	3,842,000	
Police pension liability	3,347	
Capital leases	<u>26,734</u>	
Total		3,872,081

(Continued)

## City of North Olmsted, Ohio

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

#### **For the Year Ended December 31, 2014**

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

Accrued interest on bonds	14,028	
Compensated absences	(33,409)	
Amortization of premium	72,037	
Amortization of deferred loss on refunding	<u>(37,033)</u>	
Total		15,623

Internal service funds used by management to charge the costs of insurance to individual funds are not reported in the entity-wide Statement of Activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among governmental activities.

Change in net position	1,340,152	
Internal balances	<u>(181,124)</u>	
Total		<u>1,159,028</u>

Change in net position of governmental activities \$ (867,863)

# City of North Olmsted, Ohio

## Statement of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - General Fund

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Revenues:</b>				
Property and other local taxes	\$ 4,606,823	\$ 4,606,823	\$ 4,497,737	\$ (109,086)
Municipal income taxes	9,320,196	9,320,196	9,919,609	599,413
Charges for services	1,678,978	1,678,978	1,744,480	65,502
Licenses and permits	1,084,500	1,110,794	1,139,721	28,927
Fines and forfeitures	216,000	216,000	239,477	23,477
Intergovernmental	1,330,883	1,330,883	1,522,480	191,597
Investment income	30,000	30,000	36,130	6,130
Miscellaneous income	<u>24,000</u>	<u>24,000</u>	<u>25,900</u>	<u>1,900</u>
Total revenues	<u>18,291,380</u>	<u>18,317,674</u>	<u>19,125,534</u>	<u>807,860</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	4,346,825	4,416,818	4,003,784	413,034
Security of persons and property	12,475,073	12,397,580	11,702,677	694,903
Public health and welfare	493,821	493,821	466,630	27,191
Transportation	3,765,891	3,796,486	3,464,878	331,608
Basic utility services	22,550	25,750	25,383	367
Economic development	<u>339,864</u>	<u>339,862</u>	<u>330,738</u>	<u>9,124</u>
Total expenditures	<u>21,444,024</u>	<u>21,470,317</u>	<u>19,994,090</u>	<u>1,476,227</u>
Excess (deficiency) of revenues over expenditures	<u>(3,152,644)</u>	<u>(3,152,643)</u>	<u>(868,556)</u>	<u>2,284,087</u>
<b>Other financing sources (uses):</b>				
Sales of capital assets	20,000	20,000	42,317	22,317
Advances - in	56,154	58,618	23,964	(34,654)
Transfers - out	<u>(308,224)</u>	<u>(308,224)</u>	<u>(308,224)</u>	<u>-</u>
Total other financing sources (uses)	<u>(232,070)</u>	<u>(229,606)</u>	<u>(241,943)</u>	<u>(12,337)</u>
Net change in fund balance	(3,384,714)	(3,382,249)	(1,110,499)	2,271,750
Prior year encumbrances	413,484	413,484	413,484	-
Fund balance, beginning of year	<u>3,245,137</u>	<u>3,245,137</u>	<u>3,245,137</u>	<u>-</u>
Fund balance, end of year	\$ <u>273,907</u>	\$ <u>276,372</u>	\$ <u>2,548,122</u>	\$ <u>2,271,750</u>

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

## Statement of Fund Net Position Proprietary Funds

**December 31, 2014**

	Business-Type Activities – Enterprise Funds			Governmental
	Springvale Golf Course and Ballroom	Sewer Revenue	Total	Internal Service Funds
<b>Assets:</b>				
<b>Current assets:</b>				
Equity in pooled cash and equivalents	\$ 163,378	\$ 6,359,124	\$ 6,522,502	\$ 3,786,035
Materials and supplies inventory	24,757	119,455	144,212	-
Prepaid items	9,174	62,287	71,461	-
Intergovernmental receivable	-	<u>2,475,439</u>	<u>2,475,439</u>	-
Total current assets	<u>197,309</u>	<u>9,016,305</u>	<u>9,213,614</u>	<u>3,786,035</u>
<b>Non-current assets:</b>				
Non-depreciable capital assets	2,245,811	44,644,259	46,890,070	-
Depreciable capital assets, net	<u>2,706,114</u>	<u>27,719,028</u>	<u>30,425,142</u>	-
Total non-current assets	<u>4,951,925</u>	<u>72,363,287</u>	<u>77,315,212</u>	-
Total assets	<u>5,149,234</u>	<u>81,379,592</u>	<u>86,528,826</u>	<u>3,786,035</u>
<b>Deferred outflows or resources:</b>				
Deferred loss on refunding	<u>100,074</u>	<u>54,664</u>	<u>154,738</u>	-
<b>Liabilities:</b>				
<b>Current:</b>				
Accounts and contracts payable	15,488	267,102	282,590	830
Accrued wages and benefits	16,675	97,430	114,105	-
Intergovernmental payable	-	7,907	7,907	7,865
Interfund payable	2,961,500	179,741	3,141,241	-
Retainage payable	-	1,905,305	1,905,305	-
Accrued interest payable	11,100	147,678	158,778	-
Claims payable	-	-	-	153,413
Accrued compensated absences	20,204	155,484	175,688	-
Capital lease payable	9,416	77	9,493	-
General obligation bond payable	442,000	1,391,000	1,833,000	-
OWDA loan payable	-	270,891	270,891	-
OPWC loan payable	-	<u>130,334</u>	<u>130,334</u>	-
Total current liabilities	<u>3,476,383</u>	<u>4,552,949</u>	<u>8,029,332</u>	<u>162,108</u>
<b>Long-term liabilities (net of current portion):</b>				
Advances from other funds	682,135	98,010	780,145	-
Claims payable	-	-	-	32,602
Accrued compensated absences	26,481	200,633	227,114	-
Capital lease payable	18,832	-	18,832	-
General obligation bonds payable	2,904,042	1,726,346	4,630,388	-
OWDA loan payable	-	53,973,644	53,973,644	-
OPWC loan payable	-	65,166	65,166	-
Other long-term liabilities	-	<u>401,805</u>	<u>401,805</u>	-
Total long-term liabilities	<u>3,631,490</u>	<u>56,465,604</u>	<u>60,097,094</u>	<u>32,602</u>
Total liabilities	<u>7,107,873</u>	<u>61,018,553</u>	<u>68,126,426</u>	<u>194,710</u>
<b>Net position:</b>				
Net investment in capital assets	1,677,709	12,407,937	14,085,646	-
Unrestricted (deficit)	<u>(3,536,274)</u>	<u>8,007,766</u>	<u>4,471,492</u>	<u>3,591,325</u>
Total net position	\$ <u>(1,858,565)</u>	\$ <u>20,415,703</u>	18,557,138	\$ <u>3,591,325</u>
Net position reported for business-type activities in the Statement of Net Position are different because they include accumulated overpayments to the internal service funds:				
			<u>499,697</u>	
		Net position business-type activities	\$ <u>19,056,835</u>	

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

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

### **For the Year Ended December 31, 2014**

	<u>Business-Type Activities – Enterprise Funds</u>			<u>Governmental</u>
	<u>Springvale Golf Course and Ballroom</u>	<u>Sewer Revenue</u>	<u>Total</u>	<u>Internal Service Funds</u>
Operating revenues:				
Charges for services	\$ <u>1,655,305</u>	\$ <u>8,738,033</u>	\$ <u>10,393,338</u>	\$ <u>3,797,059</u>
Operating expenses:				
Salaries	471,041	1,652,794	2,123,835	-
Benefits	116,467	687,343	803,810	-
Contractual services	264,231	1,509,898	1,774,129	513,939
Materials and supplies	348,495	410,291	758,786	-
Claims	-	-	-	1,942,968
Depreciation	<u>206,826</u>	<u>1,736,259</u>	<u>1,943,085</u>	<u>-</u>
Total operating expenses	<u>1,407,060</u>	<u>5,996,585</u>	<u>7,403,645</u>	<u>2,456,907</u>
Operating income	248,245	2,741,448	2,989,693	1,340,152
Non-operating revenues (expenses):				
Interest and fiscal charges	<u>(159,482)</u>	<u>(477,189)</u>	<u>(636,671)</u>	<u>-</u>
Income before transfers	88,763	2,264,259	2,353,022	1,340,152
Transfers - out	<u>(6,878)</u>	<u>(33,345)</u>	<u>(40,223)</u>	<u>-</u>
Change in net position	81,885	2,230,914	2,312,799	1,340,152
Net position, beginning of year	<u>(1,940,450)</u>	<u>18,184,789</u>		<u>2,251,173</u>
Net position, end of year	\$ <u>(1,858,565)</u>	\$ <u>20,415,703</u>		\$ <u>3,591,325</u>
Some amounts reported for business-type activities in the Statement of Activities are different because a portion of the net expense of the internal service funds are reported with business-type activities:			<u>181,124</u>	
		Change in net position business-type activities	\$ <u>2,493,923</u>	

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

## Statement of Cash Flows Proprietary Funds

**For the Year Ended December 31, 2014**

	Business-Type Activities – Enterprise Funds			Governmental
	Springvale Golf Course and Ballroom	Sewer Revenue	Total	Internal Service Funds
Cash flows from operating activities:				
Receipts from customers and users	\$ 1,655,305	\$ 8,459,869	\$ 10,115,174	\$ 3,797,059
Cash paid for goods and services	(264,285)	(1,489,982)	(1,754,267)	(517,395)
Cash paid for materials and supplies	(345,611)	(424,732)	(770,343)	-
Cash paid for employee services and benefits	(586,221)	(2,330,233)	(2,916,454)	-
Cash paid for claims	-	-	-	(2,146,213)
Net cash provided by operating activities	<u>459,188</u>	<u>4,214,922</u>	<u>4,674,110</u>	<u>1,133,451</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(127,729)	(16,810,347)	(16,938,076)	-
Proceeds from capital debt - loans payable	-	16,498,130	16,498,130	-
Inception of capital lease	37,664	-	37,664	-
Capital lease principal paid	(9,416)	(903)	(10,319)	-
Capital lease interest paid	-	(29)	(29)	-
Loan principal paid - OPWC	-	(65,167)	(65,167)	-
Loan principal paid - OWDA	-	(270,650)	(270,650)	-
Loan interest paid	-	(156,082)	(156,082)	-
General obligation bonds principal paid	(426,000)	(1,317,000)	(1,743,000)	-
Interest paid on general obligation bonds	(152,048)	(196,486)	(348,534)	-
Net cash used for capital and related financing activities	<u>(677,529)</u>	<u>(2,318,534)</u>	<u>(2,996,063)</u>	<u>-</u>
Cash flows from noncapital financing activities:				
Advances - in	268,077	85,549	353,626	-
Transfers - out	(6,878)	(33,345)	(40,223)	-
Net cash provided by noncapital financing activities	<u>261,199</u>	<u>52,204</u>	<u>313,403</u>	<u>-</u>
Net increase in cash and cash equivalents	42,858	1,948,592	1,991,450	1,133,451
Cash and cash equivalents, beginning of year	<u>120,520</u>	<u>4,410,532</u>	<u>4,531,052</u>	<u>2,652,584</u>
Cash and cash equivalents, end of year	\$ <u><u>163,378</u></u>	\$ <u><u>6,359,124</u></u>	\$ <u><u>6,522,502</u></u>	\$ <u><u>3,786,035</u></u>

(Continued)

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

## Statement of Cash Flows (Continued) Proprietary Funds

### **For the Year Ended December 31, 2014**

	<u>Business-Type Activities – Enterprise Funds</u>			<u>Governmental</u>
	<u>Springvale Golf Course and Ballroom</u>	<u>Sewer Revenue</u>	<u>Total</u>	<u>Internal Service Funds</u>
Reconciliation of operating income to net cash from operating activities:				
Operating income	\$ 248,245	\$ 2,741,448	\$ 2,989,693	\$ 1,340,152
Adjustments:				
Depreciation	206,826	1,736,259	1,943,085	-
Changes in assets and liabilities:				
Materials and supplies inventory	(4,645)	(9,474)	(14,119)	-
Intergovernmental receivable	-	(278,164)	(278,164)	-
Prepaid items	(718)	(8,980)	(9,698)	-
Accounts and contracts payable	11,566	45,558	57,124	(904)
Accrued wages and benefits	8,676	31,663	40,339	-
Intergovernmental payable	(3,373)	(21,629)	(25,002)	(2,552)
Claims payable	-	-	-	(203,245)
Matured compensated absences	(13,170)	-	(13,170)	-
Accrued compensated absences	5,781	(21,759)	(15,978)	-
Net cash provided by operating activities	\$ <u>459,188</u>	\$ <u>4,214,922</u>	\$ <u>4,674,110</u>	\$ <u>1,133,451</u>
Non-cash capital financing activities:				
Loan interest expense capitalized into loan principal	\$ -	\$ 930,286	\$ 930,286	\$ -
Change in capital assets purchased on credit	-	(7,787,394)	(7,787,394)	-
Increase in capital assets due to capitalized interest	-	930,286	930,286	-
Amortization of premium on bonds classified as interest expense	(5,292)	(9,614)	(14,906)	-
Amortization of deferred loss on refunding classified as interest expense	14,297	7,810	22,107	-
Accrued liabilities that will be funded with long-term debt	-	401,805	401,805	-

**City of North Olmsted, Ohio**

Statement of Fiduciary Assets and Liabilities  
Agency Funds

**December 31, 2014**

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Assets:	
Equity in pooled cash and cash equivalents	\$ <u>666,546</u>
Liabilities:	
Deposits held and due to others	\$ <u>666,546</u>

# City of North Olmsted, Ohio

## Notes to the Basic Financial Statements

### **For the Year Ended December 31, 2014**

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#### **Note 1: Description of the City and Reporting Entity**

The City of North Olmsted, Ohio, (the “City”) was chartered in 1959 under the laws of the State of Ohio. The City operates a Mayor-Council form of government.

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 City’s primary government consists of all funds and departments which are not legally separate from the City. They include police and fire fighting forces, sewer services, a golf course, a street maintenance service, planning and zoning, and a staff to provide necessary support to these service providers.

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 the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations which are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes.

A discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize it is legally separated from the City.

North Olmsted Commission on Paratransit, Inc. (N.O.C.O.P.) provided transportation to the residents of the City of North Olmsted, the City of Olmsted Falls and Olmsted Township who were 60 years of age or older or disabled. N.O.C.O.P. was formed in 1992 and was governed by a Board of Trustees which consisted of nine members. The following four members were automatic members of the Board of Trustees: The Mayor of the City of North Olmsted or designee, the Finance Director of the City of North Olmsted or designee, a member of the Finance Committee of the North Olmsted City Council as designated by the Chairman of the Committee and the President of the North Olmsted City Council. The remaining members of the Board of Trustees were elected by the membership as provided in its by-laws. N.O.C.O.P. utilized the services of a third-party provider, Senior Transportation Connection, to provide transportation services to the residents. Fares were collected by the provider based on the destination and frequency that the service was used. The three communities shared costs or deficits on a prorated agreement based on each community’s population. Effective September 1, 2013, Olmsted Township terminated its membership with NOCOP. In 2013, the formula was as follows for January through August: the City of North Olmsted contributed 65.46 percent, the City of Olmsted Falls contributed 10.39 percent and Olmsted Township contributed 24.15 percent. As of September 1, 2013, the City of North Olmsted contributed 86.3 percent and the City of Olmsted Falls contributed 13.7 percent. Effective January, 1, 2014, the City of North Olmsted and the City of Olmsted Falls each entered into individual contracts with Senior Transportation Connection, and no longer shared the transportation costs on a pro-rated basis. N.O.C.O.P. operated on a fiscal year ending December 31 and no revenues were generated during the year ended December 31, 2014. The N.O.C.O.P. is currently in the process of winding up operations. Complete financial statements for N.O.C.O.P. may be obtained by writing the North Olmsted Commission on Paratransit, Inc., 5200 Dover Center Road, North Olmsted, Ohio 44070.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2014**

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### **Note 1: Description of the City and Reporting Entity (continued)**

Information in the following notes to the basic financial statements is applicable to the primary government. Information relative to the component unit is presented in Note 22.

The City is associated with one jointly governed organization, the West Shore Council of Governments. This organization is presented in Note 20 to the basic financial statements.

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

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

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

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

#### ***Government-wide Financial Statements***

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

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2014**

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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 and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Internal service funds are 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 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 deferred outflows of resources and liabilities and deferred inflows of resources is reported as fund balance. The following are the City's major governmental funds:

*General Fund* - The General Fund is the operating fund of the City and is used to account for 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 North Olmsted and/or the general laws of Ohio.

*Permanent Improvements Fund* – The Permanent Improvements Capital Projects Fund accounts for 15 percent of the municipal income tax receipts and expenditures for the permanent improvement of streets and the storm sewer system.

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

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2014**

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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 position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

*Enterprise Funds* - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The City's major enterprise funds are:

*Springvale Golf Course and Ballroom Fund* - The Springvale Golf Course and Ballroom Fund accounts for revenues and expenses of the City-owned golf course and ballroom facility.

*Sewer Revenue Fund* - The Sewer Revenue Fund accounts for the revenues and expenses of the sanitary sewer system and wastewater treatment plant facilities.

*Internal Service Funds* - 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. One internal service fund accounts for a self-insurance program for employee medical, dental and vision benefits. The other internal service fund accounts for assets set aside for claim settlements and related liabilities associated with the workers' compensation self-insurance program.

##### *Fiduciary Funds*

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

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

##### *Government-wide Financial Statements*

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2014**

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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 deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the 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, liabilities, and deferred outflows/inflows of resources associated with the operation of these funds are included on the Statement of Fund Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The Statement of Cash Flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

#### ***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 inflows/outflows of resources and in the presentation of expenses versus expenditures.

##### *Revenues - Exchange and Nonexchange Transactions*

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

Nonexchange 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 (Note 8). Revenue from grants, entitlements and

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2014**

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

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

##### *Revenues - Exchange and Nonexchange Transactions (continued)*

donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from nonexchange 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 fees), fines and forfeitures, interest, grants and entitlements and rentals.

##### *Unearned Revenue*

Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because such amounts have not yet been earned. At December 31, 2014, the City does not have unearned revenue.

##### *Deferred Outflows/Inflows of Resources*

In addition to assets, the financial statements may report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. At December 31, 2014, the City had deferred outflows of resources for a deferred loss on refunding reported in the government-wide Statement of Net Position and the proprietary funds Statement of Fund Net Position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the financial statements may report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be a recognized as inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes and unavailable revenues. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2014, but which were levied to finance fiscal year 2015 operations. These amounts have been recorded as a deferred inflow on both the government-wide Statement of Net Position and the governmental funds Balance Sheet. Unavailable revenue is reported only on the governmental funds Balance Sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, income taxes, charges for services and intergovernmental revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2014**

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

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

##### *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.

#### ***E. Budgetary Data***

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount City Council may appropriate. The appropriations resolution is City Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by City Council. The legal level of control has been established by City Council at the category level (salaries, benefits, materials and supplies, contractual services, capital outlay, etc.). Budgetary modifications may only be made by resolution of the City Council at the legal level of control.

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

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

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

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents".

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2014**

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

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

Investments are reported at fair value which is based on quoted market prices, with the exception of nonparticipating certificates of deposit and repurchase agreements, which are reported at cost.

During 2014, investments were limited to money market savings accounts.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue for 2014 consisted of:

	Actual <u>Interest Credited</u>	From (to) other <u>City Funds</u>
General	\$ 36,130	\$ 28,015
Special Revenue Funds:		
Motor Vehicle License Tax	187	(38)
State Highway	824	(219)
Street Maintenance	604	(201)
Endowment and Grant	5	(426)
Debt Service Funds:		
General Obligation Bond Retirement	2,025	(1,969)
All others	-	(25,162)
	<u>\$ 39,775</u>	<u>\$ -</u>

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

#### ***G. Materials and Supplies Inventory***

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

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

Payments made to vendors for services that will benefit periods beyond December 31, 2014 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2014**

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

#### ***I. 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. General capital assets are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide Statement of Net Position and in the respective funds.

Purchased capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$5,000. 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 proprietary fund capital assets is also capitalized.

All capital assets are depreciated except for land, art, 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 estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	5 to 40 years
Buildings and improvements	8 to 40 years
Furniture and fixtures	10 to 20 years
Vehicles and equipment	2 to 25 years
Roads	10 to 30 years
Bridges and culverts	35 to 50 years
Sanitary sewer lines	50 years

The City's infrastructure consists of roads, bridges, culverts and sanitary sewer lines.

#### ***J. Interfund Balances***

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables". Long-term interfund loans are classified as "advances to/from other funds" on the Balance Sheet and are equally offset by a fund balance reserve account which indicates that they do not constitute available expendable resources. Interfund balance amounts are eliminated in the Statement of Net Position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2014**

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

#### ***K. 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. The City records a liability for all accumulated unused vacation time when earned for all employees with more than one year of service.

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 year-end taking into consideration any limits specified in the City's termination policy.

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

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

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

#### ***M. Fund Balance***

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

***Nonspendable:*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans receivable.

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2014**

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

#### ***M. Fund Balance (continued)***

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party, such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

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

***Assigned:*** Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance. The City's delegated official is the Finance Director.

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

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2014**

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

#### ***N. Net Position***

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The government-wide Statement of Net Position reports \$15,588,152 of restricted net position, none of which is restricted by enabling legislation. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

#### ***O. 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 sewer, golf and self-insurance programs. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as non-operating.

#### ***P. Deferred Loss on Refunding***

The difference between the reacquisition price (funds required to refund the old debt) of various refunding bonds and the net carrying amount of the old debt, the deferred amount (loss) on refunding, is being amortized as a component of interest expense over the remaining life of the new debt. On fund financial statements, the deferred loss on refunding decreases the fund balance in the year the refunding bonds are issued.

#### ***Q. Bond Premiums***

On the government-wide financial statements, bond premiums are deferred and amortized over the term of the bonds using the straight-line method. Bond premiums are presented as an increase of the face amount of the general obligation bonds payable. On fund financial statements, bond premiums increase the fund balance in the year the bonds are issued.

#### ***R. Contributions of Capital***

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction. The City did not have any contributions of capital for the year ended December 31, 2014.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2014**

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

#### ***S. Interfund Activity***

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

#### ***T. 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. The City did not have any extraordinary or special items for the year ended December 31, 2014.

#### ***U. 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: Change in Accounting Principles**

For 2014, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 69, *Government Combinations and Disposals of Government Operations* and GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*.

GASB Statement No. 69 establishes accounting and financial reporting standards for mergers, acquisitions, and transfers of operations (i.e., government combinations). The Statement also provides guidance on how to determine the gain or loss on a disposal of government operations. The implementation of this Statement did not result in any change in the City's financial statements.

GASB Statement No. 70 establishes accounting and financial reporting standards for situations where a state or local government, as a guarantor, agrees to indemnify a third-party obligation holder under specified conditions (i.e. nonexchange financial guarantees). The issuer of the guaranteed obligation can be a legally separate entity or individual, including a blended or discretely presented component unit. Guidance is provided for situations where a state or local government extends or receives a nonexchange financial guarantee. The implementation of this Statement did not result in any change in the City's financial statements.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2014

### Note 3: Change in Accounting Principles (continued)

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2014. The City has not determined the impact, if any, that this Statement will have on its financial statements or disclosures.

In September 2013, the GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2014. The City has not determined the impact, if any, that this Statement will have on its financial statements or disclosures.

### Note 4: Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all non-major governmental funds are presented below:

<u>Fund Balances</u>	<u>General</u>	<u>Permanent Improvements</u>	<u>General Obligation Bond Retirement</u>	<u>Non-major Governmental</u>	<u>Total Governmental</u>
Nonspendable:					
Long-term advances	\$ 780,145	\$ -	\$ -	\$ -	\$ 780,145
Inventory	318,431	-	-	51,727	370,158
Prepays	82,143	-	-	24,208	106,351
Total nonspendable	<u>1,180,719</u>	<u>-</u>	<u>-</u>	<u>75,935</u>	<u>1,256,654</u>
Restricted for:					
Community diversion	-	-	-	4,954	4,954
Recreation	-	-	-	95,704	95,704
Court computer	-	-	-	8,342	8,342
Alcohol education	-	-	-	19,064	19,064
Drug and law enforcement	-	-	-	52,536	52,536
Police and fire pension	-	-	-	53,234	53,234
Emergency medical services	-	-	-	2,773	2,773
Motor vehicle license tax	-	-	-	114,789	114,789
State highway	-	-	-	615,429	615,429
Street maintenance	-	-	-	547,645	547,645
Public way management	-	-	-	22,596	22,596
Endowments and grants	-	-	-	283,199	283,199
CDBG	-	-	-	2,708	2,708
Title III grant	-	-	-	40,341	40,341
Fair capacity housing	-	-	-	184,704	184,704
FEMA grant	-	-	-	7,849	7,849
Federal grants	-	-	-	16,545	16,545
Debt service payments	-	-	5,766,321	1,268,758	7,035,079
Capital improvements	-	-	-	1,026,822	1,026,822
Total restricted	<u>-</u>	<u>-</u>	<u>5,766,321</u>	<u>4,367,992</u>	<u>10,134,313</u>

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2014

### Note 4: Fund Balances

<u>Fund Balances</u>	<u>General</u>	<u>Permanent Improvements</u>	<u>General Obligation Bond Retirement</u>	<u>Non-major Governmental</u>	<u>Total Governmental</u>
Committed to:					
Casualty loss	-	-	-	71,244	71,244
Economic development	-	-	-	73,955	73,955
Senior Center	-	-	-	7,363	7,363
Clague Park	-	-	-	3,065	3,065
Hotel/motel tax	-	-	-	173,780	173,780
STOP program	-	-	-	148,116	148,116
Solid waste management	-	-	-	859,605	859,605
Permanent improvements	-	<u>2,623,982</u>	-	-	<u>2,623,982</u>
Total committed	-	<u>2,623,982</u>	-	<u>1,337,128</u>	<u>3,961,110</u>
Assigned to:					
Separation pay	1,396,337	-	-	-	1,396,337
27 <sup>th</sup> pay	540,000	-	-	-	540,000
Year 2014 appropriations	2,574,922	-	-	-	2,574,922
Purchases on order	<u>203,582</u>	-	-	-	<u>203,582</u>
Total assigned	<u>4,714,841</u>	-	-	-	<u>4,714,841</u>
Unassigned	<u>1,270,324</u>	-	-	-	<u>1,270,324</u>
Total fund balance	\$ <u>7,165,884</u>	\$ <u>2,623,982</u>	\$ <u>5,766,321</u>	\$ <u>5,781,055</u>	\$ <u>21,337,242</u>

### Note 5: Accountability

There is a deficit in the Springvale Golf Course and Ballroom Fund of \$1,858,565. The deficit in the Springvale Golf Course and Ballroom Fund is the result of interfund loans which are used to finance the debt payments until resources are accumulated to repay the General Obligation Bond Retirement Fund. The General Fund is liable for a deficit in this fund and provides operating transfers when cash is required, not when accruals occur.

### Note 6: Budgetary Basis of Accounting

While the City is reporting financial position, results of operations, and changes in fund balances on the accrual basis as required by generally accepted accounting principles (GAAP), the budgetary basis, as provided by law, is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP 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).

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2014

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### **Note 6: Budgetary Basis of Accounting (continued)**

- (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 basis) rather than as a reservation of fund balance (GAAP basis).

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

	<u>General</u>
GAAP basis	\$ (206,112)
Increase (decrease) due to:	
Revenue accruals	(180,677)
Expenditure accruals	(368,314)
Outstanding encumbrances	(302,042)
To reclassify the net change in fund balance for funds combined with the General Fund for GASB 54	<u>(53,354)</u>
Budget basis	\$ <u>(1,110,499)</u>

### **Note 7: 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 public deposits that City Council has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2014**

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### **Note 7: Deposits and Investments (continued)**

Interim monies can be invested in the following obligations:

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, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above 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 (STAR Ohio).

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 Finance Director or, if the securities are not represented by certificate, upon receipt of confirmation of transfer from the custodian.

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.

### ***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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2014**

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### **Note 7: Deposits and Investments (continued)**

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 \$26,204,439 and the bank balance was \$27,269,549. Of the bank balance \$14,080,138 was covered by the Federal Depository Insurance Corporation and \$13,189,411 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, 2014, the City did not have any investments.

*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 no later than five years from purchase unless specifically matched to a specific cash flow.

*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. The securities underlying the repurchase agreements are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty. The City has no investment policy dealing with investment custodial credit risk beyond the requirement in State statute that requires securities shall be delivered into the custody of the Finance Director or governing board or an agent designated by the Finance Director or governing board. 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.

*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.

### **Note 8: Receivables**

Receivables at December 31, 2014, consisted primarily of municipal income taxes, property and other taxes, accounts (billings for user charged services and court fines), and intergovernmental receivables arising from grants, entitlements and shared revenues.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2014

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### **Note 8: Receivables (continued)**

No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant.

#### **A. Property Taxes**

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2014 for real and public utility property taxes represents collections of the 2013 taxes.

2014 real property taxes are levied after October 1, 2014, on the assessed value as of January 1, 2014, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2014 real property taxes are collected in and intended to finance 2015. Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2014 public utility property taxes which became a lien on December 31, 2013, are levied after October 1, 2014, and are collected in 2015 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2014, was \$13.30 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2014 property tax receipts were based as follows:

Real estate	
Residential/Agriculture	\$ 520,678,660
Commercial/Industrial/Mineral	252,997,020
Public utility	<u>15,046,860</u>
Total valuation	\$ <u>788,722,540</u>

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

The County Fiscal Officer collects property taxes on behalf of all taxing districts in the County, including the City of North Olmsted. The County Fiscal Officer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2014 and for which there is an enforceable legal claim. In the General Fund; Recreation, Fire Pension and Police Pension Special Revenue Funds; and General Obligation Bond Retirement, Library Bond Retirement and Fire Station Bond Retirement Debt Service Funds; the entire receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2014 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, delinquent property taxes have been recorded as revenue while the remainder of the receivable is offset by deferred inflows of resources.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2014

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### Note 8: Receivables (continued)

#### *B. Income Taxes*

The City levies and collects an income tax of two percent on all income earned within the City as well as income of residents earned outside the City. 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 an annual return.

Income tax revenues are distributed by a 1991 vote of the people as follows: 70 percent to the General Fund; 15 percent for solid waste management, recycling and disposal (Solid Waste Management Fund); and 15 percent for maintaining and equipping streets, storm water drainage systems and other permanent improvements, including debt charges on obligations issued after 1990 for those purposes (Permanent Improvements Fund).

#### *C. Intergovernmental Receivables*

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
Governmental activities:	
Local government	\$ 307,894
Homestead and rollback	596,468
Gasoline tax	542,408
CAT tax reimbursement	74,386
Permissive tax	36,004
Auto registration	114,296
Prisoner care reimbursement	1,426
Miscellaneous	29,505
Fair Capacity Housing Grant	13,920
Bullet Proof Vest Grant	<u>1,004</u>
Total governmental activities	<u>1,717,311</u>
Business-type activities:	
Sewer charges	2,412,678
City of Fairview Park	<u>62,761</u>
Total business-type activities	<u>2,475,439</u>
Total	<u>\$ 4,192,750</u>

The City financed sanitary sewer system improvements through the issuance of general obligation bonds and an OWDA loan. The sanitary sewer system provides sewer services for part of the City of Fairview Park. The City of Fairview Park has agreed to pay the City 5.24 percent of the debt retirement related to the improvement and a capital surcharge. An intergovernmental receivable of \$62,761 has been recorded in the Sewer Revenue Fund.

# City of North Olmsted, Ohio

## Notes to the Basic Financial Statements (Continued)

### For the Year Ended December 31, 2014

#### Note 9: Capital Assets

A summary of changes in capital assets during 2014 follows:

	Balance 12/31/13	Additions	Disposals	Reclassifications and Transfers	Balance 12/31/14
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 4,445,992	\$ -	\$ -	\$ -	\$ 4,445,992
Art	23,000	-	-	-	23,000
Construction in progress	<u>368,886</u>	<u>1,744,443</u>	<u>(523,034)</u>	<u>-</u>	<u>1,590,295</u>
Total capital assets not being depreciated	<u>4,837,878</u>	<u>1,744,443</u>	<u>(523,034)</u>	<u>-</u>	<u>6,059,287</u>
Capital assets, being depreciated:					
Land improvements	1,906,377	65,126	-	-	1,971,503
Buildings and improvements	30,977,483	545,156	-	-	31,522,639
Furniture and fixtures	546,048	-	-	-	546,048
Vehicles and equipment	10,001,111	635,155	(95,783)	(22,776)	10,517,707
Infrastructure:					
Roads	139,474,540	514,512	-	-	139,989,052
Bridges and culverts	<u>3,190,320</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,190,320</u>
Total capital assets, being depreciated	<u>186,095,879</u>	<u>1,759,949</u>	<u>(95,783)</u>	<u>(22,776)</u>	<u>187,737,269</u>
Less accumulated depreciation:					
Land improvements	(785,740)	(73,584)	-	-	(859,324)
Buildings and improvements	(16,164,288)	(737,401)	-	-	(16,901,689)
Furniture and fixtures	(494,631)	(5,493)	-	-	(500,124)
Vehicles and equipment	(7,416,716)	(456,715)	88,971	22,776	(7,761,684)
Infrastructure:					
Roads	(107,938,174)	(5,372,060)	-	-	(113,310,234)
Bridges and culverts	<u>(1,788,413)</u>	<u>(75,540)</u>	<u>-</u>	<u>-</u>	<u>(1,863,953)</u>
Total accumulated depreciation	<u>(134,587,962)</u>	<u>(6,720,793)</u>	<u>88,971</u>	<u>22,776</u>	<u>(141,197,008)</u>
Total capital assets, being depreciated, net	<u>51,507,917</u>	<u>(4,960,844)</u>	<u>(6,812)</u>	<u>-</u>	<u>46,540,261</u>
Total governmental capital assets, net	\$ <u>56,345,795</u>	\$ <u>(3,216,401)</u>	\$ <u>(529,846)</u>	\$ <u>-</u>	\$ <u>52,599,548</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 224,837
Security of persons and property	428,190
Transportation	5,593,632
Public health and welfare	29,460
Leisure time activities	438,102
Economic development	<u>6,572</u>
Total depreciation expense	\$ <u>6,720,793</u>

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2014

### Note 9: Capital Assets (continued)

	Balance 12/31/13	Additions	Disposals	Reclassifications and Transfers	Balance 12/31/14
Business-type activities:					
Capital assets not being depreciated:					
Land	\$ 2,340,714	\$ -	\$ -	\$ -	\$ 2,340,714
Construction in progress	<u>34,898,261</u>	<u>9,651,095</u>	<u>-</u>	<u>-</u>	<u>44,549,356</u>
Total capital assets not being depreciated	<u>37,238,975</u>	<u>9,651,095</u>	<u>-</u>	<u>-</u>	<u>46,890,070</u>
Capital assets, being depreciated:					
Land improvements	2,168,057	90,064	-	-	2,258,121
Buildings and improvements	21,462,163	36,629	-	-	21,498,792
Furniture and fixtures	81,047	-	-	-	81,047
Vehicles and equipment	40,477,347	303,180	(92,845)	22,776	40,710,458
Sanitary sewer lines	<u>18,243,334</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,243,334</u>
Total capital assets, being depreciated	<u>82,431,948</u>	<u>429,873</u>	<u>(92,845)</u>	<u>22,776</u>	<u>82,791,752</u>
Less accumulated depreciation:					
Land improvements	(1,073,291)	(117,460)	-	-	(1,190,751)
Buildings and improvements	(15,568,015)	(328,973)	-	-	(15,896,988)
Furniture and fixtures	(66,581)	(782)	-	-	(67,363)
Vehicles and equipment	(24,884,174)	(1,139,560)	92,845	(22,776)	(25,953,665)
Sanitary sewer lines	<u>(8,901,533)</u>	<u>(356,310)</u>	<u>-</u>	<u>-</u>	<u>(9,257,843)</u>
Total accumulated depreciation	<u>(50,493,594)</u>	<u>(1,943,085)</u>	<u>92,845</u>	<u>(22,776)</u>	<u>(52,366,610)</u>
Total capital assets, being depreciated, net	<u>31,938,354</u>	<u>(1,513,212)</u>	<u>-</u>	<u>-</u>	<u>30,425,142</u>
Total business-type capital assets, net	\$ <u>69,177,329</u>	\$ <u>8,137,883</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>77,315,212</u>

During the year, the City transferred vehicles and equipment from the Governmental Activities to the Sewer Revenue Fund. The vehicles and equipment had a cost basis and accumulated depreciation of \$22,776. These transfers are reported in the reclassifications and transfers column in the tables above.

### Note 10: Defined Benefit 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 the member and (vested) employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

## City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

### **For the Year Ended December 31, 2014**

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#### **Note 10: Defined Benefit Pension Plans (continued)**

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

OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 E. Town St., Columbus, OH 43215-4642 or by calling 614-222-5601 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2014, member and employer contribution rates were consistent across all three plans. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan. For the year ended December 31, 2014, the members in state and local classifications of all three plans were required to contribute 10.0 percent of their earnable salary. Public safety and law enforcement members contributed 12.0 percent and 13.0 percent, respectively. The employer contribution rate for state and local employers for 2014 was 14.0 percent of earnable salary. The law enforcement and public safety division employer contribution rate was 18.1 percent of earnable salary.

The City's required contributions for pension obligations to the Traditional and Combined Plans for the years ended December 31, 2014, 2013, and 2012 were \$984,039, \$1,006,673, and \$743,090, respectively. For 2014, 91 percent has been contributed, with the remaining 9 percent recorded as a liability. For 2013 and 2012, 100 percent of contributions have been made. Contributions to the Member-Directed Plan for 2014 were \$23,850 made by the City of North Olmsted and \$17,036 made by the plan members.

##### ***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 pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164. The report is also available on OP&F's website at [www.op-f.org](http://www.op-f.org).

From January 1, 2014 through July 1, 2014, plan members were required to contribute 10.75 percent of their annual covered salary. From July 2, 2014 through December 31, 2014, plan members were required to contribute 11.5 percent of their annual covered salary. Throughout 2014, employers were required to contribute 19.5 percent for police officers and 24.0 percent for firefighters. Contributions are authorized by state statute. The City's contributions to OP&F for police and firefighters (not including health care contributions) were \$739,113 and \$686,809 for the year ended December 31, 2014, \$560,398 and \$649,021 for the year ended December 31, 2013, and \$442,436 and \$509,637 for the year ended December 31, 2012. The full amount has been contributed for 2013 and 2012. For 2014, 89 percent for both police and firefighters has been contributed with the remainder being reported as a liability.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2014**

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### **Note 11: Post-Employment Benefits**

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

OPERS administers three separate pension plans: the Traditional Pension Plan – a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care plan, 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 10 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 45. OPERS' eligibility requirements for post-employment health care coverage changed for those retiring on and after January 1, 2015. Please see the Plan Statement in the OPERS 2013 CAFR for details.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible benefit recipients. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 E. Town St., Columbus, OH, 43215-4642, or by calling 614-222-5601 or 1-800-222-7377.

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 coverage.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2014, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active members do not make contributions to the OPEB Plan.

## City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

### **For the Year Ended December 31, 2014**

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#### **Note 11: Post-Employment 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 the post-employment health care. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0 percent during calendar year 2014. Effective January 1, 2015, the portion of employer contributions allocated to health care remains at 2.0 percent for both plans, as recommended by OPERS' actuary. The OPERS Board of Trustees is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions for health care for the years ended December 31, 2014, 2013, and 2012 were \$163,930, \$79,127, and \$305,846, respectively. The full amount has been contributed for 2013 and 2012. For 2014, 91 percent has been contributed for 2014 with the remainder being reported as a liability.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4.0 percent of the employer contributions toward the health care fund after the end of the transition period.

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

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

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit 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 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 St., Columbus, Ohio 43215-5164. That report is also available on OP&F's website at [www.op-f.org](http://www.op-f.org).

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2014**

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### **Note 11: Post-Employment Benefits (continued)**

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

The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24.0 percent of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of the covered payroll for police employer units and 24.0 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. The portion of employer contributions allocated to health care was 0.5 percent of covered payroll from January 1, 2014 through December 31, 2014. 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 Sections 1150 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 to OP&F for police and fire for the years ending December 31, 2014, 2013, and 2012 were \$758,843 and \$701,541, \$688,098 and \$764,153, and \$676,507 and \$708,813, respectively, of which \$19,730 and \$14,732, \$127,700 and \$115,132, and \$234,071 and \$199,176, respectively, was allocated to the health care plan. The full amount has been contributed for 2013 and 2012. For 2014, 89 percent for both police and firefighters has been contributed, with the remainder being reported as a liability.

### **Note 12: Risk Management**

#### ***A. Property and Liability***

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. By maintaining comprehensive insurance coverage with private carriers, the City has addressed these various types of risk. There were no reductions in insurance coverage from the previous year. Settled claims have not exceeded this commercial coverage in any of the past three years.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2014

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### **Note 12: Risk Management (continued)**

#### ***B. Health Insurance Benefits***

The City provides health, dental and vision insurance to its employees through a self-insurance plan. The City pays a monthly premium for the self-insurance plan. The City contracts with a third-party administrator to direct this program. During 2014, self-insurance was in effect for claims up to \$100,000 per covered individual and \$4,020,001 in aggregate. This aggregate includes both medical and drug coverage. Claims in excess of this aggregated amount are insured by private carriers.

The claims liability of \$55,608 as estimated by the third-party administrator and reported in the Hospitalization Internal Service Fund at December 31, 2014, is based on the requirements of GASB Statement No. 30 which requires 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 probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the Fund's claims liability amount in 2014 and 2013 were as follows:

	<u>2014</u>	<u>2013</u>
Unpaid claims, beginning of year	\$ 230,681	\$ 482,474
Incurred claims and adjustments	1,898,297	2,257,057
Claims payments	<u>(2,073,370)</u>	<u>(2,508,850)</u>
Unpaid claims, end of year	<u>\$ 55,608</u>	<u>\$ 230,681</u>

#### ***C. Workers' Compensation Program***

On January 1, 2009, the City was approved for self-insurance status by the Bureau of Workers' Compensation and began to administer its own workers' compensation program (the program). The City established the Workers' Compensation Self-Insurance Internal Service Fund to account for assets set aside for claim settlements and related liabilities associated with the program. Liabilities of the fund are reported when an employee injury has occurred, it is probable that a claim will be filed under the program, and the amount of the claim can be reasonably estimated. The City utilizes the services of Care Works Consultants, Inc., the third-party administrator, to review, process, and pay employee claims. The City also maintains excess insurance coverage which would pay the portion of claims that exceed \$500,000 per occurrence, up to a maximum of an additional \$1,000,000 per occurrence.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2014

### Note 12: Risk Management (continued)

#### C. Workers' Compensation Program (continued)

The claims liability of \$130,407 reported in the Workers' Compensation Self-Insurance Internal Service Fund is based on the requirements of Governmental Standards Board No. 30, which requires a liability for the unpaid claims costs, including estimates of costs relating to incurred but not report claims, be reported. Changes in the Fund's claims liability amount in 2014 and 2013 were as follows:

	<u>2014</u>	<u>2013</u>
Unpaid claims, beginning of year	\$ 158,579	\$ 86,211
Incurred claims and adjustments	44,671	170,359
Claims payments	<u>(72,843)</u>	<u>(97,991)</u>
Unpaid claims, end of year	\$ <u>130,407</u>	\$ <u>158,579</u>

### Note 13: Short-Term Obligations

Changes in the City's note activity for the year ended December 31, 2014, were as follows:

	<u>Balance</u> <u>12/31/13</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/14</u>
Various improvement	\$ <u>-</u>	\$ <u>150,000</u>	\$ <u>-</u>	\$ <u>150,000</u>

The note is backed by the full faith and credit of the City and matures within one year. The note liability is reflected in the funds which received the proceeds. All note proceeds have been fully expended. The notes mature on February 4, 2015.

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

### Note 14: Long-Term Obligations

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

	<u>Original</u> <u>Issue Date</u>	<u>Maturity</u> <u>Date</u>	<u>Interest</u> <u>Rate</u>	<u>Original</u> <u>Issue Amount</u>
Governmental activities:				
General obligation bonds:				
Various purpose refunding, series 2006	2006	2021	4.00-4.25%	\$ 9,120,000
Library improvements refunding	2006	2020	4.00-5.25	6,795,000
Fire station improvement bonds	2006	2025	4.00-4.25	3,990,000
Capital improvements bonds	2006	2021	4.00-4.375	7,325,000
Street improvement bonds	2010	2020	1.75-4.00	3,715,000

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2014

### Note 14: Long-Term Obligations (continued)

	<u>Original Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>
Capital improvement and equipment bonds	2013	2023	1.50-2.125	4,770,000
Police pension	1968	2031	4.25	272,250
Long-term bond anticipation notes	2014	2015	0.750	2,575,000

#### Business-type activities:

##### General obligation bonds:

Various purpose and golf course improvements refunding, series 2006	2006	2021	4.00-4.25	10,525,000
Capital improvement bonds	2006	2021	4.00-4.375	450,000
Sewer truck bonds	2010	2020	1.75-4.00	290,000
Capital improvement and equipment bonds	2013	2023	1.50-2.125	380,000
OWDA sanitary sewer loan	1997	2017	4.12	1,060,795
OWDA sanitary sewer loan	2008	2014	3.20	50,000
OWDA sanitary sewer loan	2012	2034	2.80	8,754,814
OWDA sanitary sewer loan	2013	2035	2.44	48,047,355
OPWC sanitary sewer loan	1994	2014	0.0	2,610,456
Long-term bond anticipation notes	2012	2013	0.750	421,300

Changes in long-term obligations during the year ended December 31, 2014, consisted of the following:

	<u>Balance 12/31/13</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance 12/31/14</u>	<u>Amounts Due in One Year</u>
Governmental activities:					
General obligation bonds:					
Various purpose bonds refunding	\$ 5,707,000	\$ -	\$ 1,707,000	\$ 4,000,000	\$ 1,752,000
Premium on various purpose bonds refunding	96,714	-	12,090	84,624	-
Library improvements refunding	5,025,000	-	620,000	4,405,000	650,000
Premium on library improvements bonds refunding	217,089	-	31,013	186,076	-
Capital improvements bonds	2,790,000	-	510,000	2,280,000	535,000
Fire station improvement bonds	2,825,000	-	180,000	2,645,000	190,000
Street improvement bonds	2,995,000	-	435,000	2,560,000	445,000
Premium on street improvement bonds	118,260	-	16,895	101,365	-
Capital improvement and equipment bonds	4,770,000	-	390,000	4,380,000	390,000
Premium on capital improvement and equipment bonds	120,394	-	12,039	108,355	-
Total general obligation bonds	24,664,457	-	3,914,037	20,750,420	3,962,000
Police pension liability	84,565	-	3,347	81,218	3,490
Long-term notes	-	2,425,000	-	2,425,000	-
Capital lease payable	14,124	176,472	26,734	163,862	56,517
Claims payable	389,260	1,942,968	2,146,213	186,015	153,413
Compensated absences payable	4,684,350	1,019,727	986,318	4,717,759	1,743,008
Total governmental activities	\$ 29,836,756	\$ 5,564,167	\$ 7,076,649	\$ 28,324,274	\$ 5,918,428

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2014

### Note 14: Long-Term Obligations (continued)

	<u>Balance</u> <u>12/31/13</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>12/31/14</u>	<u>Amounts Due</u> <u>in One Year</u>
Business - type activities:					
General obligation bonds:					
Various purpose and golf course improvements bonds refunding	\$ 7,483,000	\$ -	\$ 1,573,000	\$ 5,910,000	\$ 1,663,000
Premium on various purpose and golf course improvement bonds refunding	111,618	-	13,952	97,666	-
Capital improvement bonds	120,000	-	40,000	80,000	40,000
Sewer truck bonds	120,000	-	60,000	60,000	60,000
Premium on sewer truck bonds	6,676	-	954	5,722	-
Capital improvement and equipment bonds	<u>380,000</u>	<u>-</u>	<u>70,000</u>	<u>310,000</u>	<u>70,000</u>
Total general obligation bonds	8,221,294	-	1,757,906	6,463,388	1,833,000
OWDA sanitary sewer loans	37,086,769	17,428,416	270,650	54,244,535	270,891
OPWC sanitary sewer loan	260,667	-	65,167	195,500	130,334
Capital lease payable	980	37,664	10,319	28,325	9,493
Compensated absences payable	418,780	112,068	128,046	402,802	175,688
Other long-term liabilities	<u>8,139,426</u>	<u>401,805</u>	<u>8,139,426</u>	<u>401,805</u>	<u>-</u>
Total business - type activities	\$ <u>54,127,916</u>	\$ <u>17,979,953</u>	\$ <u>10,371,514</u>	\$ <u>61,736,355</u>	\$ <u>2,419,406</u>

General obligation bonds are direct obligations of the City for which its full faith and credit are pledged for repayment. General obligation bonds are to be repaid from both voted and unvoted general property taxes levied on all taxable property located within the City, sewer user charges and golf fees. Tax monies will be received in and the debt will be retired from the General Obligation, Library, and Fire Station Bond Retirement Funds.

Compensated absences are generally paid from the General Fund, Recreation Fund, Springvale Golf Course and Ballroom Fund and Sewer Revenue Fund. The police pension liability is paid from the General Fund. The OWDA and OPWC loan liabilities are payable semi-annually from the Sewer Bond Funds. The OPWC loan is interest-free.

During the year, the City obtained partial proceeds from an Ohio Water Development Authority (OWDA) loan that relates to the wastewater treatment plant improvements to be repaid in semi-annual principal and interest payments that started during 2014. The City has not yet collected the total proceeds to be received on this loan and as a result, the debt maturity schedules that follow do not reflect any amounts for principal or interest. When the loan is finalized, the principal and interest will be included below.

The other long-term liabilities relate to costs for the sanitary sewer improvement project that are liabilities of the City at December 31, 2014 but will be paid using OWDA loan proceeds in 2015.

The City's overall legal debt margin was \$63,984,714 at December 31, 2014.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2014

### Note 14: Long-Term Obligations (continued)

Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2014, are as follows:

Year	Governmental Activities			
	General Obligation Bonds		Police Pension	
	Principal	Interest	Principal	Interest
2015	\$ 3,962,000	\$ 799,753	\$ 3,490	\$ 3,415
2016	3,977,000	640,401	3,640	3,265
2017	2,459,000	480,854	3,797	3,109
2018	2,277,000	427,493	3,960	2,946
2019	2,166,000	373,949	4,130	2,776
2020-2024	5,124,000	598,455	23,467	11,060
2025-2029	305,000	15,250	28,958	5,569
2030-2031	-	-	9,776	415
Totals	\$ <u>20,270,000</u>	\$ <u>3,336,155</u>	\$ <u>81,218</u>	\$ <u>32,555</u>

Year	Governmental Activities (continued)	
	Total	
	Principal	Interest
2015	\$ 3,965,490	\$ 803,168
2016	3,980,640	643,666
2017	2,462,797	483,963
2018	2,280,960	430,439
2019	2,170,130	376,725
2020-2024	5,147,467	609,515
2025-2029	333,958	20,819
2030-2031	9,776	415
Totals	\$ <u>20,351,218</u>	\$ <u>3,368,710</u>

Year	Business-Type Activities			
	General Obligation Bonds		OWDA Loans	
	Principal	Interest	Principal	Interest
2015	\$ 1,833,000	\$ 264,936	\$ 71,508	\$ 4,168
2016	1,858,000	185,901	74,484	3,891
2017	496,000	108,410	38,397	791
2018	528,000	88,588	-	-
2019	544,000	67,551	-	-
2020-2022	1,101,000	66,743	-	-
Totals	\$ <u>6,360,000</u>	\$ <u>782,129</u>	\$ <u>184,389</u>	\$ <u>8,850</u>

Year	Business-Type Activities (continued)		
	OPWC Loans	Total	
	Principal	Principal	Interest
2015	\$ 130,334	\$ 2,034,842	\$ 269,104
2016	65,166	1,997,650	189,792
2017	-	534,397	109,201
2018	-	528,000	88,588
2019	-	544,000	67,551
2020-2022	-	1,101,000	66,743
Totals	\$ <u>195,500</u>	\$ <u>6,739,889</u>	\$ <u>790,979</u>

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2014

### Note 15: Lease Obligations

The City entered into lease agreements for several copiers. The City's lease obligations meet the criteria of a capital lease and have been recorded on the government-wide statements. All capital leases are secured by the related equipment. Capital lease payments for governmental fund-type capital leases have been reclassified and are reflected as debt service expenses in the fund financial statements for the General Fund, Recreation Fund and Senior Center Fund. These expenditures are reflected as capital outlay expenditures on a budgetary basis.

The original amounts capitalized for the capital leases and the book value as of December 31, 2014 follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Assets:		
Vehicles and equipment	\$ 236,235	\$ 41,768
Less: accumulated depreciation	<u>(47,245)</u>	<u>(3,889)</u>
Current book value	<u>\$ 188,990</u>	<u>\$ 37,879</u>

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2014.

<u>Year</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2015	\$ 64,760	\$ 9,568
2016	63,936	9,416
2017	<u>49,788</u>	<u>9,416</u>
Total minimum lease payments	178,484	28,400
Less: amount representing interest	<u>(14,622)</u>	<u>(75)</u>
Present value of minimum lease payments	<u>\$ 163,862</u>	<u>\$ 28,325</u>

The following is a schedule of the future long-term minimum lease payments required under operating leases that have initial or remaining noncancellable lease terms in excess of one year as of December 31, 2014.

<u>Year</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2015	\$ 1,439	\$ 72,975
2016	1,439	72,975
2017	<u>603</u>	<u>-</u>
Total minimum lease payments	<u>\$ 3,481</u>	<u>\$ 145,950</u>

The total cost for operating leases in 2014 was \$1,439 for governmental activities and \$72,975 for business-type activities.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2014

### **Note 16: Compensated Absences**

Vacation leave is earned at rates which vary depending upon length of service and standard work week. City employees are paid for earned, unused vacation leave at the time of termination of employment if the employee has acquired at least one year of service to the City. Sick leave is earned at the rate of 10 hours for each month worked. Each employee upon retirement is paid for a portion of the employee's earned unused sick leave balances, from 900 hours to 1,500 hours, depending upon the union contract and termination with the City.

### **Note 17: Subsequent Events**

On February 3, 2015, the City issued \$5,340,000 in capital improvement and equipment notes for the purposes of renewing notes for renovating, remodeling, rehabilitating, furnishing, equipping and otherwise improving buildings and facilities in the City's Recreation Center complex, and improving the City's storm water drainage system by replacing a culvert in Windsor Drive. The amount over the renewal is for purchasing equipment for the Springvale Golf Course, various Police station improvements, storm water drainage system improvements, and Great Northern Boulevard Improvements. The notes mature on February 3, 2016, and have an interest rate of 0.30 percent.

### **Note 18: Construction and Other Significant Commitments**

At December 31, 2014, the City's significant contractual commitments consisted of:

<u>Project</u>	<u>Contract Amount</u>	<u>Amount Paid or Accrued</u>	<u>Remaining on Contract</u>
City-wide signalization project	\$ 440,000	\$ 153,570	\$ 286,430
Recreation Center Renovation – Fitness Center	1,761,454	1,189,138	572,316
Wastewater treatment plant improvements:			
Plant construction	38,555,102	38,414,492	140,610
Plant construction management	1,857,854	1,828,464	29,390
Technical services – project supervision	103,172	91,138	12,034
Technical services – inspection	<u>150,000</u>	<u>114,553</u>	<u>35,447</u>
Total commitments	\$ <u>42,867,582</u>	\$ <u>41,791,355</u>	\$ <u>1,076,227</u>

Other significant commitments include the encumbrances outstanding at year-end. The amount of the encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

	<u>Encumbrances</u>
General Fund	\$ 203,582
Other Governmental Funds	<u>1,439,312</u>
Total other significant commitments	\$ <u>1,642,894</u>

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2014

### Note 19: Interfund Transfers and Balances

#### A. Interfund Transfers

Interfund transfers for the year ended December 31, 2014 consisted of the following:

	Transfer From				Total
	Permanent Improvement Fund	Non-major Governmental Funds	Springvale Golf and Ballroom Fund	Sewer Revenue Fund	
Transfer to:					
General Fund	\$ -	\$ 13,131	\$ 6,878	\$ 33,345	\$ 53,354
General Obligation Bond Retirement Fund	1,270,816	267,326	-	-	1,538,142
Non-major Governmental Funds	-	4,397	-	-	4,397
Total	<u>\$ 1,270,816</u>	<u>\$ 284,854</u>	<u>\$ 6,878</u>	<u>\$ 33,345</u>	<u>\$ 1,595,893</u>

The transfers to the General Fund were made in accordance with Ohio Revised Code section 5705.13(B). The transfers to the General Obligation Bond Retirement Fund were made for the payment of debt. The transfers from non-major governmental funds to non-major governmental funds were made to reimburse the funds for FEMA expenditures for Hurricane Sandy cleanup in 2012.

#### B. Interfund Balances

As of December 31, 2014, interfund balances were as follows:

	Receivable		Payable	
	Interfund	Advance to Other Funds	Interfund	Advance from Other Funds
Major Funds:				
General Fund	\$ 34,654	\$ 780,145	\$ -	\$ -
General Obligation Bond Retirement Fund	3,141,241	-	-	-
Non-major Funds:				
Capital Improvements Fund	-	-	34,654	-
Total Governmental Activities	<u>3,175,895</u>	<u>780,145</u>	<u>34,654</u>	<u>-</u>
Business-Type Activities:				
Springvale Golf Course and Ballroom Fund	-	-	2,961,500	682,135
Sewer Revenue Fund	-	-	179,741	98,010
Total Business-Type Activities	<u>-</u>	<u>-</u>	<u>3,141,241</u>	<u>780,145</u>
Total	<u>\$ 3,175,895</u>	<u>\$ 780,145</u>	<u>\$ 3,175,895</u>	<u>\$ 780,145</u>

The General Obligation Bond Retirement Fund loaned the Springvale Golf Course and Ballroom Fund and the Sewer Revenue Fund additional resources to meet the debt service requirements for the year. The General Fund loaned the Springvale Golf Course and Ballroom Fund and Sewer Revenue Fund operating monies that will be paid back in future years. The loan to the Capital Improvements Fund was to help pay for an energy efficient street lighting project, which will be reimbursed through a grant.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2014**

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### **Note 20: Jointly Governed Organizations**

#### *West Shore Council of Governments*

The West Shore Council of Governments helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions and regional development. The Board is comprised of one member from each of the six participating entities. The Board exercises total control over the operation of the Council including budgeting, appropriating, contracting and designating management. Budgets are adopted by the Board. Each city's degree of control is limited to its representation on the Board. In 2014, the City contributed \$62,608. Complete financial information can be obtained from the City of Bay Village 350 Dover Center Road, Bay Village, Ohio 44140.

The Council has established two subsidiary organizations, the West Shore Hazardous Materials Committee (HAZ MAT) which provides hazardous material protection and assistance, and the West Shore Enforcement Bureau which provides extra assistance to cities in the form of a Swat Team.

### **Note 21: Contingent Liabilities**

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

### **Note 22: Component Unit**

#### **A. Summary of Significant Accounting Policies**

*Nature of Organization* - North Olmsted Commission on Paratransit, Inc. (N.O.C.O.P.) is a not-for-profit corporation that provided transportation to residents of the City of North Olmsted, the City of Olmsted Falls and Olmsted Township who were 60 years of age or older or disabled. N.O.C.O.P. utilized the services of a third-party provider, Senior Transportation Connection, to provide transportation services to the residents. Fares were collected by the provider based on the destination and frequency that the service was used. The three communities shared costs or deficits on a prorated agreement based on each community's population. Effective September 1, 2013, Olmsted Township terminated its membership with NOCOP. In 2013, the formula was as follows for January through August: the City of North Olmsted contributed 65.46 percent, the City of Olmsted Falls contributed 10.39 percent and Olmsted Township contributed 24.15 percent. As of September 1, 2013, the City of North Olmsted contributed 86.3 percent and the City of Olmsted Falls contributed 13.7 percent. Effective January, 1, 2014, the City of North Olmsted and the City of Olmsted Falls each entered into individual contracts with Senior Transportation Connection, and no longer shared the transportation costs on a pre-rated basis. The N.O.C.O.P. is currently in the process of winding up operations.

The N.O.C.O.P. is exempt under Internal Revenue Code Section 501(c) (3) from Federal income tax. It is also currently exempt from Federal unemployment tax and Ohio franchise, personal property, and sales taxes.

## City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

### **For the Year Ended December 31, 2014**

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#### **Note 22: Component Unit (continued)**

##### ***A. Summary of Significant Accounting Policies (continued)***

*Financial Statement Presentation* - The N.O.C.O.P. has prepared financial statements in conformity with general accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

*Classification of Net Position* - Unrestricted net position is comprised of amounts upon which donors have placed no restriction on expenditure of these assets themselves or their investment income.

Temporarily restricted net position and investment income generated by these assets comprise those amounts the expenditure of which has been restricted by donors for use during a specific time period or for a particular purpose. When such a restriction expires; that is, when a stipulated time restriction ends or a program restriction is accomplished, temporarily restricted net position is released to unrestricted.

Permanently restricted net position comprises those assets contributed to the N.O.C.O.P. by donors who have indicated an intention that the assets are to remain in perpetuity as permanent endowments of the N.O.C.O.P.

At December 31, 2014, all of the assets of the N.O.C.O.P. are unrestricted.

*Use of Estimates* - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

##### ***B. Cash Equivalents and Cash on Hand***

At year-end, the carrying amount of the N.O.C.O.P.'s deposits were \$39,003 and the bank balance was \$39,003, all of which was covered by the Federal Deposit Insurance Coverage (FDIC).

## City of North Olmsted, Ohio

### Combining Statements – Non-Major Funds Fund Descriptions

#### **For the Year Ended December 31, 2014**

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

To account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specific purposes.

***Casualty Loss Fund*** - Accounts for resources designated to pay for property damages that are not covered by insurance.

***Community Development Block Grant Fund (CDBG)*** - Accounts for block grants received and grant reimbursable expenditures.

***Alcohol Education Fund*** - Accounts for court fees obtained from DUI cases and approved alcohol education related expenditures.

***Economic Development Fund*** - Accounts for the revenues generated from annual fees paid by new development agreements through tax abatement and community reinvestment incentives and expenditures in promoting economic development and compliance.

***FEMA Grant Fund*** - Accounts for revenues received from the federal government and expenditures as prescribed under the Federal Emergency Management Agency's Assistance to Firefighters and Staffing for Adequate Fire and Emergency Response Grant Programs.

***Federal Grants Fund*** - Accounts for revenues received for federal grants and the expenditures for those grants when the terms of the grant do not require that the grant be tracked in another fund.

***Motor Vehicle License Tax Fund*** - Accounts for the additional motor vehicle registration fees designated for maintenance and repair of streets within the City.

***Recreation Fund*** - Accounts for real and personal property taxes and program revenues and expenditures for the operation and maintenance of recreation programs, services, parks and the recreation center facility.

***Clague Park Fund*** - Accounts for the proceeds from the sale of land as well as Clague Park wireless communication tower upfront proceeds and the expenditures related to revitalizing and improving Clague Park.

***Hotel/Motel Tax Fund*** - Accounts for the three percent Hotel/Motel Tax Levy. Expenditures are restricted to safety equipment and up to 15 percent for capital improvements or building maintenance for safety use. Surplus monies from this fund can also be used to pay for any other operational needs of the police, fire and dispatch divisions, with the exception of wages and benefits.

***Emergency Medical Services Fund*** – Until 2008, accounted for 25 percent of the resident emergency medical service's receipts. Expenditures are restricted to capital improvements for the Fire Division of the Department of Public Safety.

***State Highway Fund*** - Accounts for the portion of the State gasoline tax and motor vehicle registration fees designated for maintenance and repair of State highways within the City.

## City of North Olmsted, Ohio

Combining Statements – Non-Major Funds  
Fund Descriptions

### **For the Year Ended December 31, 2014**

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

***Street Maintenance Fund*** - Accounts for the portion of State gasoline tax and motor vehicle registration fees designated for maintenance and repair of streets within the City.

***Court Computerization Fund*** – Accounts for the receipt of funds collected by the City’s Mayor’s Court designated to computerize the court and the clerk of court’s office.

***Solid Waste Management Fund*** - Accounts for 15 percent of the municipal income tax receipts and expenditures associated with tax collection, solid waste removal, and costs of recycling services provided to residents.

***Community Diversion Fund*** - Accounts for the federal grant receipts, County and local program fees and expenditures related to the youth community diversion program contracted with the County juvenile court system.

***Drug Enforcement Fund*** - Accounts for fines and forfeitures from drug court cases and expenditures for use in drug enforcement.

***Endowment and Grant Fund*** - Accounts for donations restricted for a specific purpose and expenditures for those specific restricted uses.

***Fair Capacity Housing Fund*** - Accounts for revenue and expenditures related to the Housing and Urban Development (HUD) Fair Capacity Housing Grant.

***Fire Pension Fund*** - Accounts for property taxes levied for the payment of current employer contributions for fire disability and pension benefits.

***Law Enforcement Fund*** - Accounts for other monies seized from criminals by law enforcement officers or the sale of contraband in the course of their work restricted for expenditures that would enhance the police services.

***STOP Program Fund*** - Accounts for fines on traffic violations restricted to paying overtime wages and benefits to officers issuing tickets under this program, wages of the prosecuting attorney and police equipment used in the STOP program. Surplus monies from this fund can be used to pay any other operational expenditure that meets the need of the police and dispatch divisions, with the exception of wages and benefits unrelated to STOP.

***Police Pension Fund*** - Accounts for property taxes levied for the payment of current employer contributions for police disability and pension benefits.

***Senior Center Fund*** - Accounts for the daily operations of the senior center and its programs and the services provided on a cost reimbursement basis to senior citizens.

***Title III Fund*** - Accounts for the hot lunch III program which provides lunch to senior citizens on a cost reimbursement basis.

## City of North Olmsted, Ohio

Combining Statements – Non-Major Funds  
Fund Descriptions

### **For the Year Ended December 31, 2014**

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

***Public Way Management Fund*** - Accounts for fees that are levied by the City on service providers that install above ground facilities in public right of way areas and the expenditures associated with maintaining the right of way areas.

***Separation Pay Fund*** - Accounts for resources set aside for the payment of accumulated sick and vacation leave upon termination. Due to the implementation of GASB Statement No. 54, this fund was combined with the General Fund on the governmental fund financial statements but remained a separate fund in the budgetary schedules because it has a legally adopted budget.

***27<sup>th</sup> Pay Fund*** - Accounts for resource set aside for the payment of the 27<sup>th</sup> payrolls that are experienced every 13 years. Due to the implementation of GASB Statement No. 54, this fund was combined with the General Fund on the governmental fund financial statements but remained a separate fund in the budgetary schedules because it has a legally adopted budget.

#### ***Non-Major Debt Service Funds***

***Library Bond Retirement Fund*** - Accounts for resources restricted to pay the principal, interest and related fiscal charges on the library bonded debt.

***Fire Station Bond Retirement Fund*** - Accounts for resources restricted to pay the principal, interest and related fiscal charges on the fire station funded debt.

#### ***Non-Major Capital Projects Funds***

***Capital Improvements Fund*** - Accounts for resources allocated for specific major capital improvements and the related expenditures.

***Building and Land Acquisition and Improvement Fund*** - Accounts for financial resources for acquiring real property, constructing improvements, including additions to buildings, upon lands owned by the City, or for substantially rehabilitating or renovating existing City-owned buildings.

#### ***Non-Major Internal Service Funds***

***Hospitalization Fund*** - Accounts for a self-insurance program for employee medical, dental and vision benefits.

***Workers' Compensation Self-Insurance Fund*** - Accounts for assets set aside for claim settlements and related liabilities associated with the workers' compensation self-insurance program.

# City of North Olmsted, Ohio

## Combining Balance Sheet Non-Major Governmental Funds

**December 31, 2014**

	Non-Major Special Revenue Funds	Non-Major Debt Service Funds	Non-Major Capital Projects Funds	Total Non-Major Governmental Funds
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 2,992,073	\$ 1,268,758	\$ 1,219,997	\$ 5,480,828
Income taxes receivable	607,042	-	-	607,042
Taxes receivable - property and other	1,256,560	1,028,630	-	2,285,190
Intergovernmental receivable	791,720	67,271	-	858,991
Accounts receivable	24,282	-	-	24,282
Inventories and supplies	51,727	-	-	51,727
Prepaid items	24,208	-	-	24,208
Total assets	<u>\$ 5,747,612</u>	<u>\$ 2,364,659</u>	<u>\$ 1,219,997</u>	<u>\$ 9,332,268</u>
<b>Liabilities, deferred inflows of resources and fund balances:</b>				
<b>Liabilities:</b>				
Accounts and contracts payable	\$ 141,803	\$ -	\$ 51,021	\$ 192,824
Accrued wages and benefits	91,768	-	-	91,768
Intergovernmental payable	5,481	-	-	5,481
Interfund payable	-	-	34,654	34,654
Notes payable	-	-	107,500	107,500
Total liabilities	<u>239,052</u>	<u>-</u>	<u>193,175</u>	<u>432,227</u>
<b>Deferred inflows of resources:</b>				
Property taxes	1,185,591	987,991	-	2,173,582
Unavailable revenues	837,494	107,910	-	945,404
Total deferred inflows of resources	<u>2,023,085</u>	<u>1,095,901</u>	<u>-</u>	<u>3,118,986</u>
<b>Fund balances:</b>				
Nonspendable	75,935	-	-	75,935
Restricted	2,072,412	1,268,758	1,026,822	4,367,992
Committed	1,337,128	-	-	1,337,128
Total fund balances	<u>3,485,475</u>	<u>1,268,758</u>	<u>1,026,822</u>	<u>5,781,055</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,747,612</u>	<u>\$ 2,364,659</u>	<u>\$ 1,219,997</u>	<u>\$ 9,332,268</u>

# City of North Olmsted, Ohio

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

### **For the Year Ended December 31, 2014**

	Non-Major Special Revenue Funds	Non-Major Debt Service Funds	Non-Major Capital Projects Funds	Total Non-Major Governmental Funds
<b>Revenues:</b>				
Property and other local taxes	\$ 1,537,642	\$ 1,017,041	\$ -	\$ 2,554,683
Municipal income taxes	2,147,624	-	-	2,147,624
Charges for services	1,109,268	-	-	1,109,268
Fines, licenses and permits	298,893	-	20	298,913
Intergovernmental	1,791,486	134,542	-	1,926,028
Investment income	1,620	-	-	1,620
Miscellaneous income	599,576	-	-	599,576
Total revenues	<u>7,486,109</u>	<u>1,151,583</u>	<u>20</u>	<u>8,637,712</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	134,599	-	26,780	161,379
Security of persons and property	1,184,899	-	-	1,184,899
Public health and welfare	66,571	-	-	66,571
Transportation	1,763,902	-	-	1,763,902
Basic utility services	1,923,981	-	-	1,923,981
Leisure time activities	2,620,445	-	-	2,620,445
Economic development	5,286	-	-	5,286
Capital outlay	-	-	1,746,234	1,746,234
<b>Debt service:</b>				
Principal	15,839	800,000	-	815,839
Interest and fiscal charges	2,631	395,951	-	398,582
Total expenditures	<u>7,718,153</u>	<u>1,195,951</u>	<u>1,773,014</u>	<u>10,687,118</u>
Excess (deficiency) of revenues over expenditures	<u>(232,044)</u>	<u>(44,368)</u>	<u>(1,772,994)</u>	<u>(2,049,406)</u>
<b>Other financing sources (uses):</b>				
Proceeds from issuance of bonds	-	-	2,042,500	2,042,500
Inception of capital lease	176,472	-	-	176,472
Transfers - in	4,397	-	-	4,397
Transfers - out	(284,854)	-	-	(284,854)
Total other financing sources (uses)	<u>(103,985)</u>	<u>-</u>	<u>2,042,500</u>	<u>1,938,515</u>
Net change in fund balances	(336,029)	(44,368)	269,506	(110,891)
Fund balances, beginning of year	<u>3,821,504</u>	<u>1,313,126</u>	<u>757,316</u>	<u>5,891,946</u>
Fund balances, end of year	<u>\$ 3,485,475</u>	<u>\$ 1,268,758</u>	<u>\$ 1,026,822</u>	<u>\$ 5,781,055</u>

# City of North Olmsted, Ohio

## Combining Balance Sheet Non-Major Special Revenue Funds

**December 31, 2014**

	<u>Casualty Loss</u>	<u>CDBG</u>	<u>Alcohol Education</u>	<u>Economic Development</u>	<u>FEMA Grant</u>	<u>Federal Grants</u>
Assets:						
Equity in pooled cash and cash equivalents	\$ 73,044	\$ 2,708	\$ 18,964	\$ 73,955	\$ 7,849	\$ 15,541
Income taxes receivable	-	-	-	-	-	-
Taxes receivable - property and other	-	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-	1,004
Accounts receivable	-	-	100	-	-	-
Inventories and supplies	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Total assets	<u>\$ 73,044</u>	<u>\$ 2,708</u>	<u>\$ 19,064</u>	<u>\$ 73,955</u>	<u>\$ 7,849</u>	<u>\$ 16,545</u>
Liabilities, deferred inflows of resources and fund balances:						
Liabilities:						
Accounts and contracts payable	\$ 1,800	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued wages and benefits	-	-	-	-	-	-
Intergovernmental payable	-	-	-	-	-	-
Total liabilities	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:						
Property taxes	-	-	-	-	-	-
Unavailable revenues	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:						
Nonspendable	-	-	-	-	-	-
Restricted	-	2,708	19,064	-	7,849	16,545
Committed	71,244	-	-	73,955	-	-
Total fund balances	<u>71,244</u>	<u>2,708</u>	<u>19,064</u>	<u>73,955</u>	<u>7,849</u>	<u>16,545</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 73,044</u>	<u>\$ 2,708</u>	<u>\$ 19,064</u>	<u>\$ 73,955</u>	<u>\$ 7,849</u>	<u>\$ 16,545</u>

<u>Motor Vehicle License Tax</u>	<u>Recreation</u>	<u>Clague Park</u>	<u>Hotel/ Motel Tax</u>	<u>Emergency Medical Services</u>	<u>State Highway</u>	<u>Street Maintenance</u>
\$ 78,822	\$ 202,346	\$ 3,065	\$ 155,819	\$ 2,773	\$ 601,599	\$ 427,055
-	-	-	-	-	-	-
-	822,906	-	22,202	-	-	-
36,003	53,817	-	-	-	49,253	607,451
-	1,166	-	-	-	-	-
12,932	-	-	-	-	9,311	29,484
-	24,208	-	-	-	-	-
<u>\$ 127,757</u>	<u>\$ 1,104,443</u>	<u>\$ 3,065</u>	<u>\$ 178,021</u>	<u>\$ 2,773</u>	<u>\$ 660,163</u>	<u>\$ 1,063,990</u>
\$ -	\$ 41,766	\$ -	\$ 4,241	\$ -	\$ 3,307	\$ 71,582
-	60,561	-	-	-	-	19,182
-	5,481	-	-	-	-	-
<u>-</u>	<u>107,808</u>	<u>-</u>	<u>4,241</u>	<u>-</u>	<u>3,307</u>	<u>90,764</u>
-	790,395	-	-	-	-	-
<u>36</u>	<u>86,328</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,116</u>	<u>396,097</u>
<u>36</u>	<u>876,723</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,116</u>	<u>396,097</u>
12,932	24,208	-	-	-	9,311	29,484
114,789	95,704	-	-	2,773	615,429	547,645
-	-	3,065	173,780	-	-	-
<u>127,721</u>	<u>119,912</u>	<u>3,065</u>	<u>173,780</u>	<u>2,773</u>	<u>624,740</u>	<u>577,129</u>
<u>\$ 127,757</u>	<u>\$ 1,104,443</u>	<u>\$ 3,065</u>	<u>\$ 178,021</u>	<u>\$ 2,773</u>	<u>\$ 660,163</u>	<u>\$ 1,063,990</u>

(Continued)

# City of North Olmsted, Ohio

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

**December 31, 2014**

	<u>Court Computerization</u>	<u>Solid Waste Management</u>	<u>Community Diversion</u>	<u>Drug Enforcement</u>	<u>Endowment and Grant</u>	<u>Fair Capacity Housing</u>
Assets:						
Equity in pooled cash and cash equivalents	\$ 7,707	\$ 529,858	\$ 5,893	\$ 22,834	\$ 288,510	\$ 172,103
Income taxes receivable	-	607,042	-	-	-	-
Taxes receivable - property and other	-	-	-	-	-	-
Intergovernmental receivable	-	130	-	-	-	13,920
Accounts receivable	635	-	-	-	-	-
Inventories and supplies	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Total assets	<u>\$ 8,342</u>	<u>\$ 1,137,030</u>	<u>\$ 5,893</u>	<u>\$ 22,834</u>	<u>\$ 288,510</u>	<u>\$ 186,023</u>
Liabilities, deferred inflows of resources and fund balances:						
Liabilities:						
Accounts and contracts payable	\$ -	\$ 906	\$ 48	\$ -	\$ 5,311	\$ -
Accrued wages and benefits	-	-	891	-	-	1,319
Intergovernmental payable	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>906</u>	<u>939</u>	<u>-</u>	<u>5,311</u>	<u>1,319</u>
Deferred inflows of resources:						
Property taxes	-	-	-	-	-	-
Unavailable revenues	-	276,519	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>276,519</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:						
Nonspendable	-	-	-	-	-	-
Restricted	8,342	-	4,954	22,834	283,199	184,704
Committed	-	859,605	-	-	-	-
Total fund balances	<u>8,342</u>	<u>859,605</u>	<u>4,954</u>	<u>22,834</u>	<u>283,199</u>	<u>184,704</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 8,342</u>	<u>\$ 1,137,030</u>	<u>\$ 5,893</u>	<u>\$ 22,834</u>	<u>\$ 288,510</u>	<u>\$ 186,023</u>

<u>Fire Pension</u>	<u>Law Enforcement</u>	<u>STOP Program</u>	<u>Police Pension</u>	<u>Senior Center</u>	<u>Title III</u>	<u>Public Way Management</u>	<u>Total</u>
\$ 26,617	\$ 29,702	\$ 147,476	\$ 26,617	\$ 7,571	\$ 41,049	\$ 22,596	\$ 2,992,073
-	-	-	-	-	-	-	607,042
205,726	-	-	205,726	-	-	-	1,256,560
15,071	-	-	15,071	-	-	-	791,720
-	-	22,381	-	-	-	-	24,282
-	-	-	-	-	-	-	51,727
-	-	-	-	-	-	-	24,208
<u>\$ 247,414</u>	<u>\$ 29,702</u>	<u>\$ 169,857</u>	<u>\$ 247,414</u>	<u>\$ 7,571</u>	<u>\$ 41,049</u>	<u>\$ 22,596</u>	<u>\$ 5,747,612</u>
\$ -	\$ -	\$ 12,634	\$ -	\$ 208	\$ -	\$ -	\$ 141,803
-	-	9,107	-	-	708	-	91,768
-	-	-	-	-	-	-	5,481
-	-	<u>21,741</u>	-	<u>208</u>	<u>708</u>	-	<u>239,052</u>
197,598	-	-	197,598	-	-	-	1,185,591
<u>23,199</u>	-	-	<u>23,199</u>	-	-	-	<u>837,494</u>
<u>220,797</u>	-	-	<u>220,797</u>	-	-	-	<u>2,023,085</u>
-	-	-	-	-	-	-	75,935
26,617	29,702	-	26,617	-	40,341	22,596	2,072,412
-	-	148,116	-	7,363	-	-	1,337,128
<u>26,617</u>	<u>29,702</u>	<u>148,116</u>	<u>26,617</u>	<u>7,363</u>	<u>40,341</u>	<u>22,596</u>	<u>3,485,475</u>
<u>\$ 247,414</u>	<u>\$ 29,702</u>	<u>\$ 169,857</u>	<u>\$ 247,414</u>	<u>\$ 7,571</u>	<u>\$ 41,049</u>	<u>\$ 22,596</u>	<u>\$ 5,747,612</u>

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Casualty Loss	CDBG	Alcohol Education	Economic Development	FEMA Grant	Federal Grants
Revenues:						
Property and other local taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income taxes	-	-	-	-	-	-
Charges for services	28,908	-	-	-	-	-
Fines, licenses and permits	-	-	1,819	-	-	-
Intergovernmental	-	-	-	-	4,397	1,026
Investment income	-	-	-	-	-	-
Miscellaneous income	-	-	-	18,608	-	-
Total revenues	<u>28,908</u>	<u>-</u>	<u>1,819</u>	<u>18,608</u>	<u>4,397</u>	<u>1,026</u>
Expenditures:						
Current:						
General government	71,080	-	-	-	-	-
Security of persons and property	-	-	1,401	-	-	-
Public health and welfare	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Basic utility services	-	-	-	-	-	-
Leisure time activities	-	-	-	-	-	-
Economic development	-	-	-	5,286	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	<u>71,080</u>	<u>-</u>	<u>1,401</u>	<u>5,286</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(42,172)</u>	<u>-</u>	<u>418</u>	<u>13,322</u>	<u>4,397</u>	<u>1,026</u>
Other financing sources (uses):						
Inception of capital lease	-	-	-	-	-	-
Transfers - in	-	-	-	-	-	-
Transfers - out	-	-	-	-	(4,397)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,397)</u>	<u>-</u>
Net change in fund balances	(42,172)	-	418	13,322	-	1,026
Fund balances, beginning of year	<u>113,416</u>	<u>2,708</u>	<u>18,646</u>	<u>60,633</u>	<u>7,849</u>	<u>15,519</u>
Fund balances, end of year	\$ <u>71,244</u>	\$ <u>2,708</u>	\$ <u>19,064</u>	\$ <u>73,955</u>	\$ <u>7,849</u>	\$ <u>16,545</u>

<u>Motor Vehicle License Tax</u>	<u>Recreation</u>	<u>Clague Park</u>	<u>Hotel/ Motel Tax</u>	<u>Emergency Medical Services</u>	<u>State Highway</u>	<u>Street Maintenance</u>
\$ -	\$ 813,632	\$ -	\$ 317,194	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	1,043,712	-	-	-	-	-
-	-	-	-	-	-	-
241,548	107,634	-	-	-	99,054	1,221,663
187	-	-	-	-	824	604
-	<u>501,627</u>	-	-	-	-	-
<u>241,735</u>	<u>2,466,605</u>	<u>-</u>	<u>317,194</u>	<u>-</u>	<u>99,878</u>	<u>1,222,267</u>
-	-	-	-	-	-	-
-	-	-	325,060	-	-	-
-	-	-	-	-	-	-
329,707	-	-	-	-	175,040	1,246,450
-	-	-	-	-	-	-
-	2,588,593	-	-	-	-	-
-	-	-	-	-	-	-
-	14,784	-	-	-	-	-
-	<u>2,597</u>	-	-	-	-	-
<u>329,707</u>	<u>2,605,974</u>	<u>-</u>	<u>325,060</u>	<u>-</u>	<u>175,040</u>	<u>1,246,450</u>
<u>(87,972)</u>	<u>(139,369)</u>	<u>-</u>	<u>(7,866)</u>	<u>-</u>	<u>(75,162)</u>	<u>(24,183)</u>
-	176,472	-	-	-	-	-
-	-	-	4,397	-	-	-
-	<u>(154,007)</u>	<u>-</u>	<u>(126,450)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	<u>22,465</u>	<u>-</u>	<u>(122,053)</u>	<u>-</u>	<u>-</u>	<u>-</u>
(87,972)	(116,904)	-	(129,919)	-	(75,162)	(24,183)
<u>215,693</u>	<u>236,816</u>	<u>3,065</u>	<u>303,699</u>	<u>2,773</u>	<u>699,902</u>	<u>601,312</u>
\$ <u>127,721</u>	\$ <u>119,912</u>	\$ <u>3,065</u>	\$ <u>173,780</u>	\$ <u>2,773</u>	\$ <u>624,740</u>	\$ <u>577,129</u>

(Continued)

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Court Computerization	Solid Waste Management	Community Diversion	Drug Enforcement	Endowment and Grant	Fair Capacity Housing
Revenues:						
Property and other local taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income taxes	-	2,147,624	-	-	-	-
Charges for services	9,528	-	1,895	-	-	-
Fines, licenses and permits	-	-	-	97	-	-
Intergovernmental	-	5,260	18,150	-	-	13,920
Investment income	-	-	-	-	5	-
Miscellaneous income	-	-	-	-	74,362	-
Total revenues	<u>9,528</u>	<u>2,152,884</u>	<u>20,045</u>	<u>97</u>	<u>74,367</u>	<u>13,920</u>
Expenditures:						
Current:						
General government	5,101	-	-	-	10,605	47,813
Security of persons and property	-	-	-	16	2,962	-
Public health and welfare	-	-	25,571	-	17,040	-
Transportation	-	-	-	-	-	-
Basic utility services	-	1,923,981	-	-	-	-
Leisure time activities	-	-	-	-	11	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	<u>5,101</u>	<u>1,923,981</u>	<u>25,571</u>	<u>16</u>	<u>30,618</u>	<u>47,813</u>
Excess (deficiency) of revenues over expenditures	<u>4,427</u>	<u>228,903</u>	<u>(5,526)</u>	<u>81</u>	<u>43,749</u>	<u>(33,893)</u>
Other financing sources (uses):						
Inception of capital lease	-	-	-	-	-	-
Transfers - in	-	-	-	-	-	-
Transfers - out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	4,427	228,903	(5,526)	81	43,749	(33,893)
Fund balances, beginning of year	<u>3,915</u>	<u>630,702</u>	<u>10,480</u>	<u>22,753</u>	<u>239,450</u>	<u>218,597</u>
Fund balances, end of year	\$ <u>8,342</u>	\$ <u>859,605</u>	\$ <u>4,954</u>	\$ <u>22,834</u>	\$ <u>283,199</u>	\$ <u>184,704</u>

(Continued)

<u>Fire Pension</u>	<u>Law Enforcement</u>	<u>STOP Program</u>	<u>Police Pension</u>	<u>Senior Center</u>	<u>Title III</u>	<u>Public Way Management</u>	<u>Total</u>
\$ 203,408	\$ -	\$ -	\$ 203,408	\$ -	\$ -	\$ -	\$ 1,537,642
-	-	-	-	-	-	-	2,147,624
-	-	-	-	19,674	5,551	-	1,109,268
-	7	295,170	-	1,800	-	-	298,893
30,453	-	-	30,453	-	17,928	-	1,791,486
-	-	-	-	-	-	-	1,620
-	-	-	-	4,979	-	-	599,576
<u>233,861</u>	<u>7</u>	<u>295,170</u>	<u>233,861</u>	<u>26,453</u>	<u>23,479</u>	<u>-</u>	<u>7,486,109</u>
-	-	-	-	-	-	-	134,599
232,244	-	390,764	232,244	208	-	-	1,184,899
-	-	-	-	-	23,960	-	66,571
-	-	-	-	-	-	12,705	1,763,902
-	-	-	-	-	-	-	1,923,981
-	-	-	-	31,841	-	-	2,620,445
-	-	-	-	-	-	-	5,286
-	-	-	-	1,055	-	-	15,839
-	-	-	-	34	-	-	2,631
<u>232,244</u>	<u>-</u>	<u>390,764</u>	<u>232,244</u>	<u>33,138</u>	<u>23,960</u>	<u>12,705</u>	<u>7,718,153</u>
<u>1,617</u>	<u>7</u>	<u>(95,594)</u>	<u>1,617</u>	<u>(6,685)</u>	<u>(481)</u>	<u>(12,705)</u>	<u>(232,044)</u>
-	-	-	-	-	-	-	176,472
-	-	-	-	-	-	-	4,397
-	-	-	-	-	-	-	(284,854)
-	-	-	-	-	-	-	(103,985)
1,617	7	(95,594)	1,617	(6,685)	(481)	(12,705)	(336,029)
<u>25,000</u>	<u>29,695</u>	<u>243,710</u>	<u>25,000</u>	<u>14,048</u>	<u>40,822</u>	<u>35,301</u>	<u>3,821,504</u>
\$ <u>26,617</u>	\$ <u>29,702</u>	\$ <u>148,116</u>	\$ <u>26,617</u>	\$ <u>7,363</u>	\$ <u>40,341</u>	\$ <u>22,596</u>	\$ <u>3,485,475</u>

# City of North Olmsted, Ohio

## Combining Balance Sheet Non-Major Debt Service Funds

**December 31, 2014**

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	<u>Library Bond Retirement</u>	<u>Fire Station Bond Retirement</u>	<u>Total</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 738,640	\$ 530,118	\$ 1,268,758
Taxes receivable – property and other	754,329	274,301	1,028,630
Intergovernmental receivable	<u>49,332</u>	<u>17,939</u>	<u>67,271</u>
Total assets	\$ <u>1,542,301</u>	\$ <u>822,358</u>	\$ <u>2,364,659</u>
Liabilities, deferred inflows of resources and fund balances:			
Deferred inflows of resources:			
Property taxes	\$ 724,527	\$ 263,464	\$ 987,991
Unavailable revenues	<u>79,134</u>	<u>28,776</u>	<u>107,910</u>
Total deferred inflows of resources	<u>803,661</u>	<u>292,240</u>	<u>1,095,901</u>
Fund balances:			
Restricted	<u>738,640</u>	<u>530,118</u>	<u>1,268,758</u>
Total liabilities, deferred inflows of resources, and fund balances	\$ <u>1,542,301</u>	\$ <u>822,358</u>	\$ <u>2,364,659</u>

# City of North Olmsted, Ohio

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances Non-Major Debt Service Funds

### **For the Year Ended December 31, 2014**

	Library Bond <u>Retirement</u>	Fire Station Bond <u>Retirement</u>	<u>Total</u>
Revenues:			
Property and other local taxes	\$ 745,830	\$ 271,211	\$ 1,017,041
Intergovernmental	<u>98,664</u>	<u>35,878</u>	<u>134,542</u>
Total revenues	<u>844,494</u>	<u>307,089</u>	<u>1,151,583</u>
Expenditures:			
Debt service:			
Principal	620,000	180,000	800,000
Interest and fiscal charges	<u>258,938</u>	<u>137,013</u>	<u>395,951</u>
Total expenditures	<u>878,938</u>	<u>317,013</u>	<u>1,195,951</u>
Net change in fund balances	(34,444)	(9,924)	(44,368)
Fund balances, beginning of year	<u>773,084</u>	<u>540,042</u>	<u>1,313,126</u>
Fund balances, end of year	\$ <u><u>738,640</u></u>	\$ <u><u>530,118</u></u>	\$ <u><u>1,268,758</u></u>

# City of North Olmsted, Ohio

## Combining Balance Sheet Non-Major Capital Projects Funds

**December 31, 2014**

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	<u>Capital Improvements</u>	<u>Building and Land Acquisition and Improvement</u>	<u>Total</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ <u>1,081,329</u>	\$ <u>138,668</u>	\$ <u>1,219,997</u>
Liabilities, deferred inflows of resources and fund balances:			
Liabilities:			
Accounts and contracts payable	\$ 36,108	\$ 14,913	\$ 51,021
Interfund payable	34,654	-	34,654
Notes Payable	<u>107,500</u>	<u>-</u>	<u>107,500</u>
Total liabilities	<u>178,262</u>	<u>14,913</u>	<u>193,175</u>
Fund balances:			
Restricted	<u>903,067</u>	<u>123,755</u>	<u>1,026,822</u>
Total liabilities, deferred inflows of resources, and fund balances	\$ <u>1,081,329</u>	\$ <u>138,668</u>	\$ <u>1,219,997</u>

# City of North Olmsted, Ohio

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances Non-Major Capital Projects Funds

### For the Year Ended December 31, 2014

	<u>Capital Improvements</u>	<u>Building and Land Acquisition and Improvement</u>	<u>Total</u>
Revenues:			
Fines, licenses, and permits	\$ <u>20</u>	\$ <u>-</u>	\$ <u>20</u>
Expenditures:			
Current:			
General Government	26,780	-	26,780
Capital outlay	<u>1,619,313</u>	<u>126,921</u>	<u>1,746,234</u>
Total expenditures	<u>1,646,093</u>	<u>126,921</u>	<u>1,773,014</u>
Excess (deficiency) of revenues over expenditures	(1,646,073)	(126,921)	(1,772,994)
Other financing sources (uses):			
Proceeds from the issuance of bonds	<u>2,042,500</u>	<u>-</u>	<u>2,042,500</u>
Net change in fund balances	396,427	(126,921)	269,506
Fund balances, beginning of year	<u>506,640</u>	<u>250,676</u>	<u>757,316</u>
Fund balances, end of year	\$ <u><u>903,067</u></u>	\$ <u><u>123,755</u></u>	\$ <u><u>1,026,822</u></u>

# City of North Olmsted, Ohio

## Combining Statement of Fund Net Position Non-Major Internal Service Funds

**December 31, 2014**

	<u>Hospitalization</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Total Internal Service Funds</u>
Assets:			
Current assets:			
Equity in pooled cash and cash equivalents	\$ <u>2,739,359</u>	\$ <u>1,046,676</u>	\$ <u>3,786,035</u>
Liabilities:			
Current liabilities:			
Accounts and contracts payable	-	830	830
Intergovernmental payable	-	7,865	7,865
Claims payable	<u>55,608</u>	<u>97,805</u>	<u>153,413</u>
Total current liabilities	55,608	106,500	162,108
Long-term liabilities:			
Claims payable	<u>-</u>	<u>32,602</u>	<u>32,602</u>
Total liabilities	<u>55,608</u>	<u>139,102</u>	<u>194,710</u>
Net position:			
Unrestricted	\$ <u>2,683,751</u>	\$ <u>907,574</u>	\$ <u>3,591,325</u>

## City of North Olmsted, Ohio

### Combining Statement of Revenues, Expenses and Changes in Fund Net Position Non-Major Internal Service Funds

#### For the Year Ended December 31, 2014

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	<u>Hospitalization</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Total Internal Service Funds</u>
Operating revenues:			
Charges for services	\$ <u>3,492,746</u>	\$ <u>304,313</u>	\$ <u>3,797,059</u>
Operating expenses:			
Contractual services	412,089	101,850	513,939
Claims	<u>1,898,297</u>	<u>44,671</u>	<u>1,942,968</u>
Total operating expenses	<u>2,310,386</u>	<u>146,521</u>	<u>2,456,907</u>
Change in net position	1,182,360	157,792	1,340,152
Net position, beginning of year	<u>1,501,391</u>	<u>749,782</u>	<u>2,251,173</u>
Net position, end of year	\$ <u><u>2,683,751</u></u>	\$ <u><u>907,574</u></u>	\$ <u><u>3,591,325</u></u>

# City of North Olmsted, Ohio

## Combining Statement of Cash Flows Non-Major Internal Service Funds

### For the Year Ended December 31, 2014

	<u>Hospitalization</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Total Internal Service Funds</u>
Cash flows from operating activities:			
Receipts from customers and users	\$ 3,492,746	\$ 304,313	\$ 3,797,059
Cash paid for goods and services	(412,124)	(105,271)	(517,395)
Cash paid for claims	<u>(2,073,370)</u>	<u>(72,843)</u>	<u>(2,146,213)</u>
Net cash provided by operating activities	<u>1,007,252</u>	<u>126,199</u>	<u>1,133,451</u>
Net increase in cash and cash equivalents	1,007,252	126,199	1,133,451
Cash and cash equivalents, beginning of year	<u>1,732,107</u>	<u>920,477</u>	<u>2,652,584</u>
Cash and cash equivalents, end of year	\$ <u><u>2,739,359</u></u>	\$ <u><u>1,046,676</u></u>	\$ <u><u>3,786,035</u></u>
Reconciliation of operating income to net cash from operating activities:			
Operating income	\$ 1,182,360	\$ 157,792	\$ 1,340,152
Adjustments:			
Changes in assets/liabilities:			
Decrease accounts and contracts payable	(35)	(869)	(904)
Decrease in intergovernmental payable	-	(2,552)	(2,552)
Decrease in claims payable	<u>(175,073)</u>	<u>(28,172)</u>	<u>(203,245)</u>
Net cash provided by operating activities	\$ <u><u>1,007,252</u></u>	\$ <u><u>126,199</u></u>	\$ <u><u>1,133,451</u></u>

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

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Revenues:</b>				
Municipal income tax	\$ 9,320,196	\$ 9,320,196	\$ 9,919,609	\$ 599,413
Property and other taxes	4,606,823	4,606,823	4,497,737	(109,086)
Charges for services	1,678,978	1,678,978	1,744,480	65,502
Licenses and permits	1,084,500	1,110,794	1,139,721	28,927
Fines and forfeitures	216,000	216,000	239,477	23,477
Intergovernmental revenue	1,330,883	1,330,883	1,522,480	191,597
Investment income	30,000	30,000	36,130	6,130
Miscellaneous income	24,000	24,000	25,900	1,900
Total revenues	<u>18,291,380</u>	<u>18,317,674</u>	<u>19,125,534</u>	<u>807,860</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government</b>				
<b>Council</b>				
Salaries	150,734	150,734	150,708	26
Benefits	35,559	35,559	34,543	1,016
Materials and supplies	1,500	1,500	656	844
Contractual services	22,550	28,550	19,381	9,169
Capital outlay	<u>18,420</u>	<u>18,420</u>	<u>10,523</u>	<u>7,897</u>
Total council	<u>228,763</u>	<u>234,763</u>	<u>215,811</u>	<u>18,952</u>
<b>Mayor</b>				
Salaries	141,482	137,212	137,203	9
Benefits	46,217	51,755	49,928	1,827
Materials and supplies	8,500	8,500	3,431	5,069
Contractual services	<u>14,585</u>	<u>14,585</u>	<u>12,325</u>	<u>2,260</u>
Total mayor	<u>210,784</u>	<u>212,052</u>	<u>202,887</u>	<u>9,165</u>
<b>Mayor's court</b>				
Salaries	125,738	130,638	121,771	8,867
Benefits	31,043	38,774	36,832	1,942
Materials and supplies	11,650	11,650	10,679	971
Contractual services	8,300	8,300	6,246	2,054
Capital outlay	<u>700</u>	<u>700</u>	<u>654</u>	<u>46</u>
Total Mayor's court	<u>177,431</u>	<u>190,062</u>	<u>176,182</u>	<u>13,880</u>
<b>Department of finance</b>				
Salaries	319,741	358,340	326,860	31,480
Benefits	137,195	145,761	138,072	7,689
Materials and supplies	13,677	13,677	9,392	4,285
Contractual services	<u>636,374</u>	<u>636,374</u>	<u>534,124</u>	<u>102,250</u>
Total department of finance	<u>1,106,987</u>	<u>1,154,152</u>	<u>1,008,448</u>	<u>145,704</u>

(Continued)

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Department of law				
Salaries	190,700	190,700	184,642	6,058
Benefits	92,880	105,180	102,181	2,999
Materials and supplies	563	563	549	14
Contractual services	17,194	17,194	12,987	4,207
Total department of law	<u>301,337</u>	<u>313,637</u>	<u>300,359</u>	<u>13,278</u>
Department of human resources				
Salaries	278,206	278,206	258,056	20,150
Benefits	129,690	129,690	115,925	13,765
Materials and supplies	26,773	26,773	22,313	4,460
Contractual services	156,440	156,440	155,282	1,158
Total department of human resources	<u>591,109</u>	<u>591,109</u>	<u>551,576</u>	<u>39,533</u>
Civil service commission				
Salaries	1,500	1,500	1,091	409
Benefits	265	265	192	73
Materials and supplies	400	400	188	212
Contractual services	39,697	39,697	36,226	3,471
Total civil service commission	<u>41,862</u>	<u>41,862</u>	<u>37,697</u>	<u>4,165</u>
Division of information technology				
Salaries	91,461	94,261	91,185	3,076
Benefits	45,349	46,199	43,071	3,128
Materials and supplies	12,000	12,000	9,691	2,309
Contractual services	118,455	124,355	120,662	3,693
Capital outlay	60,500	60,500	57,474	3,026
Total division of information Technology	<u>327,765</u>	<u>337,315</u>	<u>322,083</u>	<u>15,232</u>
Boards and commissions				
Salaries	47,923	47,923	47,898	25
Benefits	29,442	29,442	28,666	776
Materials and supplies	7,000	7,000	4,394	2,606
Contractual services	4,300	4,300	2,358	1,942
Total boards and commissions	<u>88,665</u>	<u>88,665</u>	<u>83,316</u>	<u>5,349</u>
Division of building				
Salaries	622,516	603,595	565,287	38,308
Benefits	279,553	279,553	237,557	41,996
Materials and supplies	20,420	20,420	17,228	3,192
Contractual services	123,054	123,054	67,172	55,882
Total division of building	<u>1,045,543</u>	<u>1,026,622</u>	<u>887,244</u>	<u>139,378</u>

(Continued)

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Division of engineering				
Salaries	74,802	74,802	69,889	4,913
Benefits	13,399	13,399	12,096	1,303
Materials and supplies	500	500	172	328
Contractual services	137,878	137,878	136,024	1,854
Total division of engineering	226,579	226,579	218,181	8,398
Total general government	4,346,825	4,416,818	4,003,784	413,034
Security of persons and property				
Department of public safety				
Salaries	87,471	82,971	82,495	476
Benefits	46,906	37,906	34,396	3,510
Materials and supplies	1,955	1,955	584	1,371
Contractual services	680	680	477	203
Total department of public safety	137,012	123,512	117,952	5,560
Division of fire				
Salaries	3,431,854	3,408,754	3,358,727	50,027
Benefits	1,562,906	1,622,906	1,503,844	119,062
Materials and supplies	73,839	80,339	75,834	4,505
Contractual services	336,364	286,864	218,117	68,747
Capital outlay	-	7,000	6,930	70
Total division of fire	5,404,963	5,405,863	5,163,452	242,411
Division of police				
Salaries	3,948,185	3,859,192	3,686,454	172,738
Benefits	1,584,656	1,584,656	1,474,754	109,902
Materials and supplies	165,951	157,951	130,113	27,838
Contractual services	362,409	388,009	314,734	73,275
Capital outlay	25,000	31,500	31,024	476
Total division of police	6,086,201	6,021,308	5,637,079	384,229
Central dispatch				
Salaries	467,928	467,928	454,179	13,749
Benefits	205,130	205,130	193,393	11,737
Materials and supplies	2,000	2,000	-	2,000
Contractual services	12,000	12,000	5,507	6,493
Total central dispatch	687,058	687,058	653,079	33,979

(Continued)

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Corrections				
Salaries	48,285	48,285	48,261	24
Benefits	30,375	30,375	29,466	909
Materials and supplies	1,500	1,500	1,081	419
Contractual services	77,179	77,179	50,627	26,552
Capital outlay	2,500	2,500	1,680	820
Total corrections	<u>159,839</u>	<u>159,839</u>	<u>131,115</u>	<u>28,724</u>
Total security of persons and property	<u>12,475,073</u>	<u>12,397,580</u>	<u>11,702,677</u>	<u>694,903</u>
Public health and welfare				
Division of youth and family services				
Salaries	94,291	94,291	91,396	2,895
Benefits	25,374	25,374	24,329	1,045
Materials and supplies	3,942	3,942	2,795	1,147
Contractual services	98,767	98,767	89,430	9,337
Capital outlay	<u>3,700</u>	<u>3,700</u>	<u>2,124</u>	<u>1,576</u>
Total division of youth and family services	<u>226,074</u>	<u>226,074</u>	<u>210,074</u>	<u>16,000</u>
Division of aging				
Salaries	156,671	156,671	152,806	3,865
Benefits	77,880	77,880	76,213	1,667
Materials and supplies	3,600	3,600	696	2,904
Contractual services	28,025	28,025	25,330	2,695
Capital outlay	<u>1,571</u>	<u>1,571</u>	<u>1,511</u>	<u>60</u>
Total division of aging	<u>267,747</u>	<u>267,747</u>	<u>256,556</u>	<u>11,191</u>
Total public health and welfare	<u>493,821</u>	<u>493,821</u>	<u>466,630</u>	<u>27,191</u>
Transportation				
Department of public service				
Salaries	87,471	82,971	82,495	476
Benefits	46,887	36,887	35,256	1,631
Materials and supplies	1,465	1,465	886	579
Contractual services	<u>489,946</u>	<u>489,946</u>	<u>489,942</u>	<u>4</u>
Total department of public service	<u>625,769</u>	<u>611,269</u>	<u>608,579</u>	<u>2,690</u>
Division of public works				
Salaries	1,088,202	1,144,456	1,084,869	59,587
Benefits	509,282	522,282	481,462	40,820
Materials and supplies	68,004	64,804	35,843	28,961
Contractual services	434,990	423,461	366,893	56,568
Capital outlay	<u>33,464</u>	<u>33,464</u>	<u>26,600</u>	<u>6,864</u>
Total division of public works	<u>2,133,942</u>	<u>2,188,467</u>	<u>1,995,667</u>	<u>192,800</u>

(Continued)

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Division of fleet				
Salaries	371,349	361,919	354,197	7,722
Benefits	164,671	164,671	156,034	8,637
Materials and supplies	456,710	456,710	342,875	113,835
Contractual services	13,450	13,450	7,526	5,924
Total division of fleet	<u>1,006,180</u>	<u>996,750</u>	<u>860,632</u>	<u>136,118</u>
Total transportation	<u>3,765,891</u>	<u>3,796,486</u>	<u>3,464,878</u>	<u>331,608</u>
Basic utility services				
Service department				
Contractual services	<u>22,550</u>	<u>25,750</u>	<u>25,383</u>	<u>367</u>
Economic development				
Department of planning and development				
Salaries	137,561	137,561	137,489	72
Benefits	53,306	53,306	52,370	936
Materials and supplies	1,500	1,500	398	1,102
Contractual services	146,997	146,995	140,085	6,910
Capital outlay	<u>500</u>	<u>500</u>	<u>396</u>	<u>104</u>
Total department of planning and development	<u>339,864</u>	<u>339,862</u>	<u>330,738</u>	<u>9,124</u>
Total expenditures	<u>21,444,024</u>	<u>21,470,317</u>	<u>19,994,090</u>	<u>1,476,227</u>
Excess of revenues over (under) expenditures	<u>(3,152,644)</u>	<u>(3,152,643)</u>	<u>(868,556)</u>	<u>2,284,087</u>
Other financing sources (uses):				
Proceeds from sale of assets	20,000	20,000	42,317	22,317
Advances – in	56,154	58,618	23,964	(34,654)
Transfers – out	<u>(308,224)</u>	<u>(308,224)</u>	<u>(308,224)</u>	<u>-</u>
Total other financing sources (uses)	<u>(232,070)</u>	<u>(229,606)</u>	<u>(241,943)</u>	<u>(12,337)</u>
Net change in fund balance	(3,384,714)	(3,382,249)	(1,110,499)	2,271,750
Fund balance, beginning of year	3,245,137	3,245,137	3,245,137	-
Prior year encumbrances appropriated	<u>413,484</u>	<u>413,484</u>	<u>413,484</u>	<u>-</u>
Fund balance, end of year	\$ <u>273,907</u>	\$ <u>276,372</u>	\$ <u>2,548,122</u>	\$ <u>2,271,750</u>

## City of North Olmsted, Ohio

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

#### For the Year Ended December 31, 2014

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Other financing sources (uses):				
Transfers – in	\$ <u>226,578</u>	\$ <u>226,578</u>	\$ <u>226,578</u>	\$ <u>-</u>
Net change in fund balance	226,578	226,578	226,578	-
Fund balance, beginning of year	<u>1,169,759</u>	<u>1,169,759</u>	<u>1,169,759</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>1,396,337</u></u>	\$ <u><u>1,396,337</u></u>	\$ <u><u>1,396,337</u></u>	\$ <u><u>-</u></u>

Note: The above fund is combined with the General Fund for GASB 54 financial reporting purposes.

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – 27<sup>th</sup> Pay Fund

#### **For the Year Ended December 31, 2014**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Transfers – in	\$ <u>135,000</u>	\$ <u>135,000</u>	\$ <u>135,000</u>	\$ <u>-</u>
Net change in fund balance	135,000	135,000	135,000	-
Fund balance, beginning of year	<u>405,000</u>	<u>405,000</u>	<u>405,000</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>540,000</u></u>	\$ <u><u>540,000</u></u>	\$ <u><u>540,000</u></u>	\$ <u><u>-</u></u>

Note: The above fund is combined with the General Fund for GASB 54 financial reporting purposes.

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Municipal income tax	\$ <u>1,997,184</u>	\$ <u>1,997,184</u>	\$ <u>2,125,630</u>	\$ <u>128,446</u>
Expenditures:				
Current:				
Transportation Service				
Contractual services	53,500	53,500	42,873	10,627
Capital outlay	<u>1,388,828</u>	<u>1,528,328</u>	<u>1,001,587</u>	<u>526,741</u>
Total expenditures	<u>1,442,328</u>	<u>1,581,828</u>	<u>1,044,460</u>	<u>537,368</u>
Excess of revenues over (under) expenditures	<u>554,856</u>	<u>415,356</u>	<u>1,081,170</u>	<u>665,814</u>
Other financing sources (uses):				
Note proceeds	425,000	425,000	425,000	-
Transfers – out	<u>(1,270,816)</u>	<u>(1,270,816)</u>	<u>(1,270,816)</u>	<u>-</u>
Total other financing sources (uses)	<u>(845,816)</u>	<u>(845,816)</u>	<u>(845,816)</u>	<u>-</u>
Net change in fund balance	(290,960)	(430,460)	235,354	665,814
Fund balance, beginning of year	1,240,594	1,240,594	1,240,594	-
Prior year encumbrances appropriated	<u>472,147</u>	<u>472,147</u>	<u>472,147</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>1,421,781</u></u>	\$ <u><u>1,282,281</u></u>	\$ <u><u>1,948,095</u></u>	\$ <u><u>665,814</u></u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – General Obligation Bond Retirement Fund

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ 2,230,616	\$ 2,230,616	\$ 2,237,488	\$ 6,872
Intergovernmental revenue	434,879	434,879	453,666	18,787
Investment income	<u>4,000</u>	<u>4,000</u>	<u>2,025</u>	<u>(1,975)</u>
Total revenues	<u>2,669,495</u>	<u>2,669,495</u>	<u>2,693,179</u>	<u>23,684</u>
Expenditures:				
Current:				
General government				
Finance				
Contractual services	<u>2,000</u>	<u>5,750</u>	<u>-</u>	<u>5,750</u>
Debt service:				
Principal	4,989,355	5,182,235	5,120,818	61,417
Interest and fiscal charges	<u>954,485</u>	<u>1,104,505</u>	<u>1,104,501</u>	<u>4</u>
Total debt service	<u>5,943,840</u>	<u>6,286,740</u>	<u>6,225,319</u>	<u>61,421</u>
Total expenditures	<u>5,945,840</u>	<u>6,292,490</u>	<u>6,225,319</u>	<u>67,171</u>
Excess of revenues over (under) expenditures	<u>(3,276,345)</u>	<u>(3,622,995)</u>	<u>(3,532,140)</u>	<u>90,855</u>
Other financing sources (uses):				
Note proceeds	11,510	11,510	11,510	-
Transfers – in	<u>3,428,386</u>	<u>3,841,286</u>	<u>3,841,286</u>	<u>-</u>
Total other financing sources (uses)	<u>3,439,896</u>	<u>3,852,796</u>	<u>3,852,796</u>	<u>-</u>
Net change in fund balance	163,551	229,801	320,656	90,855
Fund balances, beginning of year	<u>2,304,424</u>	<u>2,304,424</u>	<u>2,304,424</u>	<u>-</u>
Fund balance, end of year	\$ <u>2,467,975</u>	\$ <u>2,534,225</u>	\$ <u>2,625,080</u>	\$ <u>90,855</u>

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 60,000	\$ 131,460	\$ 28,907	\$ (102,553)
Expenditures:				
Current:				
General government				
Department of human resources				
Contractual services	41,818	98,413	55,748	42,665
Capital outlay	-	16,460	16,460	-
Total department of human resources	41,818	114,873	72,208	42,665
Division of engineering				
Contractual services	24,761	26,066	25,220	846
Total general government	66,579	140,939	97,428	43,511
Security of persons and property				
Division of police				
Contractual services	10,000	7,000	-	7,000
Transportation				
Division of fleet				
Contractual services	-	100	21	79
Total expenditures	76,579	148,039	97,449	50,590
Net change in fund balance	(16,579)	(16,579)	(68,542)	(51,963)
Fund balance, beginning of year	101,326	101,326	101,326	-
Prior year encumbrances appropriated	15,079	15,079	15,079	-
Fund balance, end of year	\$ 99,826	\$ 99,826	\$ 47,863	\$ (51,963)

**City of North Olmsted, Ohio**

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

**For the Year Ended December 31, 2014**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, beginning of year	\$ <u>2,708</u>	\$ <u>2,708</u>	\$ <u>2,708</u>	\$ <u>-</u>
Fund balance, end of year	\$ <u><u>2,708</u></u>	\$ <u><u>2,708</u></u>	\$ <u><u>2,708</u></u>	\$ <u><u>-</u></u>

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 2,500	\$ 2,500	\$ 1,980	\$ (520)
Expenditures:				
Current:				
Security of persons and property				
Police department				
Materials and supplies	<u>20,883</u>	<u>20,883</u>	<u>1,401</u>	<u>19,482</u>
Net change in fund balance	(18,383)	(18,383)	579	18,962
Fund balance, beginning of year	<u>18,385</u>	<u>18,385</u>	<u>18,385</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>2</u></u>	\$ <u><u>2</u></u>	\$ <u><u>18,964</u></u>	\$ <u><u>18,962</u></u>

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous income	\$ 25,000	\$ 25,000	\$ 18,608	\$ (6,392)
Expenditures:				
Current:				
Economic development				
Finance department				
Salaries	4,500	4,500	4,500	-
Benefits	816	816	786	30
Total finance department	5,316	5,316	5,286	30
Department of planning and development				
Contractual services	37,550	37,550	7,550	30,000
Total expenditures	42,866	42,866	12,836	30,030
Net change in fund balance	(17,866)	(17,866)	5,772	23,638
Fund balance, beginning of year	53,083	53,083	53,083	-
Prior year encumbrances appropriated	7,550	7,550	7,550	-
Fund balance, end of year	\$ 42,767	\$ 42,767	\$ 66,405	\$ 23,638

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ -	\$ 247,998	\$ 4,397	\$ (243,601)
Expenditures:				
Current:				
Security of persons and property				
Fire department				
Capital outlay	<u>-</u>	<u>243,601</u>	<u>243,601</u>	<u>-</u>
Excess of revenues over (under) expenditures	-	4,397	(239,204)	(243,601)
Other financing sources (uses):				
Transfers – out	<u>-</u>	<u>(4,816)</u>	<u>(4,816)</u>	<u>-</u>
Net change in fund balance	-	(419)	(244,020)	(243,601)
Fund balance, beginning of year	<u>8,268</u>	<u>8,268</u>	<u>8,268</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>8,268</u></u>	\$ <u><u>7,849</u></u>	\$ <u><u>(235,753)</u></u>	\$ <u><u>(243,601)</u></u>

## City of North Olmsted, Ohio

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

#### **For the Year Ended December 31, 2014**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Advances – out	\$ -	\$ (2,045)	\$ (2,045)	\$ -
Net change in fund balance	-	(2,045)	(2,045)	-
Fund balance, beginning of year	<u>17,586</u>	<u>17,586</u>	<u>17,586</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>17,586</u></u>	\$ <u><u>15,541</u></u>	\$ <u><u>15,541</u></u>	\$ <u><u>-</u></u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Motor Vehicle License Tax Fund

### **For the Year Ended December 31, 2014**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 222,000	\$ 222,000	\$ 222,294	\$ 294
Miscellaneous income	<u>-</u>	<u>-</u>	<u>187</u>	<u>187</u>
Total revenues	<u>222,000</u>	<u>222,000</u>	<u>222,481</u>	<u>481</u>
Expenditures:				
Current:				
Transportation				
Department of public service				
Materials and supplies	168,000	168,000	157,293	10,707
Contractual services	<u>190,000</u>	<u>190,000</u>	<u>189,848</u>	<u>152</u>
Total expenditures	<u>358,000</u>	<u>358,000</u>	<u>347,141</u>	<u>10,859</u>
Net change in fund balance	(136,000)	(136,000)	(124,660)	11,340
Fund balance, beginning of year	<u>198,979</u>	<u>198,979</u>	<u>198,979</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>62,979</u></u>	\$ <u><u>62,979</u></u>	\$ <u><u>74,319</u></u>	\$ <u><u>11,340</u></u>

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ 811,132	\$ 811,132	\$ 813,632	\$ 2,500
Charges for services	1,584,175	1,584,175	1,481,151	(103,024)
Intergovernmental revenue	104,573	104,573	107,634	3,061
Miscellaneous income	<u>74,000</u>	<u>74,000</u>	<u>64,075</u>	<u>(9,925)</u>
Total revenues	<u>2,573,880</u>	<u>2,573,880</u>	<u>2,466,492</u>	<u>(107,388)</u>
Expenditures:				
Current:				
Leisure time activities				
Recreation department				
Salaries	979,199	973,434	944,643	28,791
Benefits	354,667	360,432	338,062	22,370
Materials and supplies	200,704	185,619	171,056	14,563
Contractual services	1,032,323	1,042,987	1,020,146	22,841
Capital outlay	<u>62,856</u>	<u>67,277</u>	<u>67,205</u>	<u>72</u>
Total expenditures	<u>2,629,749</u>	<u>2,629,749</u>	<u>2,541,112</u>	<u>88,637</u>
Excess of revenues over (under) expenditures	<u>(55,869)</u>	<u>(55,869)</u>	<u>(74,620)</u>	<u>(18,751)</u>
Other financing sources (uses):				
Proceeds from sale of assets	-	-	336	336
Transfers – out	<u>(84,007)</u>	<u>(154,007)</u>	<u>(154,007)</u>	<u>-</u>
Total other financing sources (uses)	<u>(84,007)</u>	<u>(154,007)</u>	<u>(153,671)</u>	<u>336</u>
Net change in fund balance	(139,876)	(209,876)	(228,291)	(18,415)
Fund balance, beginning of year	279,898	279,898	279,898	-
Prior year encumbrances appropriated	<u>61,687</u>	<u>61,687</u>	<u>61,687</u>	<u>-</u>
Fund balance, end of year	\$ <u>201,709</u>	\$ <u>131,709</u>	\$ <u>113,294</u>	\$ <u>(18,415)</u>

**City of North Olmsted, Ohio**

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

**For the Year Ended December 31, 2014**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund balance, beginning of year	\$ <u>3,065</u>	\$ <u>3,065</u>	\$ <u>3,065</u>	\$ <u>-</u>
Fund balance, end of year	\$ <u><u>3,065</u></u>	\$ <u><u>3,065</u></u>	\$ <u><u>3,065</u></u>	\$ <u><u>-</u></u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Hotel/Motel Tax Fund

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ 300,000	\$ 300,000	\$ 313,938	\$ 13,938
Expenditures:				
Current:				
Security of persons and property				
Fire department				
Materials and supplies	17,000	17,000	16,711	289
Contractual services	18,800	19,700	18,764	936
Capital outlay	218,600	222,622	184,111	38,511
Total fire department	254,400	259,322	219,586	39,736
Police department				
Materials and supplies	45,482	45,482	43,203	2,279
Contractual services	11,760	10,860	10,700	160
Capital outlay	125,890	121,868	96,724	25,144
Total police department	183,132	178,210	150,627	27,583
Total expenditures	437,532	437,532	370,213	67,319
Excess of revenues over (under) expenditures	(137,532)	(137,532)	(56,275)	81,257
Other financing sources (uses):				
Transfer – in	-	-	4,397	4,397
Transfers – out	(126,450)	(126,450)	(126,450)	-
Total other financing sources (uses)	(126,450)	(126,450)	(122,053)	4,397
Net change in fund balance	(263,982)	(263,982)	(178,328)	85,654
Fund balance, beginning of year	276,022	276,022	276,022	-
Prior year encumbrances appropriated	25,772	25,772	25,772	-
Fund balance, end of year	\$ 37,812	\$ 37,812	\$ 123,466	\$ 85,654

**City of North Olmsted, Ohio**

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

**For the Year Ended December 31, 2014**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, beginning of year	\$ <u>2,773</u>	\$ <u>2,773</u>	\$ <u>2,773</u>	\$ <u>-</u>
Fund balance, end of year	\$ <u><u>2,773</u></u>	\$ <u><u>2,773</u></u>	\$ <u><u>2,773</u></u>	\$ <u><u>-</u></u>

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenues	\$ 95,000	\$ 95,000	\$ 96,470	\$ 1,470
Miscellaneous income	-	-	824	824
Total revenues	<u>95,000</u>	<u>95,000</u>	<u>97,294</u>	<u>2,294</u>
Expenditures:				
Current:				
Transportation				
Service department				
Materials and supplies	118,952	118,952	58,255	60,697
Contractual services	25,000	25,000	24,594	406
Capital outlay	<u>124,154</u>	<u>124,154</u>	<u>122,836</u>	<u>1,318</u>
Total expenditures	<u>268,106</u>	<u>268,106</u>	<u>205,685</u>	<u>62,421</u>
Net change in fund balance	(173,106)	(173,106)	(108,391)	64,715
Fund balance, beginning of year	536,743	536,743	536,743	-
Prior year encumbrances appropriated	<u>148,606</u>	<u>148,606</u>	<u>148,606</u>	-
Fund balance, end of year	\$ <u>512,243</u>	\$ <u>512,243</u>	\$ <u>576,958</u>	\$ <u>64,715</u>

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 1,182,100	\$ 1,182,100	\$ 1,189,801	\$ 7,701
Miscellaneous income	-	-	604	604
Total revenues	<u>1,182,100</u>	<u>1,182,100</u>	<u>1,190,405</u>	<u>8,305</u>
Expenditures:				
Current:				
Transportation				
Service department				
Salaries	310,095	310,095	309,444	651
Benefits	123,642	131,142	123,571	7,571
Materials and supplies	620,664	620,664	517,136	103,528
Contractual services	333,863	298,863	219,267	79,596
Capital outlay	<u>247,439</u>	<u>282,439</u>	<u>263,100</u>	<u>19,339</u>
Total expenditures	<u>1,635,703</u>	<u>1,643,203</u>	<u>1,432,518</u>	<u>210,685</u>
Net change in fund balance	(453,603)	(461,103)	(242,113)	218,990
Fund balance, beginning of year	400,298	400,298	400,298	-
Prior year encumbrances appropriated	<u>165,927</u>	<u>165,927</u>	<u>165,927</u>	-
Fund balance, end of year	\$ <u>112,622</u>	\$ <u>105,122</u>	\$ <u>324,112</u>	\$ <u>218,990</u>

## City of North Olmsted, Ohio

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

#### **For the Year Ended December 31, 2014**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 6,500	\$ 6,500	\$ 10,438	\$ 3,938
Expenditures:				
Current:				
General government				
Mayor's court				
Contractual services	6,000	6,000	5,230	770
Capital outlay	2,699	2,699	1,749	950
Total expenditures	8,699	8,699	6,979	1,720
Excess of revenues over (under) expenditures	(2,199)	(2,199)	3,459	5,658
Other financing sources (uses):				
Advances – out	(21,500)	(21,500)	(21,500)	-
Net change in fund balance	(23,699)	(23,699)	(18,041)	5,658
Fund balance, beginning of year	22,661	22,661	22,661	-
Prior year encumbrances appropriated	1,499	1,499	1,499	-
Fund balance, end of year	\$ 461	\$ 461	\$ 6,119	\$ 5,658

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Solid Waste Management Fund

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Municipal income tax	\$ 1,997,184	\$ 1,997,184	\$ 2,125,630	\$ 128,446
Intergovernmental revenue	-	86,031	5,260	(80,771)
Total revenues	<u>1,997,184</u>	<u>2,083,215</u>	<u>2,130,890</u>	<u>47,675</u>
Expenditures:				
Current:				
Basic utility services				
Service department				
Salaries	34,000	51,372	51,372	-
Benefits	15,400	24,059	24,059	-
Contractual services	<u>1,813,550</u>	<u>1,873,550</u>	<u>1,851,283</u>	<u>22,267</u>
Total expenditures	<u>1,862,950</u>	<u>1,948,981</u>	<u>1,926,714</u>	<u>22,267</u>
Net change in fund balance	134,234	134,234	204,176	69,942
Fund balance, beginning of year	320,431	320,431	320,431	-
Prior year encumbrances appropriated	<u>2,550</u>	<u>2,550</u>	<u>2,550</u>	-
Fund balance, end of year	\$ <u><u>457,215</u></u>	\$ <u><u>457,215</u></u>	\$ <u><u>527,157</u></u>	\$ <u><u>69,942</u></u>

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 24,700	\$ 24,700	\$ 22,445	\$ (2,255)
Expenditures:				
Current:				
Public health and welfare				
Division of youth services				
Salaries	22,491	22,491	17,127	5,364
Benefits	3,977	3,977	2,992	985
Materials and supplies	3,300	3,300	887	2,413
Contractual services	<u>7,021</u>	<u>7,021</u>	<u>5,466</u>	<u>1,555</u>
Total expenditures	<u>36,789</u>	<u>36,789</u>	<u>26,472</u>	<u>10,317</u>
Excess of revenues over (under) expenditures	(12,089)	(12,089)	(4,027)	8,062
Other financing sources (uses):				
Transfers – in	<u>2,170</u>	<u>2,170</u>	<u>-</u>	<u>(2,170)</u>
Net change in fund balance	(9,919)	(9,919)	(4,027)	5,892
Fund balance, beginning of year	8,882	8,882	8,882	-
Prior year encumbrances appropriated	<u>1,038</u>	<u>1,038</u>	<u>1,038</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>1</u></u>	\$ <u><u>1</u></u>	\$ <u><u>5,893</u></u>	\$ <u><u>5,892</u></u>

## City of North Olmsted, Ohio

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

#### **For the Year Ended December 31, 2014**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ -	\$ 97	\$ 97
Expenditures:				
Current:				
Security of persons and property				
Materials and supplies	<u>22,753</u>	<u>22,753</u>	<u>16</u>	<u>22,737</u>
Net change in fund balance	(22,753)	(22,753)	81	22,834
Fund balance, beginning of year	<u>22,753</u>	<u>22,753</u>	<u>22,753</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>22,834</u></u>	\$ <u><u>22,834</u></u>

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Charges for services	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)
Miscellaneous income	<u>27,000</u>	<u>59,470</u>	<u>74,366</u>	<u>14,896</u>
Total revenues	<u>28,000</u>	<u>60,470</u>	<u>74,366</u>	<u>13,896</u>
Expenditures:				
Current:				
Security of persons and property				
Fire department				
Materials and supplies	1,000	3,095	2,122	973
Police department				
Materials and supplies	<u>10,000</u>	<u>10,000</u>	<u>840</u>	<u>9,160</u>
Total security of persons and property	<u>11,000</u>	<u>13,095</u>	<u>2,962</u>	<u>10,133</u>
Leisure time activities				
Parks and recreation				
Capital outlay	<u>1,000</u>	<u>1,000</u>	<u>11</u>	<u>989</u>
Public health and welfare				
Division of youth and family services				
Materials and supplies	17,500	24,625	16,744	7,881
Economic development				
Department of planning and development				
Materials and supplies	-	2,000	595	1,405
Contractual services	<u>-</u>	<u>21,250</u>	<u>15,996</u>	<u>5,254</u>
Total economic development	<u>-</u>	<u>23,250</u>	<u>16,591</u>	<u>6,659</u>
Total expenditures	<u>29,500</u>	<u>61,970</u>	<u>36,308</u>	<u>25,662</u>
Excess of revenues over(under)expenditures	(1,500)	(1,500)	38,058	39,558
Other financing sources (uses):				
Transfers – out	<u>(2,170)</u>	<u>(2,170)</u>	<u>-</u>	<u>2,170</u>
Net change in fund balance	(3,670)	(3,670)	38,058	41,728
Fund balance, beginning of year	<u>242,965</u>	<u>242,965</u>	<u>242,965</u>	<u>-</u>
Fund balance, end of year	\$ <u>239,295</u>	\$ <u>239,295</u>	\$ <u>281,023</u>	\$ <u>41,728</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Fair Capacity Housing Fund

#### **For the Year Ended December 31, 2014**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
General government				
Law department				
Salaries	\$ 28,309	\$ 28,309	\$ 20,792	\$ 7,517
Benefits	4,918	4,918	3,617	1,301
Materials and supplies	3,750	3,750	-	3,750
Contractual services	<u>135,850</u>	<u>135,850</u>	<u>22,980</u>	<u>112,870</u>
Total expenditures	<u>172,827</u>	<u>172,827</u>	<u>47,389</u>	<u>125,438</u>
Net change in fund balance	(172,827)	(172,827)	(47,389)	125,438
Fund balance, beginning of year	213,492	213,492	213,492	-
Prior year encumbrances appropriated	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	-
Fund balance, end of year	\$ <u>46,665</u>	\$ <u>46,665</u>	\$ <u>172,103</u>	\$ <u>125,438</u>

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ 202,783	\$ 202,783	\$ 203,408	\$ 625
Intergovernmental revenue	<u>29,377</u>	<u>29,377</u>	<u>30,453</u>	<u>1,076</u>
Total revenues	<u>232,160</u>	<u>232,160</u>	<u>233,861</u>	<u>1,701</u>
Expenditures:				
Current:				
Security of persons and property				
Fire department				
Benefits	256,460	256,460	232,244	24,216
Contractual services	<u>700</u>	<u>700</u>	<u>-</u>	<u>700</u>
Total expenditures	<u>257,160</u>	<u>257,160</u>	<u>232,244</u>	<u>24,916</u>
Net change in fund balance	(25,000)	(25,000)	1,617	26,617
Fund balance, beginning of year	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Fund balance, end of year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>26,617</u>	\$ <u>26,617</u>

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ -	\$ 7	\$ 7
Expenditures:				
Current:				
Security of persons and property				
Police department				
Capital outlay	29,695	29,695	-	29,695
Net change in fund balance	(29,695)	(29,695)	7	29,702
Fund balance, beginning of year	29,695	29,695	29,695	-
Fund balance, end of year	\$ -	\$ -	\$ 29,702	\$ 29,702

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeiture	\$ 300,000	\$ 335,900	\$ 294,189	\$ (41,711)
Expenditures:				
Current:				
Security of persons and property				
Law department				
Salaries	29,558	29,558	29,535	23
Benefits	17,389	17,389	17,001	388
Total law department	46,947	46,947	46,536	411
Police department				
Salaries	153,000	163,000	155,702	7,298
Benefits	62,054	66,054	59,613	6,441
Materials and supplies	9,500	9,500	6,670	2,830
Contractual services	25,000	25,000	10,980	14,020
Capital outlay	128,809	150,709	132,867	17,842
Total police department	378,363	414,263	365,832	48,431
Total expenditures	425,310	461,210	412,368	48,842
Net change in fund balance	(125,310)	(125,310)	(118,179)	7,131
Fund balance, beginning of year	46,809	46,809	46,809	-
Prior year encumbrances appropriated	180,672	180,672	180,672	-
Fund balance, end of year	\$ 102,171	\$ 102,171	\$ 109,302	\$ 7,131

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other local taxes	\$ 202,783	\$ 202,783	\$ 203,408	\$ 625
Intergovernmental	<u>29,377</u>	<u>29,377</u>	<u>30,453</u>	<u>1,076</u>
Total revenues	<u>232,160</u>	<u>232,160</u>	<u>233,861</u>	<u>1,701</u>
Expenditures:				
Current:				
Security of persons and property				
Police department				
Benefits	256,460	256,460	232,244	24,216
Contractual services	<u>700</u>	<u>700</u>	<u>-</u>	<u>700</u>
Total expenditures	<u>257,160</u>	<u>257,160</u>	<u>232,244</u>	<u>24,916</u>
Net change in fund balance	(25,000)	(25,000)	1,617	26,617
Fund balance, beginning of year	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Fund balance, end of year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>26,617</u>	\$ <u>26,617</u>

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 26,000	\$ 26,000	\$ 19,676	\$ (6,324)
Fines and forfeitures	1,100	1,100	1,800	700
Miscellaneous income	<u>7,500</u>	<u>7,500</u>	<u>4,979</u>	<u>(2,521)</u>
Total revenues	<u>34,600</u>	<u>34,600</u>	<u>26,455</u>	<u>(8,145)</u>
<b>Expenditures:</b>				
Current:				
Leisure time activities				
Department of community life services				
Materials and supplies	14,563	14,563	11,863	2,700
Contractual services	<u>35,849</u>	<u>35,849</u>	<u>26,307</u>	<u>9,542</u>
Total expenditures	<u>50,412</u>	<u>50,412</u>	<u>38,170</u>	<u>12,243</u>
Net change in fund balance	(15,812)	(15,812)	(11,715)	4,097
Fund balance, beginning of year	11,687	11,687	11,687	-
Prior year encumbrances appropriated	<u>4,312</u>	<u>4,312</u>	<u>4,312</u>	-
Fund balance, end of year	\$ <u><u>187</u></u>	\$ <u><u>187</u></u>	\$ <u><u>4,284</u></u>	\$ <u><u>4,097</u></u>

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 5,800	\$ 5,800	\$ 5,550	\$ (250)
Intergovernmental revenue	<u>9,800</u>	<u>9,800</u>	<u>10,226</u>	<u>426</u>
Total revenues	<u>15,600</u>	<u>15,600</u>	<u>15,776</u>	<u>176</u>
Expenditures:				
Current:				
Public health and welfare				
Senior services				
Salaries	12,768	12,768	12,617	151
Benefits	<u>2,340</u>	<u>2,340</u>	<u>2,328</u>	<u>12</u>
Total expenditures	<u>15,108</u>	<u>15,108</u>	<u>14,945</u>	<u>163</u>
Net change in fund balance	492	492	831	339
Fund balance, beginning of year	40,218	40,218	40,218	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	\$ <u>40,710</u>	\$ <u>40,710</u>	\$ <u>41,049</u>	\$ <u>339</u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Public Way Management Fund

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Transportation				
Public service and properties				
Materials and supplies	\$ 4,000	\$ -	\$ -	\$ -
Contractual services	<u>15,662</u>	<u>19,662</u>	<u>15,662</u>	<u>4,000</u>
Total expenditures	<u>19,662</u>	<u>19,662</u>	<u>15,662</u>	<u>4,000</u>
Net change in fund balance	(19,662)	(19,662)	(15,662)	4,000
Fund balance, beginning of year	1,662	1,662	1,662	-
Prior year encumbrances appropriated	<u>34,100</u>	<u>34,100</u>	<u>34,100</u>	-
Fund balance, end of year	\$ <u><u>16,100</u></u>	\$ <u><u>16,100</u></u>	\$ <u><u>20,100</u></u>	\$ <u><u>4,000</u></u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Library Bond Retirement Fund

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ 743,539	\$ 743,539	\$ 745,830	\$ 2,291
Intergovernmental revenue	<u>95,859</u>	<u>95,859</u>	<u>98,664</u>	<u>2,805</u>
Total revenues	<u>839,398</u>	<u>839,398</u>	<u>844,494</u>	<u>5,096</u>
Expenditures:				
Current:				
General government				
Finance				
Contractual services	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Debt service:				
Principal	620,000	620,000	620,000	-
Interest and fiscal charges	<u>258,940</u>	<u>258,940</u>	<u>258,938</u>	<u>2</u>
Total debt service	<u>878,940</u>	<u>878,940</u>	<u>878,938</u>	<u>2</u>
Total expenditures	<u>880,940</u>	<u>880,940</u>	<u>878,938</u>	<u>2,002</u>
Net change in fund balance	(41,542)	(41,542)	(34,444)	7,098
Fund balance, beginning of year	<u>773,084</u>	<u>773,084</u>	<u>773,084</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>731,542</u></u>	\$ <u><u>731,542</u></u>	\$ <u><u>738,640</u></u>	\$ <u><u>7,098</u></u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Fire Station Bond Retirement Fund

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ 270,377	\$ 270,377	\$ 271,211	\$ 834
Intergovernmental revenue	<u>34,857</u>	<u>34,857</u>	<u>35,878</u>	<u>1,021</u>
Total revenues	<u>305,234</u>	<u>305,234</u>	<u>307,089</u>	<u>1,855</u>
Expenditures:				
Current:				
General government				
Finance				
Contractual services	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Debt service:				
Principal	180,000	180,000	180,000	-
Interest and fiscal charges	<u>137,013</u>	<u>137,013</u>	<u>137,013</u>	<u>-</u>
Total debt service	<u>317,013</u>	<u>317,013</u>	<u>317,013</u>	<u>-</u>
Total expenditures	<u>318,013</u>	<u>318,013</u>	<u>317,013</u>	<u>1,000</u>
Net change in fund balance	(12,779)	(12,779)	(9,924)	2,855
Fund balance, beginning of year	<u>540,042</u>	<u>540,042</u>	<u>540,042</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>527,263</u></u>	\$ <u><u>527,263</u></u>	\$ <u><u>530,118</u></u>	\$ <u><u>2,855</u></u>

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Licenses and permits	\$ -	\$ -	\$ 20	\$ 20
Intergovernmental revenue	<u>34,654</u>	<u>34,654</u>	<u>-</u>	<u>(34,654)</u>
Total revenues	<u>34,654</u>	<u>34,654</u>	<u>20</u>	<u>(34,634)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government				
Division of finance				
Capital outlay	254,465	254,465	55,186	199,279
Division of information technology				
Capital outlay	<u>929</u>	<u>929</u>	<u>350</u>	<u>579</u>
Total general government	<u>255,394</u>	<u>255,394</u>	<u>55,536</u>	<u>199,858</u>
Security of persons and property				
Division of police				
Capital outlay	305,093	305,093	296,614	8,479
Leisure time activities				
Recreation department				
Capital outlay	2,175,406	2,175,406	1,978,644	196,762
Transportation				
Department of public service				
Capital outlay	<u>43,202</u>	<u>43,202</u>	<u>34,654</u>	<u>8,548</u>
Total expenditures	<u>2,779,095</u>	<u>2,779,095</u>	<u>2,365,448</u>	<u>413,647</u>
Excess of revenues over (under) expenditures	<u>(2,744,441)</u>	<u>(2,744,441)</u>	<u>(2,365,428)</u>	<u>379,013</u>
<b>Other financing sources (uses):</b>				
Note proceeds	2,150,000	2,150,000	2,150,000	-
Advances – out	<u>(34,654)</u>	<u>(34,654)</u>	<u>-</u>	<u>34,654</u>
Total other financing sources (uses)	<u>2,115,346</u>	<u>2,115,346</u>	<u>2,150,000</u>	<u>34,654</u>
Net change in fund balance	(629,095)	(629,095)	(215,428)	413,667
Fund balance, beginning of year	222,587	222,587	222,587	-
Prior year encumbrances appropriated	<u>418,136</u>	<u>418,136</u>	<u>418,136</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>11,628</u></u>	\$ <u><u>11,628</u></u>	\$ <u><u>425,295</u></u>	\$ <u><u>413,667</u></u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Building and Land Acquisition and Improvement Fund

### For the Year Ended December 31, 2014

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Transportation				
Department of public service				
Capital outlay	\$ <u>105,000</u>	\$ <u>130,000</u>	\$ <u>126,921</u>	\$ <u>3,079</u>
Net change in fund balance	(105,000)	(130,000)	(126,921)	3,079
Fund balance, beginning of year	<u>250,676</u>	<u>250,676</u>	<u>250,676</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>145,676</u></u>	\$ <u><u>120,676</u></u>	\$ <u><u>123,755</u></u>	\$ <u><u>3,079</u></u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Equity Budget (Non-GAAP Basis) and Actual – Springvale Golf Course and Ballroom Fund

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ <u>1,595,000</u>	\$ <u>1,595,000</u>	\$ <u>1,655,306</u>	\$ <u>60,306</u>
Expenses:				
Golf course and ballroom				
Salaries	494,201	494,201	469,754	24,447
Benefits	136,515	127,015	116,468	10,547
Materials and supplies	368,766	368,766	357,696	11,070
Contractual services	249,239	259,239	244,671	14,568
Capital outlay	<u>70,281</u>	<u>69,781</u>	<u>56,142</u>	<u>13,639</u>
Total expenses	<u>1,319,002</u>	<u>1,319,002</u>	<u>1,244,731</u>	<u>74,271</u>
Excess of revenues over (under) expenses	275,998	275,998	410,575	134,577
Other financing sources (uses):				
Transfers – out	<u>(390,185)</u>	<u>(390,185)</u>	<u>(390,185)</u>	<u>-</u>
Net change in fund equity	(114,187)	(114,187)	20,390	134,577
Fund equity, beginning of year	83,834	83,834	83,834	-
Prior year encumbrances appropriated	<u>36,686</u>	<u>36,686</u>	<u>36,686</u>	<u>-</u>
Fund equity, end of year	\$ <u><u>6,333</u></u>	\$ <u><u>6,333</u></u>	\$ <u><u>140,910</u></u>	\$ <u><u>134,577</u></u>

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ <u>8,743,522</u>	\$ <u>8,743,522</u>	\$ <u>8,454,808</u>	\$ <u>(288,714)</u>
Expenses:				
Current:				
Sewer				
Salaries	1,766,204	1,796,204	1,642,890	153,314
Benefits	744,558	744,558	687,343	57,215
Materials and supplies	677,021	677,021	498,526	178,495
Contractual services	1,676,317	1,676,317	1,535,767	140,550
Capital outlay	<u>19,913,563</u>	<u>19,883,563</u>	<u>17,312,095</u>	<u>2,571,468</u>
Total expenses	<u>24,777,663</u>	<u>24,777,663</u>	<u>21,676,621</u>	<u>3,101,042</u>
Excess of revenues over (under) expenses	<u>(16,034,141)</u>	<u>(16,034,141)</u>	<u>(13,221,813)</u>	<u>2,812,328</u>
Other financing sources (uses):				
Loan proceeds	18,978,366	18,978,366	16,498,131	(2,480,235)
Proceeds from sale of assets	-	-	5,055	5,055
Transfers – out	<u>(1,610,281)</u>	<u>(1,953,182)</u>	<u>(1,953,182)</u>	<u>-</u>
Total other financing sources (uses)	<u>17,368,085</u>	<u>17,025,184</u>	<u>14,550,004</u>	<u>(2,475,180)</u>
Net change in fund equity	1,333,944	991,043	1,328,191	337,147
Fund equity, beginning of year	3,164,979	3,164,979	3,164,979	-
Prior year encumbrances appropriated	<u>1,245,553</u>	<u>1,245,553</u>	<u>1,245,553</u>	<u>-</u>
Fund equity, end of year	\$ <u><u>5,744,476</u></u>	\$ <u><u>5,401,575</u></u>	\$ <u><u>5,738,723</u></u>	\$ <u><u>337,148</u></u>

## City of North Olmsted, Ohio

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

#### **For the Year Ended December 31, 2014**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 3,565,471	\$ 3,565,471	\$ 3,492,746	\$ (72,725)
Expenses:				
Contractual services	<u>3,689,872</u>	<u>3,689,872</u>	<u>2,485,494</u>	<u>1,204,378</u>
Net change in fund equity	(124,401)	(124,401)	1,007,252	1,131,653
Fund equity, beginning of year	1,732,092	1,732,092	1,732,092	-
Prior year encumbrances appropriated	<u>15</u>	<u>15</u>	<u>15</u>	<u>-</u>
Fund equity, end of year	\$ <u><u>1,607,706</u></u>	\$ <u><u>1,607,706</u></u>	\$ <u><u>2,739,359</u></u>	\$ <u><u>1,131,653</u></u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Equity Budget (Non-GAAP Basis) and Actual – Workers’ Compensation Self-Insurance Fund

#### **For the Year Ended December 31, 2014**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 400,000	\$ 400,000	\$ 304,313	\$ (95,687)
Expenses:				
Contractual services	<u>327,534</u>	<u>327,534</u>	<u>181,426</u>	<u>146,108</u>
Net change in fund equity	72,466	72,466	122,887	50,421
Fund equity, beginning of year	881,885	881,885	881,885	-
Prior year encumbrances appropriated	<u>38,592</u>	<u>38,592</u>	<u>38,592</u>	<u>-</u>
Fund equity, end of year	\$ <u><u>992,943</u></u>	\$ <u><u>992,943</u></u>	\$ <u><u>1,043,364</u></u>	\$ <u><u>50,421</u></u>

## City of North Olmsted, Ohio

### Fund Description

#### **For the Year Ended December 31, 2014**

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##### *Fiduciary Funds*

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

##### *Agency Fund*

**Deposits Fund** - Accounts for deposits held by the City from contractors, developers and individuals to ensure compliance with City ordinances. These monies net of inspection charges are returned when the work is properly completed.

**Mayor's Court Fund** - Accounts for the receipt and disbursement of fines collected through the Mayor's Court established by the Ohio Revised Code and City ordinance.

**Mayor's Court Bond Fund** - Accounts for the receipt and disbursement of bonds collected the Mayor's Court.

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2014

	Balance 12/31/13	Additions	Reductions	Balance 12/31/14
<b>Deposits Fund</b>				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>592,012</u>	\$ <u>128,267</u>	\$ <u>160,138</u>	\$ <u>560,141</u>
Liabilities:				
Accounts and contracts payable	\$ 726	\$ -	\$ 726	\$ -
Deposits held and due to others	<u>591,286</u>	<u>128,267</u>	<u>159,412</u>	<u>560,141</u>
Total liabilities	\$ <u>592,012</u>	\$ <u>128,267</u>	\$ <u>160,138</u>	\$ <u>560,141</u>
<b>Mayor's Court Fund</b>				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>86,239</u>	\$ <u>1,274,718</u>	\$ <u>1,255,527</u>	\$ <u>105,430</u>
Liabilities:				
Accounts and contracts payable	\$ 26	\$ -	\$ 26	\$ -
Deposits held and due to others	<u>86,213</u>	<u>1,274,718</u>	<u>1,255,501</u>	<u>105,430</u>
Total liabilities	\$ <u>86,239</u>	\$ <u>1,274,718</u>	\$ <u>1,255,527</u>	\$ <u>105,430</u>
<b>Mayor's Court Bond Fund</b>				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>45</u>	\$ <u>10,339</u>	\$ <u>9,409</u>	\$ <u>975</u>
Liabilities:				
Accounts and contracts payable	\$ 45	\$ -	\$ 45	\$ -
Deposits held and due to others	<u>-</u>	<u>10,339</u>	<u>9,364</u>	<u>975</u>
Total liabilities	\$ <u>45</u>	\$ <u>10,339</u>	\$ <u>9,409</u>	\$ <u>975</u>
<b>Total Agency Funds</b>				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>678,296</u>	\$ <u>1,413,324</u>	\$ <u>1,425,074</u>	\$ <u>666,546</u>
Liabilities:				
Accounts and contracts payable	\$ 797	\$ -	\$ 797	\$ -
Deposits held and due to others	<u>677,499</u>	<u>1,413,324</u>	<u>1,424,277</u>	<u>666,546</u>
Total liabilities	\$ <u>678,296</u>	\$ <u>1,413,324</u>	\$ <u>1,425,074</u>	\$ <u>666,546</u>

**STATISTICAL  
SECTION**

# City of North Olmsted, Ohio

## Statistical Section

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This part of the City’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-S9
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City’s most significant local revenue sources, the property tax and municipal income tax.	S10-S14
<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.	S15-S19
<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.	S20-S21
<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.	S22-S29

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

# City of North Olmsted, Ohio

## Net Position by Component Accrual Basis of Accounting

### Last Ten Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 29,341,888	\$ 31,940,364	\$ 35,550,385	\$ 36,787,582	\$ 38,558,141	\$ 32,357,653	\$ 34,062,983	\$ 35,283,840	\$ 34,684,616	\$ 36,706,457
Restricted for:										
Debt service	7,384,896	6,851,903	6,094,752	5,196,104	4,680,441	4,516,771	3,609,078	3,131,035	3,063,298	3,324,549
Capital projects	1,138,817	762,911	623,236	797,848	597,111	716,489	622,757	1,709,930	1,724,072	1,990,031
Community development	73,955	60,633	42,307	49,644	50,857	71,498	63,763	59,323	71,779	64,885
Highways and streets	4,723,437	4,353,921	3,328,866	4,224,951	4,654,165	4,582,846	4,042,357	3,707,648	2,587,209	1,426,595
Public safety	509,197	736,249	825,663	615,805	642,429	604,339	531,438	560,447	492,274	641,165
Recreation	86,380	222,472	215,836	88,177	87,335	148,141	24,215	38,575	51,999	4,366
Solid waste management	1,136,124	965,775	577,462	509,787	672,589	859,742	1,119,036	1,191,771	1,054,852	666,406
Federal and other grants	535,346	524,945	530,871	655,170	610,274	612,177	336,920	514,869	136,985	150,409
Unrestricted	<u>7,800,221</u>	<u>7,178,951</u>	<u>6,779,505</u>	<u>6,476,551</u>	<u>4,154,220</u>	<u>1,596,678</u>	<u>2,178,595</u>	<u>2,709,305</u>	<u>5,344,936</u>	<u>2,145,522</u>
Total net position – governmental activities	<u>52,730,261</u>	<u>53,598,124</u>	<u>54,568,883</u>	<u>55,401,619</u>	<u>54,707,562</u>	<u>46,066,334</u>	<u>46,591,142</u>	<u>48,906,743</u>	<u>49,212,020</u>	<u>47,120,385</u>
<b>Business-type activities:</b>										
Net investment in capital assets	14,085,646	15,645,038	13,838,058	13,329,367	13,079,015	12,896,414	12,775,644	12,986,719	13,247,138	14,009,805
Unrestricted	<u>4,971,189</u>	<u>917,874</u>	<u>1,573,485</u>	<u>948,996</u>	<u>577,913</u>	<u>(92,254)</u>	<u>(178,678)</u>	<u>586,799</u>	<u>935,392</u>	<u>896,297</u>
Total net position – business-type activities	<u>19,056,835</u>	<u>16,562,912</u>	<u>15,411,543</u>	<u>14,278,363</u>	<u>13,656,928</u>	<u>12,804,160</u>	<u>12,596,966</u>	<u>13,573,518</u>	<u>14,182,530</u>	<u>14,906,102</u>
<b>Primary government:</b>										
Net investment in capital assets	43,427,534	47,585,402	49,388,443	50,116,949	51,637,156	45,254,067	46,838,627	48,270,559	47,931,754	50,716,262
Restricted	15,588,152	14,478,809	12,238,993	12,137,486	11,995,201	12,112,003	10,349,564	10,913,598	9,182,468	8,268,406
Unrestricted	<u>12,771,410</u>	<u>8,096,825</u>	<u>8,352,990</u>	<u>7,425,547</u>	<u>4,732,133</u>	<u>1,504,424</u>	<u>1,999,917</u>	<u>3,296,104</u>	<u>6,280,328</u>	<u>3,041,819</u>
Total net position – primary government	<u>\$ 71,787,096</u>	<u>\$ 70,161,036</u>	<u>\$ 69,980,426</u>	<u>\$ 69,679,982</u>	<u>\$ 68,364,490</u>	<u>\$ 58,870,494</u>	<u>\$ 59,188,108</u>	<u>\$ 62,480,261</u>	<u>\$ 63,394,550</u>	<u>\$ 62,026,487</u>

Source: City financial records

# City of North Olmsted, Ohio

## Changes in Net Position Accrual Basis of Accounting

### Last Ten Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Governmental activities:										
Charges for services:										
General government	\$ 2,030,517	\$ 2,109,396	\$ 1,528,928	\$ 1,599,848	\$ 1,247,442	\$ 1,245,426	\$ 1,294,947	\$ 1,380,444	\$ 1,377,673	\$ 2,112,111
Security of persons and property	1,341,069	1,253,737	1,287,158	1,206,279	1,191,835	1,132,436	983,509	913,899	919,841	960,897
Public health and welfare	7,446	10,698	17,015	20,989	40,077	32,742	35,723	34,924	17,076	8,140
Transportation	241,171	235,112	283,571	257,183	173,141	230,351	370,720	257,444	234,374	261,165
Basic utility services	-	-	-	-	-	-	-	-	10,379	88,498
Leisure time activities	1,570,024	1,523,574	1,413,519	1,282,907	1,226,424	1,158,712	1,188,305	1,115,611	1,132,666	991,352
Economic development	18,608	25,663	19,421	21,206	19,875	21,447	20,826	20,771	18,969	14,752
Total charges for services	<u>5,208,835</u>	<u>5,158,180</u>	<u>4,549,612</u>	<u>4,388,412</u>	<u>3,898,794</u>	<u>3,821,114</u>	<u>3,894,030</u>	<u>3,723,093</u>	<u>3,710,978</u>	<u>4,436,915</u>
Operating grants and contributions:										
General government	55,726	37,500	41,442	11,260	48,547	29,998	53,548	259,898	18,911	134,699
Security of persons and property	129,368	342,433	415,442	26,322	54,646	55,111	73,554	52,724	69,342	39,828
Public health and welfare	60,909	64,031	63,112	60,327	63,017	46,530	53,436	42,152	63,097	36,582
Transportation	1,545,273	1,632,366	1,510,295	1,381,255	1,603,510	1,442,017	1,506,885	1,532,237	1,576,013	1,393,585
Basic utility services	5,000	12,441	-	3,282	3,634	4,350	-	8,018	-	-
Leisure time activities	55	12,185	9,500	62,491	69,136	64,267	75,757	71,678	75,495	63,915
Community environment	-	-	-	-	-	-	-	-	-	21,601
Economic development	-	-	-	65,000	15,400	54,600	19,975	-	-	27,503
Total operating grants and contributions	<u>1,796,331</u>	<u>2,100,956</u>	<u>2,039,791</u>	<u>1,609,937</u>	<u>1,857,890</u>	<u>1,696,873</u>	<u>1,783,155</u>	<u>1,966,707</u>	<u>1,802,858</u>	<u>1,717,713</u>
Capital grants and contributions:										
General government	-	32,877	67,419	134,839	-	-	-	-	-	-
Security of persons and property	-	-	-	288,228	-	100,000	-	-	47,834	313,443
Public health and welfare	-	115,000	-	105,000	-	-	-	-	-	-
Transportation	-	270,295	299,061	246,967	8,162,080	681,725	161,267	1,086,471	2,966,101	609,370
Leisure time activities	-	-	-	-	-	18,654	-	112,200	-	-
Total capital grants and contributions	<u>-</u>	<u>418,172</u>	<u>366,480</u>	<u>775,034</u>	<u>8,162,080</u>	<u>800,379</u>	<u>161,267</u>	<u>1,198,671</u>	<u>3,013,935</u>	<u>922,813</u>
Total governmental activities program revenues	<u>7,005,166</u>	<u>7,677,308</u>	<u>6,955,883</u>	<u>6,773,383</u>	<u>13,918,764</u>	<u>6,318,366</u>	<u>5,838,452</u>	<u>6,888,471</u>	<u>8,527,771</u>	<u>7,077,441</u>

(Continued)

# City of North Olmsted, Ohio

## Changes in Net Position Accrual Basis of Accounting (Continued)

### Last Ten Years

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Business-type activities:										
Charges for services:										
NOMBL	-	-	-	-	-	-	-	1,608	31,277	1,191,441
Springvale Golf Course and Ballroom	1,655,305	1,524,267	1,476,024	1,166,214	1,304,849	1,286,334	1,309,635	1,236,571	1,311,244	1,316,095
Sewer	<u>8,738,033</u>	<u>7,770,214</u>	<u>7,327,028</u>	<u>6,673,982</u>	<u>6,769,950</u>	<u>6,371,014</u>	<u>6,291,597</u>	<u>5,902,415</u>	<u>5,705,603</u>	<u>5,897,826</u>
Total charges for services	<u>10,393,338</u>	<u>9,294,481</u>	<u>8,803,052</u>	<u>7,840,196</u>	<u>8,074,799</u>	<u>7,657,348</u>	<u>7,601,232</u>	<u>7,140,594</u>	<u>7,048,124</u>	<u>8,405,362</u>
Capital grants and contributions:										
Sewer	-	31,676	62,299	187,887	71,428	124,197	40,886	141,130	471,157	185,705
Total business-type activities program revenues	<u>10,393,338</u>	<u>9,326,157</u>	<u>8,865,351</u>	<u>8,028,083</u>	<u>8,146,227</u>	<u>7,781,545</u>	<u>7,642,118</u>	<u>7,281,724</u>	<u>7,519,281</u>	<u>8,591,067</u>
Total primary government program revenues	<u>17,398,504</u>	<u>17,003,465</u>	<u>15,821,234</u>	<u>14,801,466</u>	<u>22,064,991</u>	<u>14,099,911</u>	<u>13,480,570</u>	<u>14,170,195</u>	<u>16,047,052</u>	<u>15,668,508</u>
Expenses:										
Governmental activities:										
General government	4,200,635	4,612,689	4,096,769	3,582,339	3,276,027	3,900,267	4,556,304	4,272,866	4,272,186	4,165,796
Security of persons and property	12,948,527	12,974,261	12,847,883	11,367,748	11,627,831	12,806,773	14,754,497	14,450,742	14,334,131	13,245,013
Public health services	529,304	504,219	527,602	489,183	467,464	536,943	565,271	567,033	549,892	546,222
Transportation	9,608,806	10,161,662	10,314,338	10,125,472	9,184,733	9,493,814	10,144,063	9,877,064	9,899,888	10,358,230
Basic utility services	1,920,086	1,700,564	2,100,931	2,306,879	2,246,112	2,111,966	2,162,069	1,806,726	1,678,150	1,645,096
Leisure time activities	2,850,349	2,583,952	2,472,946	2,414,279	2,519,617	2,493,927	2,618,770	2,451,564	2,479,209	2,594,345
Community environment	-	-	-	-	-	-	-	-	-	24,843
Economic development	328,696	339,198	476,253	432,497	377,094	548,066	562,343	343,280	156,942	202,149
Interest and fiscal charges	<u>941,826</u>	<u>1,371,593</u>	<u>1,197,352</u>	<u>1,370,320</u>	<u>1,580,084</u>	<u>1,754,255</u>	<u>1,947,244</u>	<u>2,125,469</u>	<u>2,320,133</u>	<u>2,344,396</u>
Total governmental activities expenses	<u>33,328,229</u>	<u>34,248,138</u>	<u>34,034,074</u>	<u>32,088,717</u>	<u>31,278,962</u>	<u>33,646,011</u>	<u>37,310,561</u>	<u>35,894,744</u>	<u>35,690,531</u>	<u>35,126,090</u>

(Continued)

# City of North Olmsted, Ohio

## Changes in Net Position Accrual Basis of Accounting (Continued)

### Last Ten Years

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Business-type activities:										
NOMBL	-	-	-	-	-	13,158	13,158	13,158	42,057	984,208
Springvale Golf Course and Ballroom	1,547,407	1,598,902	1,561,234	1,393,346	1,403,969	1,337,078	1,417,950	1,470,220	1,451,094	1,480,190
Sewer revenue	<u>6,311,785</u>	<u>6,562,518</u>	<u>5,959,665</u>	<u>5,950,651</u>	<u>5,965,290</u>	<u>6,251,896</u>	<u>6,659,020</u>	<u>6,735,440</u>	<u>6,752,055</u>	<u>6,900,892</u>
Total business-type activities expenses	<u>7,859,192</u>	<u>8,161,420</u>	<u>7,520,899</u>	<u>7,343,997</u>	<u>7,369,259</u>	<u>7,602,132</u>	<u>8,090,128</u>	<u>8,218,818</u>	<u>8,245,206</u>	<u>9,365,290</u>
Total primary government expenses	<u>41,187,421</u>	<u>42,409,558</u>	<u>41,554,973</u>	<u>39,432,714</u>	<u>38,648,221</u>	<u>41,248,143</u>	<u>45,400,689</u>	<u>44,113,562</u>	<u>43,935,737</u>	<u>44,491,380</u>
Net (expense) revenue:										
Governmental activities	(26,323,063)	(26,570,830)	(27,078,191)	(25,315,334)	(17,360,198)	(27,327,645)	(31,472,109)	(29,006,273)	(27,162,760)	(28,048,649)
Business-type activities	<u>2,534,146</u>	<u>1,164,737</u>	<u>1,344,452</u>	<u>684,086</u>	<u>776,968</u>	<u>179,413</u>	<u>(448,010)</u>	<u>(937,094)</u>	<u>(725,925)</u>	<u>(774,223)</u>
Total primary government net expense	<u>(23,788,917)</u>	<u>(25,406,093)</u>	<u>(25,733,739)</u>	<u>(24,631,248)</u>	<u>(16,583,230)</u>	<u>(27,148,232)</u>	<u>(31,920,119)</u>	<u>(29,943,367)</u>	<u>(27,888,685)</u>	<u>(28,822,872)</u>
General revenues and other changes in net position:										
Governmental activities:										
Property taxes and other local taxes	9,183,826	9,525,254	9,743,908	9,782,378	9,895,600	11,020,701	10,868,791	11,396,531	10,701,905	10,354,341
Municipal income taxes	13,926,264	13,815,005	13,286,957	12,197,549	12,142,212	12,239,390	13,021,313	13,014,677	14,164,807	12,159,878
Grants and entitlements	2,201,218	2,147,473	2,919,512	3,736,906	3,954,223	3,462,553	4,145,745	3,492,684	3,429,556	3,102,792
Investment earnings	39,775	61,556	40,217	37,499	62,463	84,227	531,565	1,029,342	917,948	596,488
Gain on sale of capital assets	-	-	9,086	-	-	-	-	-	-	-
Other	63,894	37,415	34,503	35,478	22,728	23,747	60,552	95,844	42,532	64,811
Transfers	40,223	13,368	211,272	62,651	(75,800)	(27,781)	528,542	(328,082)	(2,353)	-
Special item – sale of capital assets	-	-	-	156,930	-	-	-	-	-	-
Total governmental activities general revenues and other changes in net position	<u>25,455,200</u>	<u>25,600,071</u>	<u>26,245,455</u>	<u>26,009,391</u>	<u>26,001,426</u>	<u>26,802,837</u>	<u>29,156,508</u>	<u>28,700,996</u>	<u>29,254,395</u>	<u>26,278,310</u>

(Continued)

# City of North Olmsted, Ohio

## Changes in Net Position Accrual Basis of Accounting (Continued)

### Last Ten Years

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Business-type activities:										
Other	-	-	-	-	-	-	-	-	-	-
Transfers	<u>(40,223)</u>	<u>(13,368)</u>	<u>(211,272)</u>	<u>(62,651)</u>	<u>75,800</u>	<u>27,781</u>	<u>(528,542)</u>	<u>328,082</u>	<u>2,353</u>	<u>-</u>
Total business-type activities general revenues and other changes in net position	<u>(40,223)</u>	<u>(13,368)</u>	<u>(211,272)</u>	<u>(62,651)</u>	<u>75,800</u>	<u>27,781</u>	<u>(528,542)</u>	<u>328,082</u>	<u>2,353</u>	<u>-</u>
Total primary government general revenues and other changes in net position	<u>25,414,977</u>	<u>25,586,703</u>	<u>26,034,183</u>	<u>25,946,740</u>	<u>26,077,226</u>	<u>26,830,618</u>	<u>28,627,966</u>	<u>29,029,078</u>	<u>29,256,748</u>	<u>26,278,310</u>
Change in net position:										
Governmental activities	(867,863)	(970,759)	(832,736)	694,057	8,641,228	(524,808)	(2,315,601)	(305,277)	2,091,635	(1,770,339)
Business-type activities	<u>2,493,923</u>	<u>1,151,369</u>	<u>1,133,180</u>	<u>621,435</u>	<u>852,768</u>	<u>207,194</u>	<u>(976,552)</u>	<u>(609,012)</u>	<u>(723,572)</u>	<u>(774,223)</u>
Total primary government change in net position	\$ <u>1,626,060</u>	\$ <u>180,610</u>	\$ <u>300,444</u>	\$ <u>1,315,492</u>	\$ <u>9,493,996</u>	\$ <u>(317,614)</u>	\$ <u>(3,292,153)</u>	\$ <u>(914,289)</u>	\$ <u>1,368,063</u>	\$ <u>(2,544,562)</u>

Source: City financial records

# City of North Olmsted, Ohio

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

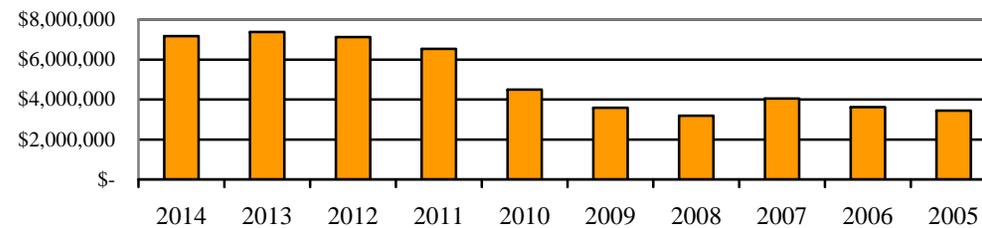
### Last Ten Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>General Fund</b>										
Nonspendable	\$ 1,180,719	\$ 1,077,862	\$ 988,055	\$ 910,466	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assigned	4,714,841	4,860,515	1,799,392	875,618	-	-	-	-	-	-
Unassigned	1,270,324	1,433,619	4,338,011	4,752,859	-	-	-	-	-	-
Reserved	-	-	-	-	870,953	399,153	142,013	180,744	64,773	42,139
Unreserved	-	-	-	-	<u>3,620,708</u>	<u>3,189,607</u>	<u>3,038,397</u>	<u>3,862,969</u>	<u>3,553,794</u>	<u>3,403,317</u>
<b>Total General Fund</b>	<u>7,165,884</u>	<u>7,371,996</u>	<u>7,125,458</u>	<u>6,538,943</u>	<u>4,491,661</u>	<u>3,588,760</u>	<u>3,180,410</u>	<u>4,043,713</u>	<u>3,618,567</u>	<u>3,445,456</u>
<b>All other governmental funds</b>										
Nonspendable	75,935	20,717	17,671	16,322	-	-	-	-	-	-
Restricted	10,134,313	9,667,331	8,868,220	7,848,577	-	-	-	-	-	-
Committed	3,961,110	3,390,672	1,920,873	2,791,841	-	-	-	-	-	-
Unassigned	-	-	(55,939)	(56,562)	-	-	-	-	-	-
Reserved	-	-	-	-	423,390	252,063	256,447	221,861	2,117,205	426,875
Unreserved (deficit), reported in:										
Special revenue funds	-	-	-	-	5,290,424	5,826,527	5,833,486	6,024,628	4,433,601	2,721,488
Debt service funds	-	-	-	-	4,074,995	3,881,582	3,609,078	3,131,035	3,063,298	3,324,549
Capital projects funds	-	-	-	-	<u>569,830</u>	<u>744,698</u>	<u>597,238</u>	<u>1,599,829</u>	<u>1,873,259</u>	<u>5,496,444</u>
<b>Total all other governmental funds</b>	<u>14,171,358</u>	<u>13,078,720</u>	<u>10,750,825</u>	<u>10,600,178</u>	<u>10,358,639</u>	<u>10,704,870</u>	<u>10,296,249</u>	<u>10,977,353</u>	<u>11,487,363</u>	<u>11,969,356</u>
<b>Total governmental funds</b>	\$ <u>21,337,242</u>	\$ <u>20,450,716</u>	\$ <u>17,876,283</u>	\$ <u>17,139,121</u>	\$ <u>14,850,300</u>	\$ <u>14,293,630</u>	\$ <u>13,476,659</u>	\$ <u>15,021,066</u>	\$ <u>15,105,930</u>	\$ <u>15,414,812</u>

In 2011, the City implemented GASB 54.

Source: City financial records

**Fund Balance  
General Fund, Last Ten Years**



# City of North Olmsted, Ohio

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

### Last Ten Years

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>Revenues:</b>										
Property taxes	\$ 9,291,474	\$ 9,503,797	9,799,407	\$ 9,924,695	\$ 9,985,313	\$ 10,687,345	\$ 10,928,075	\$ 11,300,024	\$ 10,743,737	\$ 10,519,830
Income taxes	14,317,492	13,435,417	12,655,722	12,346,450	11,770,310	12,241,747	12,823,445	13,347,091	13,716,789	12,310,815
Charges for services	2,750,607	2,751,882	2,552,793	2,384,556	2,414,501	2,318,947	2,306,911	2,429,928	2,400,889	2,485,102
Fines, licenses and permits	1,681,117	1,654,123	1,628,181	1,670,972	1,212,137	1,211,117	1,233,366	1,336,750	1,326,848	1,456,374
Intergovernmental	4,131,025	4,889,076	5,770,274	6,409,008	5,802,595	6,146,811	6,151,099	7,020,463	7,731,605	5,568,035
Special assessments	-	-	-	-	90,000	85,000	75,000	70,000	70,000	65,000
Interest	39,775	61,556	40,217	37,499	62,463	84,227	531,565	1,029,342	917,948	596,488
Miscellaneous	662,055	615,578	176,983	181,063	208,977	195,904	214,157	273,269	206,726	242,574
<b>Total revenues</b>	<u>32,873,545</u>	<u>32,911,429</u>	<u>32,623,577</u>	<u>32,954,243</u>	<u>31,546,296</u>	<u>32,971,098</u>	<u>34,263,618</u>	<u>36,806,867</u>	<u>37,114,542</u>	<u>33,244,218</u>
<b>Expenditures:</b>										
<b>Current:</b>										
General government	4,190,529	4,108,722	3,662,591	3,646,056	3,457,202	3,548,371	4,303,141	4,010,702	4,180,324	3,192,461
Security of persons and property	13,194,930	13,176,566	12,436,324	11,513,761	11,947,782	12,492,370	14,436,087	14,045,123	14,547,145	13,168,505
Public health and welfare	522,122	640,545	513,659	628,225	477,740	549,409	563,943	560,468	543,475	615,365
Transportation	5,249,876	5,105,094	5,990,651	5,163,746	4,422,054	4,949,069	5,702,600	5,522,720	4,981,748	4,817,442
Basic utility services	1,923,981	1,700,564	2,100,931	2,306,879	2,246,112	2,107,623	2,165,012	1,884,985	1,690,898	1,648,006
Leisure time activities	2,620,445	2,881,644	2,198,920	2,287,806	2,343,545	2,208,061	2,409,455	2,405,799	2,264,816	2,420,164
Community environment	-	-	-	-	-	-	-	-	-	22,372
Economic development	321,058	435,643	738,357	468,200	556,467	554,298	544,560	341,877	155,170	175,375
Capital outlay	1,746,234	132,499	833,444	376,161	122,399	416,772	834,099	3,152,670	4,514,283	3,023,674
<b>Debt Service:</b>										
Principal	3,872,081	5,877,646	4,770,492	4,002,500	7,588,715	6,763,814	5,803,153	4,120,931	14,009,002	10,733,612
Interest and fiscal charge	974,312	1,119,953	1,183,155	1,368,647	1,606,408	1,738,992	1,951,582	2,077,473	2,322,655	2,147,630
Note issuance costs	-	-	23,250	17,426	25,522	22,017	12,000	13,250	-	-
Bond issuance costs	28,056	133,477	-	-	83,872	-	-	-	329,670	-
<b>Total expenditures</b>	<u>34,643,624</u>	<u>35,312,353</u>	<u>34,451,774</u>	<u>31,779,407</u>	<u>34,877,818</u>	<u>35,350,796</u>	<u>38,725,632</u>	<u>38,135,998</u>	<u>49,539,186</u>	<u>41,964,606</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(1,770,079)</u>	<u>(2,400,924)</u>	<u>(1,828,197)</u>	<u>1,174,836</u>	<u>(3,331,522)</u>	<u>(2,379,698)</u>	<u>(4,462,014)</u>	<u>(1,329,131)</u>	<u>(12,424,644)</u>	<u>(8,720,388)</u>

(Continued)

# City of North Olmsted, Ohio

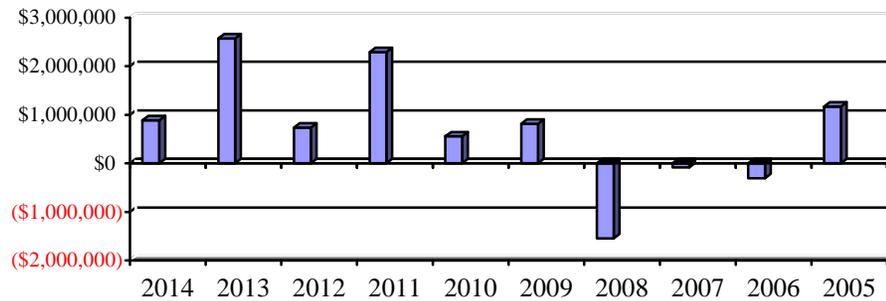
## Changes in Fund Balances, Governmental Funds Modified Accrual Basis of Accounting (Continued)

### Last Ten Years

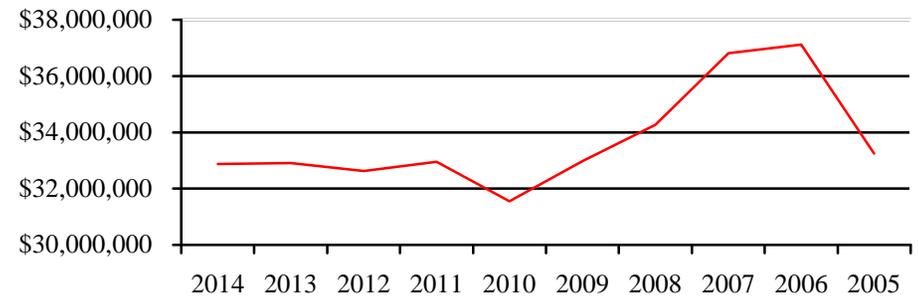
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Other financing sources (uses):										
Issuance of notes	2,425,000	-	2,468,700	880,000	-	3,215,000	2,370,000	1,560,000	500,000	9,860,000
Inception of capital leases	176,472	-	-	-	59,763	-	-	-	63,782	19,316
Proceeds from issuance of bonds	-	4,770,000	-	-	3,715,000	-	-	-	27,230,000	-
Premium on issuance of bonds	11,510	120,394	-	-	168,945	-	-	-	658,627	-
Payment to bond escrow agent	-	-	-	-	-	-	-	-	(16,354,414)	-
Sale of capital assets	3,400	55,130	12,300	171,334	20,284	9,450	27,527	12,349	20,120	11,105
Transfers - in	1,595,893	1,756,925	2,382,025	3,147,873	1,860,769	1,790,131	2,616,630	2,492,750	1,858,626	2,067,962
Transfers - out	(1,555,670)	(1,727,092)	(2,297,666)	(3,085,222)	(1,936,569)	(1,817,912)	(2,096,550)	(2,820,832)	(1,860,979)	(2,067,962)
<b>Total other financing sources (uses)</b>	<b>2,656,605</b>	<b>4,975,357</b>	<b>2,565,359</b>	<b>1,113,985</b>	<b>3,888,192</b>	<b>3,196,669</b>	<b>2,917,607</b>	<b>1,244,267</b>	<b>12,115,762</b>	<b>9,890,421</b>
<b>Net change in fund balance</b>	<b>\$ 886,526</b>	<b>\$ 2,574,433</b>	<b>\$ 737,162</b>	<b>\$ 2,288,821</b>	<b>\$ 556,670</b>	<b>\$ 816,971</b>	<b>\$ (1,544,407)</b>	<b>\$ (84,864)</b>	<b>\$ (308,882)</b>	<b>\$ 1,170,033</b>
Debt service as a percentage of noncapital expenditures	22.10%	21.68%	19.21%	18.33%	36.66%	25.49%	21.38%	18.89%	38.30%	34.02%

Source: City financial records

**Net Change in Fund Balance, Governmental Funds**



**Governmental Funds Revenues**



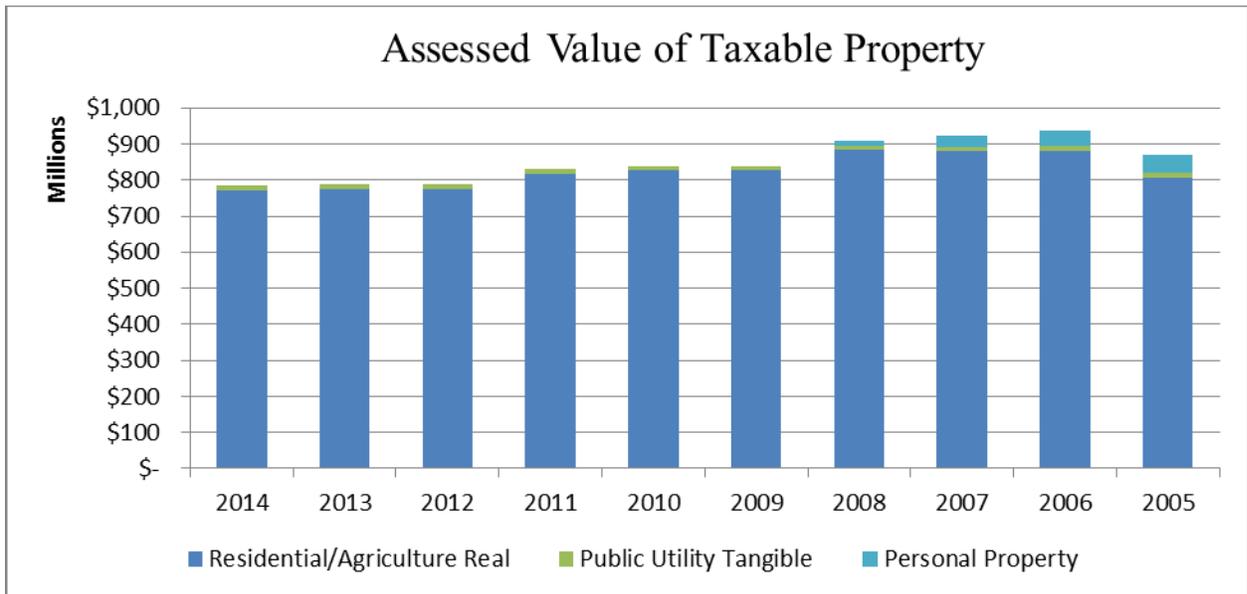
# City of North Olmsted, Ohio

## Assessed Valuations and Estimated Actual Values of Taxable Property

### Last Ten Years

Tax Year	Real Property	Public Utility Property	Tangible Personal Property	Total	Estimated True Values of Taxable Property	Total Direct Tax Rate	Ratio
2014	\$ 769,849,650	\$ 15,583,140	\$ -	\$ 785,432,790	\$ 2,225,022,068	\$ 13.30	35.3%
2013	773,675,680	15,046,860	-	788,722,540	2,234,341,473	13.30	35.3
2012	775,022,110	13,514,220	-	788,536,330	2,233,813,966	13.30	35.3
2011	818,595,110	12,549,000	-	831,144,110	2,353,103,398	13.30	35.3
2010	825,718,930	11,747,350	-	837,466,280	2,372,546,204	13.30	35.3
2009	827,569,610	11,432,430	-	839,002,040	2,377,475,998	13.30	35.3
2008	882,868,100	11,624,510	15,831,601	910,324,211	2,799,034,922	13.20	32.5
2007	881,650,600	10,087,260	30,291,306	922,029,166	2,781,506,682	13.20	33.1
2006	881,661,360	14,502,800	39,487,817	935,651,977	2,758,639,748	13.20	33.9
2005	806,908,240	14,685,560	49,409,433	871,003,233	2,549,646,856	13.30	34.2

Source: Cuyahoga County Fiscal Officer, based upon tax year valuations



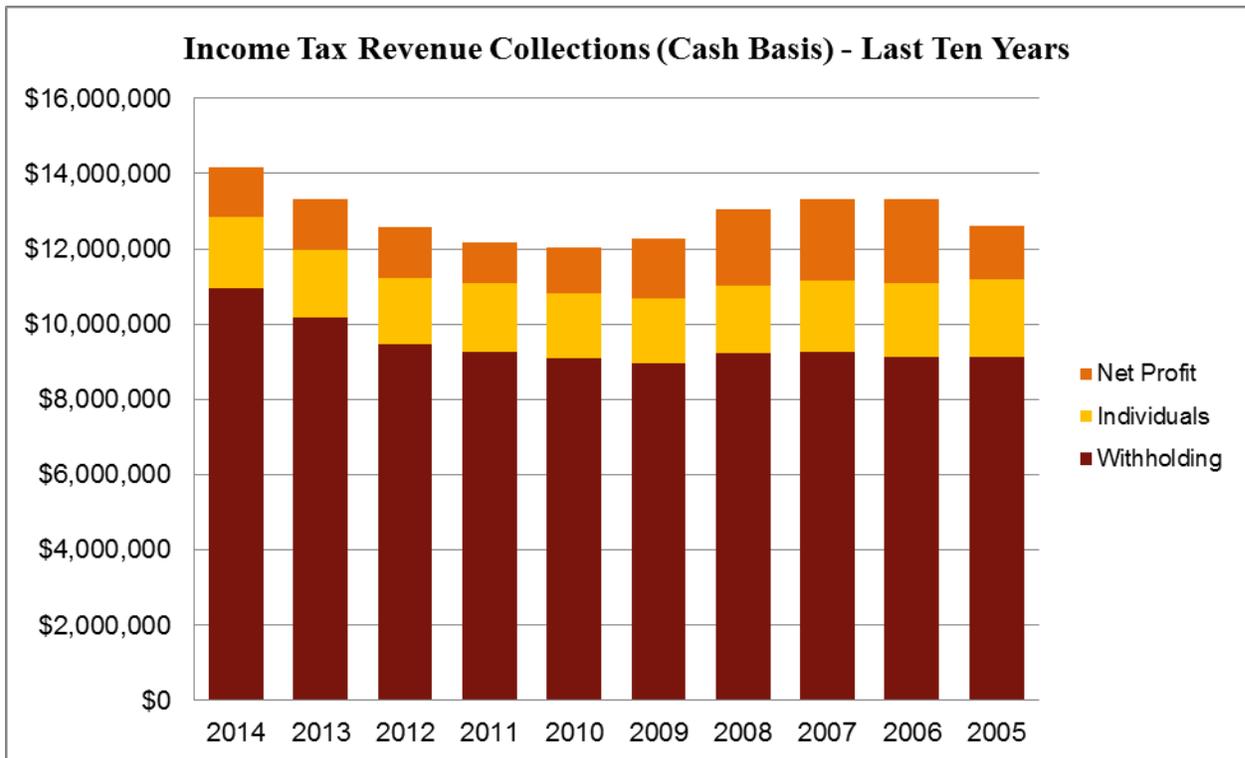
# City of North Olmsted, Ohio

## Income Tax Revenue Collections (Cash Basis)

### Last Ten Years

Collection Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes from Individuals	Percentage of Taxes from Individuals	Taxes from Net Profits	Percentage of Taxes from Net Profits
2014	2.00%	\$ 14,170,871	\$ 10,955,677	77.3%	\$ 1,890,416	13.3%	\$ 1,324,778	9.4%
2013	2.00	13,314,563	10,163,612	76.3	1,815,366	13.6	1,335,585	10.1
2012	2.00	12,577,000	9,479,691	75.4	1,744,443	13.9	1,352,866	10.7
2011	2.00	12,162,050	9,275,836	76.3	1,814,680	14.9	1,071,534	8.8
2010	2.00	12,026,344	9,090,112	75.6	1,722,631	14.3	1,213,601	10.1
2009	2.00	12,285,520	8,970,962	73.0	1,727,948	14.1	1,586,610	12.9
2008	2.00	13,069,739	9,217,837	70.5	1,797,199	13.8	2,054,703	15.7
2007	2.00	13,330,936	9,275,262	69.6	1,880,178	14.1	2,175,496	16.3
2006	2.00	13,328,675	9,134,372	68.5	1,967,779	14.8	2,226,524	16.7
2005	2.00	12,613,174	9,137,415	72.4	2,065,620	16.4	1,410,139	11.2

Source: City Finance Department



## City of North Olmsted, Ohio

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

### Last Ten Years

Tax Year	City of North Olmsted									
	General Operating	Debt Retirement	Recreation	Police and Fire Pension	Total	School District	Cuyahoga County (a)	Polaris Vocational School	Total	
2014	\$ 6.70	\$ 4.80	\$ 1.20	\$ 0.60	\$ 13.30	\$ 96.90	\$ 23.43	\$ 2.40	\$ 136.03	
2013	6.70	4.80	1.20	0.60	13.30	91.40	22.53	2.40	129.63	
2012	6.70	4.80	1.20	0.60	13.30	91.40	20.80	2.40	127.90	
2011	6.70	4.80	1.20	0.60	13.30	91.40	20.80	2.40	127.90	
2010	6.70	4.80	1.20	0.60	13.30	91.40	20.90	2.40	128.00	
2009	6.40	5.10	1.20	0.60	13.30	83.50	20.60	2.40	119.80	
2008	6.50	4.90	1.20	0.60	13.20	83.50	20.60	2.40	119.70	
2007	6.50	4.90	1.20	0.60	13.20	83.50	20.20	2.40	119.30	
2006	6.60	4.80	1.20	0.60	13.20	77.00	20.20	2.40	112.80	
2005	6.70	4.80	1.20	0.60	13.30	77.00	20.30	2.40	113.00	

(a) Includes Metroparks and Library Millage

Source: Cuyahoga County Fiscal Officer

## City of North Olmsted, Ohio

### Real Property Tax Levies, and Collections

#### Last Ten Years

<u>Collection Year</u>	<u>Total Tax Levy</u>	<u>Current Collections</u>	<u>Percentage of Current Collections to Tax Levy</u>	<u>Delinquent Collections</u>	<u>Total Collections(1)</u>	<u>Percentage of Total Collections to Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes</u>	<u>Delinquent Taxes to Total Tax Levy</u>
2014	\$ 10,500,027	\$ 9,984,480	95.09%	\$ 209,589	\$ 10,194,069	97.09%	\$ 360,332	3.4%
2013	10,512,763	10,171,318	96.75	213,429	10,384,747	98.78	408,726	3.9
2012	11,066,789	10,627,072	96.03	263,342	10,890,414	98.41	384,324	3.5
2011	11,146,571	10,756,740	96.50	251,889	11,008,629	98.76	440,506	4.0
2010	11,800,535	10,623,422	90.03	391,697	11,015,119	93.34	574,690	4.9
2009	11,802,571	11,300,029	95.74	235,982	11,536,011	97.74	659,686	5.6
2008	11,804,175	11,399,614	96.57	293,573	11,693,187	99.06	400,697	3.4
2007	11,807,403	11,403,200	96.58	250,483	11,653,683	98.70	459,981	3.9
2006	10,906,598	10,577,903	96.99	239,718	10,817,621	99.18	363,471	3.3
2005	10,876,753	10,520,394	96.72	330,560	10,850,954	99.76	405,306	3.7

Source: Cuyahoga County Fiscal Officer

(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 North Olmsted, Ohio

## Principal Taxpayers – Real Estate Tax

### 2014 and 2005

<u>Name of Taxpayer</u>	<u>December 31, 2014</u>	
	<u>Assessed Value (1)</u>	<u>Percent of Total Assessed Value</u>
Star-West Great Northern Mall LLC	\$ 37,163,520	4.73%
BRE DDR Great Northern LLC	17,375,980	2.21
Cleveland Electric Illuminating Company	13,336,840	1.70
PWA Great Northern Corporate Center	9,327,500	1.19
B&G Properties Ltd Partnership	6,286,230	0.80
JVM Butternut Apartments, LLC	5,425,000	0.69
Moen, Inc.	5,206,390	0.66
DDR MDT Great Northern LLC	4,707,190	0.60
May Stores 74 Corp.	4,285,060	0.55
Water Tower Square Ltd	4,146,530	0.53
Total	\$ <u>107,260,240</u>	<u>13.66%</u>
Total assessed valuation	\$ <u>785,432,790</u>	
<u>Name of Taxpayer</u>	<u>December 31, 2005</u>	
<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Total Assessed Value</u>
Great Northern Partnership	\$ 23,068,675	2.86%
DDRMOT Great Northern Ltd	21,056,035	2.61
Higbee Company	6,213,025	0.77
Butternut Ridge Apt. LLC	5,642,875	0.70
Water Tower Square Ltd Partnership	4,790,660	0.59
B&G Properties Ltd Partnership	4,762,625	0.59
WEA Great Northern Mall LLC	4,305,805	0.53
Wal Mart	3,603,495	0.45
Sears Roebuck Co.	3,514,980	0.44
Tech Park Association Co.	3,021,655	0.37
Total	\$ <u>79,979,830</u>	<u>9.91%</u>
Total assessed valuation	\$ <u>806,908,240</u>	

Source: Cuyahoga County Fiscal Officer

(1) The amounts presented represent the assessed values upon which 2014 and 2005 assessed taxes were based.

# City of North Olmsted, Ohio

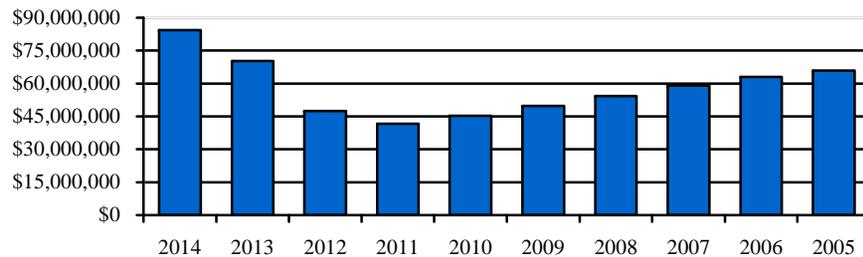
## Ratio of Outstanding Debt to Total Personal Income and Debt per Capita

### Last Ten Years

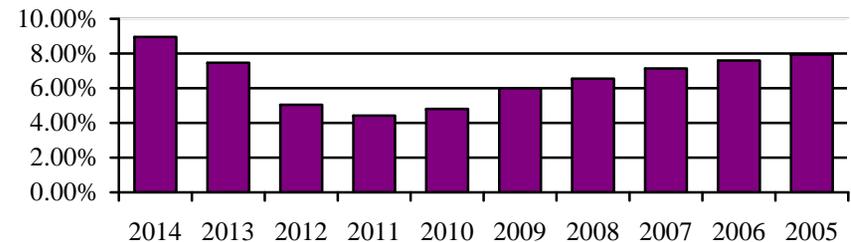
Year	Governmental Activities					Business-Type Activities					Total Debt	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Assessment Bonds	OPWC Loans	Long-Term Notes	Capital Leases	General Obligation Bonds	Long-Term Notes	Capital Leases	OWDA Loans	OPWC Loans			
2014	\$ 20,750,420	\$ -	\$ -	\$ 2,425,000	\$ 163,862	\$ 6,463,388	\$ -	\$ 28,325	\$ 54,244,535	\$ 195,500	\$ 84,271,030	8.96%	\$ 2,576
2013	24,664,457	-	-	-	14,124	8,221,294	-	980	37,086,769	260,667	70,248,291	7.47	2,147
2012	22,895,878	-	20,418	2,468,700	27,443	9,255,248	421,300	1,838	11,896,042	456,167	47,443,034	5.04	1,450
2011	26,786,843	-	27,224	880,000	40,052	10,765,047	485,000	2,653	2,114,162	521,335	41,622,316	4.42	1,272
2010	30,783,808	-	40,837	-	51,989	12,222,846	-	3,427	1,436,697	651,668	45,191,272	4.80	1,381
2009	31,165,433	90,000	54,450	3,215,000	-	13,313,153	-	-	1,018,076	782,001	49,638,113	5.98	1,455
2008	35,442,003	175,000	68,061	2,370,000	21,991	14,631,498	-	1,621	607,269	912,335	54,229,780	6.53	1,590
2007	39,579,073	250,000	81,675	1,560,000	42,930	15,878,343	-	3,206	611,019	1,042,667	59,048,913	7.11	1,731
2006	43,600,143	320,000	95,288	-	62,755	16,945,688	-	4,711	662,621	1,173,000	62,864,206	7.57	1,843
2005	35,635,000	390,000	108,899	9,860,000	15,754	17,440,000	315,000	6,139	712,161	1,303,334	65,786,287	7.93	1,928

Note: Population and Personal Income are presented on page S21.

**Total Outstanding Debt, Last Ten Years**



**City Debt as a Percentage of Personal Income**



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## City of North Olmsted, Ohio

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

### Last Ten Years

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<u>Tax Year</u>	<u>Population (1)</u>		<u>Assessed (2)</u> <u>Value</u>	<u>Gross (3)</u> <u>Bonded</u> <u>Debt</u>	<u>Debt Service</u> <u>Monies Available</u>
2014	32,718	(a)	\$ 785,432,790	\$ 27,213,808	\$ 7,035,079
2013	32,718	(a)	788,722,540	32,885,751	6,478,501
2012	32,718	(a)	788,536,330	32,151,126	5,657,199
2011	32,718	(a)	831,144,110	37,551,890	4,698,520
2010	32,718	(a)	837,466,280	43,006,654	4,074,995
2009	34,113	(b)	839,002,040	44,478,586	3,881,582
2008	34,113	(b)	910,324,211	50,073,501	3,609,078
2007	34,113	(b)	922,029,166	55,457,416	3,131,035
2006	34,113	(b)	935,651,977	60,545,831	3,063,298
2005	34,113	(b)	871,003,233	53,075,000	3,324,549

(1) Source: U.S. Bureau of Census, Census of Population

(a) 2010 Federal Census

(b) 2000 Federal Census

(2) Source: Cuyahoga County Fiscal Officer, valuations based upon the tax year

(3) Includes all general obligation bonded debt

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	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Valuation</u>	<u>Net Bonded Debt Per Capita</u>
\$	20,178,729	2.57%	\$ 617
	26,407,250	3.35	807
	26,493,927	3.36	810
	32,853,370	3.95	1,004
	38,931,659	4.65	1,190
	40,597,004	4.84	1,190
	46,464,423	5.10	1,362
	52,326,381	5.68	1,534
	57,482,533	6.14	1,685
	49,750,451	5.71	1,458

# City of North Olmsted, Ohio

## Computation of Direct and Overlapping General Obligation Debt

**December 31, 2014**

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	<u>General Obligation Debt Outstanding</u>	<u>Percentage Applicable to City (1)</u>	<u>Amount Applicable to City of North Olmsted</u>
Jurisdiction:			
Direct:			
City of North Olmsted (1)			
General obligation bonds	\$ 20,750,420	100.00%	\$ 20,750,420
Capital lease payable	<u>163,862</u>	100.00%	<u>163,862</u>
Total direct debt	<u>20,914,282</u>		<u>20,914,282</u>
Overlapping:			
North Olmsted School District	2,805,000	100.00%	2,805,000
North Olmsted/Olmsted Falls School District	15,796,829	1.00%	157,489
Cuyahoga County	262,275,000	2.83%	7,427,830
Greater Cleveland Regional Transit Authority	<u>102,840,000</u>	2.83%	<u>2,912,508</u>
Total overlapping debt	<u>383,716,829</u>		<u>13,302,827</u>
Total	\$ <u><u>404,631,111</u></u>		\$ <u><u>34,217,109</u></u>

Source: Cuyahoga County Fiscal Officer

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

# City of North Olmsted, Ohio

## Legal Debt Margin

### Last Ten Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Assessed valuation	\$ <u>785,432,790</u>	\$ <u>788,722,540</u>	\$ <u>788,536,330</u>	\$ <u>831,144,110</u>	\$ <u>837,466,280</u>	\$ <u>839,002,040</u>	\$ <u>910,324,211</u>	\$ <u>922,029,166</u>	\$ <u>935,651,977</u>	\$ <u>871,003,233</u>
Overall debt limitation – 10 1/2 % of assessed valuation	\$ 82,470,443	\$ 82,815,867	\$ 82,796,315	\$ 87,270,132	\$ 87,933,959	\$ 88,095,214	\$ 95,584,042	\$ 96,813,062	\$ 98,243,458	\$ 91,455,339
Outstanding debt:										
General obligation debt	27,213,808	32,885,751	32,151,126	37,551,890	43,006,654	44,568,586	50,248,501	55,707,416	60,865,831	53,465,000
General obligation bond anticipation notes	2,575,000	-	2,890,000	1,365,000	-	3,215,000	2,370,000	1,560,000	-	10,175,000
Less: Amount available in debt service fund	<u>(7,035,079)</u>	<u>(6,478,501)</u>	<u>(5,657,199)</u>	<u>(4,698,520)</u>	<u>(4,074,995)</u>	<u>(3,881,582)</u>	<u>(3,609,078)</u>	<u>(3,131,035)</u>	<u>(3,063,298)</u>	<u>(3,324,549)</u>
Total outstanding debt	<u>22,753,729</u>	<u>26,407,250</u>	<u>29,383,927</u>	<u>34,218,370</u>	<u>38,931,659</u>	<u>43,902,004</u>	<u>49,009,423</u>	<u>54,136,381</u>	<u>57,802,533</u>	<u>60,315,451</u>
Less exemptions:										
Bonds and notes issued in anticipation of levy for special assessments	-	-	-	-	-	90,000	175,000	250,000	320,000	390,000
General obligation bonds and notes that are considered self supporting	3,051,000	4,368,000	5,625,000	6,823,000	7,961,000	8,693,000	9,665,000	10,577,000	11,433,000	12,145,000
Securities issued to pay final judgments and settlements	-	-	-	16,000	34,000	49,000	64,000	79,000	93,000	104,000
Securities to extent authorizing legislation contains covenants to appropriate, levy and collect municipal income taxes	<u>1,217,000</u>	<u>1,777,000</u>	<u>2,312,000</u>	<u>3,617,000</u>	<u>4,867,000</u>	<u>6,063,000</u>	<u>7,220,000</u>	<u>8,333,000</u>	<u>9,412,000</u>	<u>10,524,000</u>
Total exemptions	<u>4,268,000</u>	<u>6,145,000</u>	<u>7,937,000</u>	<u>10,456,000</u>	<u>12,862,000</u>	<u>14,895,000</u>	<u>17,124,000</u>	<u>19,239,000</u>	<u>21,258,000</u>	<u>23,163,000</u>
Net debt within 10 1/2% Limitation	<u>18,485,729</u>	<u>20,262,250</u>	<u>21,446,927</u>	<u>23,762,370</u>	<u>26,069,659</u>	<u>29,007,004</u>	<u>31,885,423</u>	<u>34,897,381</u>	<u>36,544,533</u>	<u>37,152,451</u>
Overall debt margin	\$ <u>63,984,714</u>	\$ <u>62,553,617</u>	\$ <u>61,349,388</u>	\$ <u>63,507,762</u>	\$ <u>61,864,300</u>	\$ <u>59,088,210</u>	\$ <u>63,698,619</u>	\$ <u>61,915,681</u>	\$ <u>61,698,925</u>	\$ <u>54,302,888</u>
Unvoted debt limitation 5 1/2 of assessed value	\$ 43,198,803	\$ 43,379,740	\$ 43,369,498	\$ 45,712,926	\$ 46,060,645	\$ 46,145,112	\$ 50,067,832	\$ 50,711,604	\$ 51,460,859	\$ 47,905,178
Amount of principal of unvoted bonds and notes subject to 5 1/2%	<u>11,435,729</u>	<u>12,412,250</u>	<u>12,096,927</u>	<u>14,412,370</u>	<u>16,009,659</u>	<u>17,627,004</u>	<u>20,505,423</u>	<u>22,892,381</u>	<u>27,047,000</u>	<u>23,987,451</u>
Unvoted debt margin	\$ <u>31,763,074</u>	\$ <u>30,967,490</u>	\$ <u>31,272,571</u>	\$ <u>31,300,556</u>	\$ <u>30,050,986</u>	\$ <u>28,518,108</u>	\$ <u>29,562,409</u>	\$ <u>27,819,223</u>	\$ <u>24,413,859</u>	\$ <u>23,917,727</u>

Source: Cuyahoga County Fiscal Officer and City Financial Records

Note: Assessed valuations based upon the tax year.

# City of North Olmsted, Ohio

## Principal Employers

### Last Ten Years

2014		2013		2012			
Employer	Percent of Total Income Taxes	Employer	Percent of Total Income Taxes	Employer	Percent of Total Income Taxes		
Moen Incorporated	14.82%	Moen Incorporated	10.97%	Moen Incorporated	8.52%		
North Olmsted School District	4.87	North Olmsted School District	5.17	North Olmsted School District	5.08		
The City of North Olmsted	2.12	The City of North Olmsted	2.25	The City of North Olmsted	2.27		
Factory Mutual Insurance Company	1.72	Factory Mutual Insurance Company	1.43	Factory Mutual Insurance Company	1.29		
Bernie Moreno Companies	1.40	Bernie Moreno Companies	1.42	Bernie Moreno Companies	1.19		
Wal Mart Associates, Inc.	1.09	Wal Mart Associates, Inc.	1.13	Advanstar Communications, Inc.	1.10		
Ganley Westside Imports	1.02	Ganley Westside Imports	1.04	United Transportation	1.05		
Palmer Holland, Inc.	0.91	Palmer Holland, Inc.	1.00	Riser Foods Company	1.03		
Riser Foods Company	0.87	Riser Foods Company	0.99	Ganley Westside Imports	1.01		
Advanstar Communications	<u>0.83</u>	Advanstar Communications	<u>0.91</u>	Wal Mart Associates, Inc.	<u>0.96</u>		
	<u>29.65%</u>		<u>26.31%</u>		<u>23.50%</u>		
2011		2010		2009			
Moen Incorporated		Moen Incorporated		Moen Incorporated			
North Olmsted School District		North Olmsted School District		North Olmsted School District			
The City of North Olmsted		The City of North Olmsted		The City of North Olmsted			
Factory Mutual Insurance Company		Factory Mutual Insurance Company		Advanstar Communications, Inc.			
Advanstar Communications, Inc.		Advanstar Communications, Inc.		Factory Mutual Insurance Company			
United Transportation		AT&T Mobility		AT&T Mobility			
Heartland Payment Systems, Inc.		Heartland Employment Services, Inc.		Heartland Employment Services, Inc.			
Bernie Moreno Companies		Wal Mart Associates, Inc.		Wal Mart Associates, Inc.			
Heartland Employment Services, Inc.		Heartland Payment Systems, Inc.		Sunnyside Automotive, Inc.			
Cargill, Inc.		Sunnyside Automotive, Inc.		Riser Foods Company			
2008		2007		2006		2005	
Moen Incorporated		Moen Incorporated		North Olmsted School District		Dillards Department Stores	
North Olmsted School District		North Olmsted School District		Moen Incorporated		Factory Mutual Insurance	
The City of North Olmsted		The City of North Olmsted		The City of North Olmsted		GMAC-GM Payroll Services	
Advanstar Communications, Inc.		Factory Mutual Insurance Company		Riser Foods Company		Heartland Employment Services, Inc.	
Cingular Wireless Employee Service		Wal Mart Associates, Inc.		Kaufmann's Department Stores		Moen Incorporated	
Factory Mutual Insurance Company		Sunnyside Cars, Inc.		Wal Mart Associates, Inc.		The City of North Olmsted	
Sunnyside Automotive, Inc.		Heartland Employment Services, Inc.		Dillards Department Stores		North Olmsted School District	
Heartland Employment Services, Inc.		Cingular Wireless Employee Services		Sears, Roebuck & Company		Riser Foods Company	
Wal Mart Associates, Inc.		Merrill Lynch Pierce Kenner & P. Craig		Olmsted Manor Nursing Center		Sunnyside Cars, Inc.	
Riser Foods Company		GMAC-GM Payroll Services		Sunnyside Cars, Inc.		Wal Mart Associates, Inc.	

Source: Regional Income Tax Agency based on payroll withholding.

# City of North Olmsted, Ohio

## Demographic and Economic Statistics

### Last Ten Years

Year	Population (1)	Employed in County (2)	Unemployment Rate (2)			School (3) Enrollment	Number of Residential Property Sales (4)	Averages Sales Price of Residential Property (4)	Total Personal Income (5)	Personal Income Per Capita
			County	State	US					
2014	32,718 (a)	584,400	6.4%	6.2%	5.7%	3,876	452	\$ 119,802	\$ 940,773,372	\$ 28,754 (a)
2013	32,718 (a)	572,600	7.7	7.4	7.4	4,040	468	120,619	940,773,372	28,754 (a)
2012	32,718 (a)	579,600	7.3	7.2	8.1	4,107	368	111,541	940,773,372	28,754 (a)
2011	32,718 (a)	593,400	8.0	8.6	8.9	4,117	202	126,710	940,773,372	28,754 (a)
2010	32,718 (a)	574,600	9.5	10.1	9.6	4,193	224	136,610	940,773,372	28,754 (a)
2009	34,113 (b)	581,200	9.2	10.8	9.3	4,314	231	136,856	829,935,177	24,329 (b)
2008	34,113 (b)	601,800	6.8	6.5	5.8	4,366	229	138,164	829,935,177	24,329 (b)
2007	34,113 (b)	617,900	6.1	5.6	4.6	4,587	306	147,677	829,935,177	24,329 (b)
2006	34,113 (b)	622,876	5.6	5.4	4.8	4,613	522	145,449	829,935,177	24,329 (b)
2005	34,113 (b)	629,000	5.9	5.8	5.1	4,577	287	146,324	829,935,177	24,329 (b)

(1) Source: U.S. Census, Census of population

(a) 2010 Federal Census

(b) 2000 Federal Census

(2) Ohio Department of Jobs and Family Services, U.S. Department of Labor and Bureau of Labor Statistics

(3) Source: North Olmsted Board of Education

(4) Source: Cuyahoga County Fiscal Officer

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

# City of North Olmsted, Ohio

## Full Time City Employees by Function or Program

### Last Ten Years

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Function/program:										
General government:										
Council	1	1	1	1	1	1	1	1	1	1
Mayor	2	2	2	2	2	2	2	3	3	2
Mayor's court	2	1	1	0	0	0	0	0	0	0
General clerical	1	1	1	1	1	1	1	1	1	1
Boards and commissions	1	1	1	1	1	1	1	1	1	1
Finance	5	5	5	5	6	6	6	6	6	6
Law	1	1	1	1	1	2	2	2	2	2
Information systems	1	2	1	2	1	1	1	1	0	1
Human resources	4	4	3	3	3	3	3	3	3	3
Building	8	8	9	9	9	9	12	9	11	12
Engineering	0	0	0	0	0	0	0	4	4	5
Total	<u>26</u>	<u>26</u>	<u>25</u>	<u>25</u>	<u>25</u>	<u>26</u>	<u>29</u>	<u>31</u>	<u>32</u>	<u>34</u>
Security of persons and property:										
Safety director	2	1	2	2	2	2	2	2	2	2
Fire	40	41	42	42	43	41	46	47	46	48
Dispatch	8	8	8	8	8	8	8	8	9	9
Corrections	1	1	1	1	1	1	1	2	2	2
Police	45	42	43	44	46	50	55	57	55	57
Youth Services (see Public health and welfare)	1	1	1	1	1	1	1	1	1	0
Fire clerk	1	1	1	2	1	1	1	1	1	1
Police clerk	4	5	5	5	5	5	6	6	6	6
Total	<u>102</u>	<u>100</u>	<u>103</u>	<u>105</u>	<u>107</u>	<u>109</u>	<u>120</u>	<u>124</u>	<u>122</u>	<u>125</u>
Leisure time activities:										
Senior center	3	3	3	3	3	2	2	2	2	2
Recreation	11	9	9	8	7	9	10	12	12	10
Springvale	4	4	4	4	4	3	4	4	4	4
Total	<u>18</u>	<u>16</u>	<u>16</u>	<u>15</u>	<u>14</u>	<u>14</u>	<u>16</u>	<u>18</u>	<u>18</u>	<u>16</u>
Public health and welfare:										
Community life services (a)	0	0	0	0	0	2	2	2	2	2
Youth services	0	0	0	0	0	0	0	0	0	1
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>3</u>
Transportation:										
Service director	1	1	1	1	1	2	2	2	2	2
Public service and properties										
Public works administrative	0	0	0	0	0	0	0	0	0	0
Animal warden	0	0	0	1	1	1	1	1	1	1
Building maintenance	1	2	2	2	3	3	4	5	5	5
Road	9	8	8	7	9	9	5	7	7	7
Forestry	6	7	7	6.5	4	3.5	7	7	7	9
Storm	6	6	6	7.5	3	3.5	4	5	6	6
Subtotal	<u>22</u>	<u>23</u>	<u>23</u>	<u>24</u>	<u>20</u>	<u>20</u>	<u>21</u>	<u>25</u>	<u>26</u>	<u>28</u>
Fleet	6	6	7	7	7	7	8	8	8	8
Bus	0	0	0	0	0	0	0	0	0	0
Total	<u>29</u>	<u>30</u>	<u>31</u>	<u>32</u>	<u>28</u>	<u>29</u>	<u>31</u>	<u>35</u>	<u>36</u>	<u>38</u>
Economic development										
Planning	2	2	2	2	2	2	2	2	2	2
Basic utility services:										
Wastewater treatment plant	25	26	29	29	28	27	29	32	35	37
Total	<u>202</u>	<u>200</u>	<u>206</u>	<u>208</u>	<u>204</u>	<u>209</u>	<u>229</u>	<u>244</u>	<u>247</u>	<u>255</u>

Source: City payroll records

(a) See security of persons and property

# City of North Olmsted, Ohio

## Operating Indicators by Function/Program

### Last Ten Years

Function/Program:	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>General government:</b>										
<b>Council and clerk</b>										
Number of ordinances and resolutions submitted	100	116	133	143	162	152	165	158	203	191
Number of ordinances and resolutions passed	97	114	131	143	159	147	135	146	182	177
<b>Mayor's Court (b)</b>										
Number of traffic cases	7,602	7,345	N/A							
Number of OVI cases	62	59	N/A							
Number of criminal cases	260	273	N/A							
Number of parking cases	225	261	N/A							
Number of cases transferred	105	116	N/A							
Number of cases waived, total	6,513	6,063	N/A							
Number of cases waived, online	3,396	3,380	N/A							
<b>Finance</b>										
Agency ratings										
Fitch IBCA	AA-	AA-	AA-	AA-	AA-	A+	A+	A+	A+	A+
Moody's Financial Services – General Limited Tax	Aa2	Aa2	Aa2	Aa2	Aa2	A1	A1	A1	A1	A2
Moody's Financial Services – General Unlimited Tax	Aa2	Aa2	Aa2	Aa2	Aa2	Aa3	Aa3	Aa3	Aa3	A1
<b>Law</b>										
Real property complaints filed	45	45	59	39	38	22	18	7	17	12
Real property fines collected	\$ 4,050	\$ 5,410	\$ 23,655	\$ 575	\$ 7,405	\$ 13,675	\$ 9,858	\$ 3,350	\$ 2,173	\$ 1,130
Criminal cases prosecuted	1,049	700(c)	1,088	873	922	927	1,304	730	933	674
Traffic cases prosecuted	388	505(c)	1,274	1,536	1,062	1,228	1,509	1,415	1,916	1,994
<b>Building</b>										
Estimated valuation of permits issued	\$ 22,923,368	\$ 71,039,906(a)	\$ 39,405,961	\$ 48,029,378	\$ 15,650,821	\$ 13,933,125	\$ 15,151,105	\$ 30,631,703	\$ 39,828,613	\$ 29,279,863
Number of permits issued	1,315	1,450	1,605	1,744	1,103	1,142	1,203	1,284	1,312	1,444

(Continued)

# City of North Olmsted, Ohio

## Operating Indicators by Function/Program (Continued)

### Last Ten Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Security of persons and property:										
<b>Police</b>										
Number of criminal arrests	1,739	2,435	2,431	2,010	2,028	2,062	2,100	1,882	2,058	2,249
Number of DUI arrests	103	59	81	110	93	130	154	94	124	146
Number of motor vehicle accidents	857	814	867	791	751	753	850	869	833	869
Number of prisoners confined	1,329	1,254	1,468	1,349	1,413	1,465	1,741	1,539	1,614	1,853
Number of traffic citations issued	8,090	8,034	8,549	7,916	7,635	8,809	7,594	7,643	9,460	15,616
Number of parking citations issued	1,849	1,749	1,730	1,976	2,013	2,136	2,092	2,242	1,775	2,476
<b>Fire</b>										
Number of fire responses	689	718	728	801	703	700	810	811	733	711
Number of squad responses	3,297	3,175	3,128	3,111	2,971	2,871	2,833	2,685	2,646	2,579
Total number of emergency responses	3,986	3,893	3,856	3,912	3,674	3,571	3,643	3,496	3,379	3,290
Number of runs per day	10.9	10.7	10.5	10.7	10.1	10.3	10.0	9.6	9.2	9.0
Public health and welfare:										
<b>Youth and family services</b>										
Food cupboard distributions	1,833	1,618	1,413	1,213	1,147	1,154	693	398	376	340
Holiday adopt-a-family	54	56	62	64	52	51	37	38	33	30
<b>Senior center</b>										
Hot lunch program – meals served	5,998	6,106	6,583	7,234	8,223	8,909	8,935	9,237	9,399	9,179
Meals on wheels clients served	62	60	63	74	68	71	63	82	80	58
Leisure time activities:										
<b>Senior center</b>										
Cabin rentals	185	185	190	185	358	547	645	569	516	513
Activity participants except hot lunch program	23,665	23,652	23,219	24,222	19,978	10,930	11,624	11,498	10,092	11,529
<b>Springvale Golf Course and Ballroom</b>										
Number of golf rounds	22,715	21,731	22,625	15,723	23,083	19,934	23,358	22,278	27,499	27,585
Number of golf outings	37	39	41	34	47	44	47	46	66	53
Number of ballroom rentals	53	50	62	64	56	54	52	51	56	60
<b>Recreation</b>										
Skate programs and events participants	4,567(d)	5,005	5,041	5,033	4,897	6,714	8,938	10,011	11,116	12,231
Pool programs	928(d)	1,031	1,055	481	1,315	1,013	2,883	N/A	N/A	N/A
Summer camp participants	200(d)	220	222	220	225	163	434	428	367	225

(Continued)

# City of North Olmsted, Ohio

## Operating Indicators by Function/Program (Continued)

### Last Ten Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Transportation:										
Snowfall in inches	65.9	44.0	33.80	57.15	62.9	59.5	80.0	76.3	34.6	108.4
Street salting and plowing – number of hours	2,660	2,483	1,010	2,229	2,936	3,152	3,350	4,485	1,472	5,402
Street asphalt and concrete repair – number of hours	5,089	5,815	5,006	N/A	3,849	5,236	4,926	7,581	6,848	4,828
Tree planting and maintenance – number of hours	2,768	3,127	1,264	2,698	2,115	2,908	2,431	2,268	2,344	2,895
Vehicle maintenance and repair – number of hours	6,673	7,262	8,445	8,098	8,070	7,765	7,258	7,777	N/A	N/A
Street improvements - asphalt overlay/recycling - square feet	146,146	507,619	395,239	437,693	430,765	515,374	406,035	933,633	975,487	701,439
Cost of road salt purchased	\$ 405,950	\$ 168,120	\$ 108,432	\$ 268,423	\$ 258,409	\$ 206,112	\$ 309,145	\$ 197,716	N/A	N/A
Cost of unleaded and diesel fuel used	\$ 567,864	\$ 555,348	\$ 538,795	\$ 527,070	\$ 392,702	\$ 345,075	\$ 652,631	\$ 502,617	\$ 397,941	\$ 449,771
Wastewater:										
Sanitary sewer rate per 1,000 cubic ft.	\$ 67.98	\$ 64.75	\$ 58.18	\$ 52.27	\$ 47.74	\$ 43.60	\$ 39.81	\$ 36.26	\$ 36.26	\$ 36.26
Total 1,000 cubic feet billed	121,268	122,844	129,072	136,367	138,580	163,332	148,582	148,605	144,016	148,445
Total flow of wastewater treatment plant (billions of gallons)	2,467	2,293	2,150	2,510	1,505	1,595	1,699	1,805	1,822	2,009
Average daily flow (millions of gallons per day)	6.759	6.286	5.870	6.874	4.121	4.395	4.861	4.939	4.214	4.461
Tons of wet sludge removed	4,793	5,295	5,048	5,644	5,532	5,242	5,246	5,438	5,525	5,359

N/A: Not available

Source: Various City Divisions

- (a) 2013 Assessed Valuation of Improvements includes \$38,000,000 Wastewater Treatment Plant Improvement Project
- (b) The City began operating a Mayor's Court in 2013. Prior to 2013, all cases were handled by the Rocky River Municipal Court.
- (c) These figures represent only the cases that were prosecuted by the City through Rocky River Municipal Court. It does not include cases that were waived.
- (d) The Recreation Center was under construction during 2014 and some of the programs were limited.

# City of North Olmsted, Ohio

## Capital Assets Statistics by Function/Program

### Last Ten Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General government:										
Number of administrative vehicles	8	8	8	8	8	8	10	11	10	10
Security of persons and property:										
Fire:										
Number of stations	2	2	2	2	2	2	2	2	2	2
Number of vehicles	14	14	14	12	12	12	14	14	14	14
Police:										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of vehicles	26	28	25	25	24	26	29	27	28	28
Leisure time activities:										
Recreation:										
Number of parks	4	4	4	4	4	4	4	4	4	4
Number of pools	2	2	2	2	2	2	2	2	2	2
Recreation center facility	1	1	1	1	1	1	1	1	1	1
Number of vehicles	7	6	5	8	10	6	6	6	6	8
Springvale Golf Course and Ballroom:										
Number of acres										
(18 hole golf course)	132	132	132	132	132	132	132	132	132	132
Square footage of ballroom	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Number of vehicles	1	1	1	2	3	2	2	2	2	2
Senior center:										
Senior center facility	1	1	1	1	1	1	1	1	1	1
Number of vehicles	1	1	1	1	1	1	1	1	0	0
Transportation:										
Streets:										
Miles of streets	146	146	146	146	146	146	146	146	145	145
Number of street lights	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,362	2,362
Number of service vehicles	50	48	55	51	45	43	46	44	46	46
Wastewater:										
Miles of sanitary sewers	176	176	176	176	176	176	176	176	175	175
Miles of storm sewers	152	152	152	152	152	152	152	152	151	151
Number of vehicles	23	20	21	17	17	18	17	17	17	17

# City of North Olmsted, Ohio

## Capital Assets by Function

### Last Ten Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Governmental activities:										
General government:										
Non-depreciable										
Land and art	\$ 4,119,592	\$ 4,119,592	\$ 4,119,592	\$ 3,728,055	\$ 3,728,055	\$ 3,728,055	\$ 3,728,055	\$ 3,728,055	\$ 3,728,055	\$ 3,728,055
CIP	-	-	-	-	18,986	-	-	-	254,987	288,158
Other capital assets										
Cost	14,903,823	14,865,654	14,768,258	14,289,159	13,863,148	13,821,102	13,729,777	12,854,218	12,326,485	12,043,287
Net book value	7,987,500	8,377,429	8,717,046	8,802,130	8,828,478	9,146,041	9,543,887	9,075,066	8,843,845	8,865,854
Security of persons and property:										
<i>Fire:</i>										
Non-depreciable										
Land	349,400	349,400	349,400	349,400	349,400	349,400	349,400	349,400	-	-
CIP	-	-	-	-	-	-	-	-	2,166,808	433,895
Other capital assets										
Cost	10,131,597	10,076,706	10,034,683	9,468,972	9,521,134	9,543,303	9,543,303	9,543,303	5,669,892	5,310,749
Net book value	5,617,704	5,855,145	5,922,426	5,621,875	5,863,147	6,103,581	6,394,553	6,735,628	3,157,763	3,032,411
<i>Police:</i>										
Non-depreciable										
CIP	-	287,610	-	-	-	-	-	-	-	-
Other capital assets										
Cost	3,455,139	2,970,279	2,903,904	2,940,562	2,883,521	2,888,984	3,269,628	3,147,006	3,274,082	3,152,905
Net book value	1,205,287	751,412	762,733	833,760	833,697	934,353	1,032,175	1,082,266	1,147,013	1,081,959
Public health and welfare:										
<i>Youth and family:</i>										
Other capital assets										
Cost	165,706	165,706	165,706	165,706	-	-	-	-	-	-
Net book value	142,507	149,135	155,764	162,392	-	-	-	-	-	-
Leisure time activities:										
<i>Recreation:</i>										
Non-depreciable										
CIP	1,211,618	22,478	-	-	-	-	-	-	12,284	-
Other capital assets										
Cost	10,182,522	9,942,010	9,968,018	9,927,018	9,436,242	9,331,565	9,268,061	9,198,799	9,029,953	9,032,171
Net book value	1,682,392	1,657,819	1,333,282	1,563,183	1,333,826	1,533,088	1,797,927	2,026,002	2,091,819	2,319,717

(Continued)

# City of North Olmsted, Ohio

## Capital Assets by Function (Continued)

### Last Ten Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<i>Senior center:</i>										
Non-depreciable										
CIP	110,970	-	-	-	-	16,833	-	-	-	18,541
Other capital assets										
Cost	855,852	855,852	696,496	696,496	687,186	539,328	537,262	537,262	519,066	480,903
Net book value	484,586	513,103	383,564	402,082	415,593	267,723	285,590	303,456	321,322	300,072
<i>Transportation:</i>										
Non-depreciable										
CIP	267,707	58,798	253,095	39,185	-	137,773	171,537	-	-	102,546
Other capital assets										
Cost	4,740,585	4,432,139	4,405,211	3,857,118	3,707,236	3,670,474	3,635,325	3,632,741	3,682,027	3,360,309
Net book value	1,309,219	1,153,149	1,243,141	788,365	791,339	861,383	900,458	1,018,743	1,061,013	801,278
Infrastructure										
Cost	143,179,372	142,664,860	141,635,998	140,178,515	139,422,954	130,440,393	129,467,866	128,983,810	128,076,170	126,253,887
Net book value	28,005,185	32,938,273	37,722,781	42,231,274	47,272,254	43,804,306	47,936,456	52,478,902	55,977,893	58,243,624
<i>Economic development:</i>										
Other capital assets										
Cost	122,673	122,673	-	-	-	-	-	-	-	-
Net book value	105,881	112,452	-	-	-	-	-	-	-	-
<b>Totals:</b>										
Non-depreciable										
Land and art	4,468,992	4,468,992	4,468,992	4,077,455	4,077,455	4,077,455	4,077,455	4,077,455	3,728,055	3,728,055
CIP	1,590,295	368,886	253,095	39,185	18,986	154,606	171,537	-	2,434,079	843,140
Other capital assets										
Cost	44,557,897	43,431,019	42,942,276	41,345,031	40,098,467	39,794,756	39,983,356	38,913,329	34,501,505	33,380,324
Net book value	18,535,076	18,569,644	18,517,956	18,173,787	18,066,080	18,846,169	19,954,590	20,241,161	16,622,775	16,401,291
Infrastructure										
Cost	143,179,372	142,664,860	141,635,998	140,178,515	139,422,954	130,440,393	129,467,866	128,983,810	128,076,170	126,253,887
Net book value	<u>28,005,185</u>	<u>32,938,273</u>	<u>37,722,781</u>	<u>42,231,274</u>	<u>47,272,254</u>	<u>43,804,306</u>	<u>47,936,456</u>	<u>52,478,902</u>	<u>55,977,893</u>	<u>58,243,624</u>
Total governmental activities-cost	<u>\$ 193,796,556</u>	<u>\$ 190,933,757</u>	<u>\$ 189,300,361</u>	<u>\$ 185,640,186</u>	<u>\$ 183,617,862</u>	<u>\$ 174,467,210</u>	<u>\$ 173,700,214</u>	<u>\$ 171,974,594</u>	<u>\$ 168,739,809</u>	<u>\$ 164,205,406</u>
Total governmental activities-net book value	<u>\$ 52,599,548</u>	<u>\$ 56,345,795</u>	<u>\$ 60,962,824</u>	<u>\$ 64,521,701</u>	<u>\$ 69,434,775</u>	<u>\$ 66,882,536</u>	<u>\$ 72,140,038</u>	<u>\$ 76,797,518</u>	<u>\$ 78,762,802</u>	<u>\$ 79,216,110</u>

(Continued)

# City of North Olmsted, Ohio

## Capital Assets by Function (Continued)

### Last Ten Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Business-type activities:										
Springvale Golf Course and Ballroom:										
Cost	\$ 7,589,715	\$ 7,461,986	\$ 7,401,729	\$ 7,386,087	\$ 6,906,494	\$ 6,896,158	\$ 6,894,216	\$ 6,902,678	\$ 6,931,673	\$ 6,928,445
Net book value	4,951,925	5,031,022	5,161,855	5,351,051	4,993,308	5,157,215	5,328,579	5,509,561	5,637,324	5,813,900
Sewer revenue:										
Cost	122,092,107	112,208,937	81,116,335	70,628,454	69,798,659	69,008,076	68,353,901	68,347,944	68,372,826	68,227,491
Net book value	72,363,287	64,146,307	30,706,798	21,474,976	22,008,808	22,460,892	23,208,251	24,630,309	26,023,751	27,285,455
NOMBL:										
Cost	-	-	-	564,130	564,130	564,130	564,130	544,677	564,462	571,462
Net book value	-	-	-	391,537	391,537	391,537	391,537	372,084	372,084	372,084
Total business-type activities cost	\$ <u>129,681,822</u>	\$ <u>119,670,923</u>	\$ <u>88,518,064</u>	\$ <u>78,578,671</u>	\$ <u>77,269,283</u>	\$ <u>76,468,364</u>	\$ <u>75,812,247</u>	\$ <u>75,795,299</u>	\$ <u>75,868,961</u>	\$ <u>75,727,398</u>
Total business-type activities net book value	\$ <u>77,315,212</u>	\$ <u>69,177,329</u>	\$ <u>35,868,653</u>	\$ <u>27,217,564</u>	\$ <u>27,393,653</u>	\$ <u>28,009,644</u>	\$ <u>28,928,367</u>	\$ <u>30,511,954</u>	\$ <u>32,033,159</u>	\$ <u>33,471,439</u>

Source: City Finance Department – capital asset inventory.

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CITY OF NORTH OLMSTED  
CUYAHOGA COUNTY

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

City of North Olmsted  
Cuyahoga County  
5200 Dover Center Road  
North Olmsted, Ohio 44070

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the City of North Olmsted, Cuyahoga County, (the City) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 30, 2015.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

### ***Compliance and Other Matters***

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Lausche Building, 615 Superior Ave., NW, Twelfth Floor, Cleveland, Ohio 44113-1801  
Phone: 216-787-3665 or 800-626-2297 Fax: 216-787-3361

[www.ohioauditor.gov](http://www.ohioauditor.gov)

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

June 30, 2015



# Dave Yost • Auditor of State

**CITY OF NORTH OLMSTED**

**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 14, 2015**