2015 Annual Report

City of Brook Park, Ohio

Comprehensive Annual Financial Report
For the Year Ended December 31, 2015

Dave Yost • Auditor of State

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

We have reviewed the Independent Auditor's Report of the City of Brook Park, Cuyahoga County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2015 through December 31, 2015. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Brook Park is responsible for compliance with these laws and regulations.

Dave Yost
Auditor of State

July 14, 2016

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City of Brook Park, Ohio

Comprehensive Annual Financial Report
For the Year Ended December 31, 2015

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

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City of Brook Park

Finance Department

Gregory M. Cingle
Finance Director

Martin S. Healy
Assistant Finance Director

June 7, 2016

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

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with Generally Accepted Auditing Standards (GAAS) by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the city of Brook Park (City) for the fiscal year ended December 31, 2015.

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

The City's financial statements have been audited by the Ohio Auditor of State. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion on the financial statements of the City for the fiscal year ended December 31, 2015, and that the financial statements are fairly presented in conformity with GAAP. The report of the independent auditor is presented as the first component of the financial section of this report.

The requirements of GAAP necessitate that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This Letter of Transmittal is designed to complement the City's MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

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Profile of the Government

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

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

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

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

Detailed provisions for the City's budget, tax levies and appropriations are set forth in the Ohio Revised Code and the charter. With the assistance of the finance director, the mayor is required to submit to council an estimate of the revenues and expenditures of the City for the succeeding fiscal year. The mayor submits to council an appropriation ordinance budget for the next succeeding fiscal year based on the annual estimate. Council is required to adopt said ordinance in its original form or with those revisions as it may find proper within 90 days of the beginning of the fiscal year.

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

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

Factors Affecting Financial Condition

I. **Economic Conditions and Outlook**. In general, the U.S. economic growth continues at a moderate pace. Some of the factors are as follows:

- The 2015 calendar year realized job growth of over 2 million jobs.
- The Federal Reserve raised the federal funds rate in December of 2015 by .25%.
- Oil prices realized a significant decrease in 2015.
- Many of the major market indexes were down for the first time since the end of 2008.
- Estimated GDP growth averaged 2.4% for the year.
- The U.S. residential real estate market continued to make a steady recovery in 2015.

Factors affecting local economic conditions and outlook are as follows:

- The Fourth Federal Reserve District reported the rising value of the dollar and weakness in oil and gas exploration as having an adverse influence on industries located within the District, i.e. steelmaking.
- New automobiles have been selling in the United States at a rate of more than 18 million per year. The Fourth District annual automobile production returned to more than 2 million cars.
- The purchase of durable goods both nationally and regionally increased in 2015.

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

- Rock-n-Roll Harley Davidson completed construction of its flagship motorcycle dealership at W. 150th St. and Brookpark Rd. Operations commenced around August 1, 2015, with 43 employees and a projected payroll of $1.5MM per year.
- R.L. Wurz Co. received a $25,000 demolition grant as an incentive to foster redevelopment of the site.
- E. L. Mustee & Sons, a plumbing products manufacturer and distributor, has broken ground on a new 50,000 square foot warehouse and distribution facility.
- Cuyahoga Machine completed an investment in excess of $2.5MM in land enhancements, plant improvements and equipment procurement. In addition, the company received an economic development grant to purchase additional equipment that will allow the company to expand business operations. Cuyahoga Machine has agreed to maintain its payroll at a minimum of $750K per annum for 15 years and has filed plans to expand its physical plant by 10,000 square feet.
- Fosbel Inc. executed a new six (6) year lease for its Sheldon Road facility.
- Greater Cleveland Auto Auction (GCAA) has expanded its physical plant by nearly 25% through the purchase of the former Southwest Cab site on Hummel Road. The acquisition will allow GCAA to increase operations.
- Whitaker Trucking purchased 4.5 acres of land on Engle Road to relocate its operations from 16100 Brookpark Road (R.L. Wurz Co. site).
- The City is currently working to site AGX Transport on five (5) acres of land to accommodate a new estimated payroll of $2.5MM.
- CEC Combustion Safety has relocated on Apollo Drive from the city of Parma. Estimated payroll is in excess of $3MM per annum. Established in 1984, CEC is the industry leader in the field of combustion safety, providing expert consulting, training and engineering services for fuel train combustion equipment. CEC is owned by Honeywell.
- Neubert Painting relocated to vacant property on Commerce Park Drive. Estimated payroll is between $750K and $1MM per annum.

- Drabik Manufacturing has applied for a $50K economic development grant to assist in the purchase of state-of-the-art industrial CNC lathe equipment to foster business expansion. If granted, Drabik will guarantee to maintain its payroll at a minimum of $500,000 for 15 years and use best efforts to expand payroll by a minimum of two positons.

III. Major Economic Initiatives. The City continued to focus on business retention, redevelopment opportunities, infrastructure improvements and prospecting for new business investment in the community. More specifically, the City created the Office of Environmental Remediation within the Department of Economic Development to creatively remediate, repurpose and reactivate dormant industrial/commercial properties. An economic development financing strategy has been developed and is presently being implemented to finance the redevelopment of the City's industrial core. The City will focus on advanced manufacturing initiatives to capitalize on insourcing trends to meet the demand of the North American marketplace.

Retention Activity:

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

- Ford Motor Company: Ford announced that it will invest $100MM in plant and equipment at its Brook Park facilities in the 2015-2016 business cycle.

  The City is continuing to work closely with Ford Motor Co. to potentially remediate and repurpose its existing lands and facilities to foster the development of new advanced manufacturing, industrial, intermodal and/or cargo facilities on all available lands in Ford's Foreign Trade Zone.

- NASA Glenn: Glenn works in partnership with other NASA centers, U.S. industries, universities and other government institutions to develop critical systems technologies and capabilities that address National aerospace priorities.

  Distinguished by its unique blend of aeronautics, space flight and project management expertise and experience, Glenn's work focuses on research and technological advances in: air-breathing propulsion, advanced communications, in-space propulsion and cryogenic fluids management, power and energy storage and conversion, materials and structures for extreme environments and physical sciences and biomedical technologies in space.

  Glenn leads development of the system and technology required for Solar Electric Propulsion, a key system to enable the robotic system of NASA's Asteroid Redirect Mission, and to benefit other science and exploration missions. Glenn also leads the Space Technology Research Grants program, the Cryogenic Propellant Storage and Transfer project and the following game changing development projects: Advanced In-Space Propulsion, Advanced Space Power Systems and Nanotechnology. Civil servant and contractor employment levels are projected to remain stable at approximately 1,500 individuals each.

Redevelopment Opportunities:

- The City is facilitating a private redevelopment firm's interest in purchasing 200 acres of dormant land on the Ford Motor Company site. The parties have met on several occasions and the City is hopeful Ford Motor Company will sell or lease the land so that it can be developed as an advance manufacturing site, which would be the largest such site in Cuyahoga County.

- Weston Inc. has completed its purchase of the Enterprise Rental Car facility at a reported sales price was $490,000. All existing structures have been demolished and construction of a new $2.5MM, 20,000 square foot facility will be completed by August 1, 2016. Boss Pro-Karting has executed a five (5) year lease of the new structure and will offer a corporate event and meeting venue that features professional racing and high-speed indoor go-karting.

Grants:

- The City completed its planning activities associated with the $75,000 Transportation Livable Communities Grant received from the Northeast Ohio Areawide Coordinating Agency to study, layout and plan a greenway throughout the City that will link Abrams Creek to the Cleveland Metroparks Rocky River Reservation and to the Lake-to-Lake Cleveland Metroparks Trail in Middleburg Heights. Planning and analysis commenced in 2014 and is expected to be finalized in 2016. The City will then seek grant funds for construction.

Infrastructure:

- The Snow Road resurfacing project began in 2015.
- The Engle Road resurfacing project was completed in 2015.
- The City began a sidewalk restoration program in 2015 for residents.
- The Sylvia/Leslie Drive resurfacing project was substantially completed in 2015.
- The W. 150th St. sanitary sewer improvement project (Phase III) is scheduled to be completed in early 2016.
- The Holland Rd./CSX quiet zone project was near completion at the end of 2015.

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

Cash Management Policies and Practices

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

Risk Management

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

Awards and Acknowledgements

Certificate of Achievement. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended December 31, 2014. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports.

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

The Certificate of Achievement is valid for a period of only one year. The City has received a Certificate of Achievement for the last 24 years. We believe that our current CAFR continues to meet the requirements for the Certificate of Achievement, and we are submitting it to the GFOA to determine its eligibility for another certificate.

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

Respectfully submitted,

Gregory M. Cingle, CPA, MBA
Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Brook Park

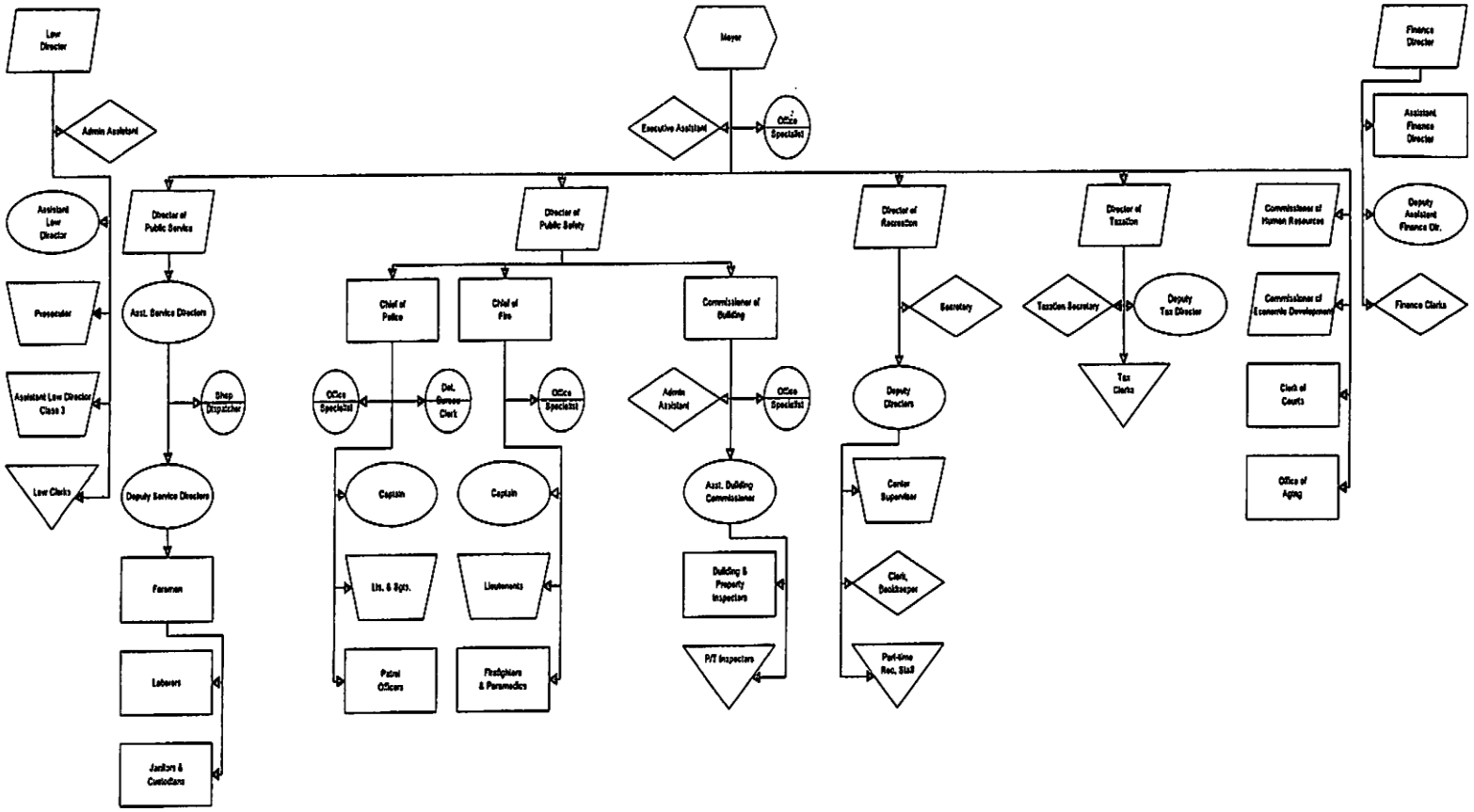
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

City of Brook Park Administration



City of Brook Park, Ohio

Elected Officials

December 31, 2015

Mayor	Thomas J. Coyne
Council Member – President	Dennis P. Patten
Council Member – At-Large	Carl J. Burgio
Council Member – At-Large	Anthony D'Amico
Council Member – At-Large	Richard A. Salvatore
Council Member – Ward 1	Tom Troyer
Council Member – Ward 2	Jim Mencini
Council Member – Ward 3	Jan Powers
Council Member – Ward 4	Brian Higgins
Finance Director	Gregory M. Cingle
Law Director	Neal M. Jamison

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FINANCIAL SECTION

JAMES G. ZUPKA, C.P.A., INC.
Certified Public Accountants
5240 East 98th Street
Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants (216) 475 - 6136 Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of City Council and Members of the Audit Committee
City of Brook Park
City of Brook Park, Ohio

The Honorable Dave Yost
Auditor of State
State of Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brook Park, Cuyahoga County, Ohio, (City) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brook Park, Cuyahoga County, Ohio, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 3 to the basic financial statements, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, and restated its net position at December 31, 2014 for governmental activities. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedules of Net Pension Liabilities and Pension Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 7, 2016, on our consideration of the City of Brook Park, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Brook Park, Ohio's internal control over financial reporting and compliance.

James G. Zupka, CPA, Inc.

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

June 7, 2016

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The discussion and analysis of the City of Brook Park's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2015. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers are encouraged to consider this information in conjunction with the additional information contained in the financial statements and the notes thereof.

Financial Highlights

Key financial highlights for 2015 are:

- Revenue from municipal income and other taxes totaled $19,570,562.
- Total assets and deferred outflows of resources increased by $4,644,901 or a 4.55 percent increase from 2014.
- Total net position increased by $3,813,336 or a 5.78 percent increase from 2014.
- Total capital assets increased by $2,102,512 or a 2.79 percent increase from 2014.
- Total outstanding long-term liabilities and deferred inflows of resources increased by $831,565. This was a 2.30 percent increase from 2014, which is mainly attributed to the City's net pension liability after the implementation of GASB 68.
- At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $18,940,064, an increase of $2,533,916 in comparison with the prior year's amount. Approximately 28.62 percent of this total amount, or $6,670,354, is available for spending at the government's discretion (unassigned fund balance) without externally or internally imposed constraints.
- At the end of the current fiscal year, the General Fund's unassigned fund balance was $6,697,552, or 36.96 percent of General Fund expenditures (not including other financing uses).

Using This Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the City both financially and operationally. The statements proceed to provide an increasingly detailed look at our specific financial condition.

The *Statement of Net 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 long-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term and what dollars remain for future spending. The fund financial statements also look at the City's most significant funds, with all other nonmajor funds presented in total in one column.

Reporting the City of Brook Park as a Whole

Statement of Net Position and Statement of Activities

While the CAFR contains information about the funds used by the City to provide services to our citizens, the *Statement of Net Position* and the *Statement of Activities* provide a view of the City's monetary transactions and answer the question, "How did the City do financially during 2015?" These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting method used by the private sector. This accounting method takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net position and the changes in net position. The changes in net position are important because it tells the reader whether the financial position of the City has improved or diminished. When evaluating the overall position of the City, non-financial information should also be considered, such as: changes in the City's tax base, amendments to property and income tax laws, condition of capital assets, etc.

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

The *Statement of Net 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 Revenues and Expenses
- General Revenues
- Net Position at the Beginning and End of Year

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

Fund Financial Statements

The presentation of the City's major funds begins on page 21. Fund financial statements provide detailed information about the City's major funds based on the restrictions on the use of monies. The City has established many funds to account for the multitude of services, facilities and infrastructure improvements provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City, the major funds are the General and Capital Improvements Funds. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

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

The City maintains 19 individual governmental funds. Information is presented separately in the *Governmental Funds Balance Sheet* and in the *Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances* for the General Fund and Capital Improvements Fund. Data from the other governmental funds are combined into single, aggregated presentations. Individual fund data for each of these nonmajor governmental funds is provided elsewhere in this CAFR in the form of combining statements.

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

Proprietary Funds

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

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

The basic proprietary fund financial statements can be found starting on page 26.

Fiduciary Funds

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

Notes to the Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 30.

Other information

In addition to the basic financial statements and the accompanying notes, this CAFR also presents certain other information that the City believes readers will find useful. After the notes to the basic financial statements, the required supplementary information and the combining statements, referred to earlier in connection with nonmajor governmental funds, are presented along with individual detailed budgetary comparisons for all nonmajor funds. This information can be found starting on page 73.

The City as a Whole

As noted earlier, the *Statement of Net Position* looks at the City as a whole and can prove to be a useful indicator of the City's financial position. Table 1 provides a summary of the City's net position for 2015 as compared to 2014.

Table 1
Net Position

	2015	2014*
ASSETS		
Current and other assets	$ 26,603,584	$ 24,787,969
Net pension asset	9,623	2,623
Capital assets, net	77,437,848	75,335,336
Total Assets	104,051,055	100,125,928
DEFERRED OUTFLOWS OF RESOURCES		
Pension	2,738,419	2,018,645
LIABILITIES		
Current and other liabilities	1,770,305	2,576,321
Long-term liabilities:		
Due within one year	1,101,296	1,328,647
Due in more than one year		
Net pension liability	21,096,949	20,050,152
Other amounts	11,371,173	10,687,546
Total Liabilities	35,339,723	34,642,666
DEFERRED INFLOWS OF RESOURCES		
Property taxes	1,583,016	1,553,287
Pension	104,779	-
Total Deferred Inflows of Resources	1,687,795	1,553,287
NET POSITION		
Net investment in capital assets	66,736,815	67,365,271
Restricted	10,698,321	9,659,810
Unrestricted	(7,673,180)	(11,076,461)
Total Net Position	$ 69,761,956	$ 65,948,620

* Restated

During 2015, the City adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board (GASB) standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

Under the new standards required by GASB 68, the net pension liability equals the City's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service
2 Minus plan assets available to pay these benefits

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *as against the public employer.* State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or are satisfied through paid time-off or termination payments, i.e. sick and vacation leave. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates and return on investments affect the balance of the net pension liability and local government. In the event that contributions, investment returns and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68, the City's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's change in net pension liability not accounted for as deferred inflows/outflows.

As a result of implementing GASB 68, the City is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2014 from $83,977,504 to $65,948,620.

Net position may serve over time as useful indicator of a government's financial position. The City's total assets and deferred outflows of resources exceeded its total liabilities and deferred inflows of resources at the close of 2015 by $69,761,956. Due to the implementation of GASB 68 and the addition of the City's net pension liability of $21,096,949, the City's unrestricted net position was a negative $7,673,180.

The largest portion of the City's total net position (95.66 percent) reflects its net investment in capital assets, i.e. land, buildings, machinery, equipment, vehicles and infrastructure, less any related outstanding debt used to acquire those assets along with related deferred outflows/inflows of resources. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt and related deferred outflows/inflows of resources, it should be noted that resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate those liabilities and related deferred inflows of resources.

Total assets increased by $3,925,127 during the current year. The following factors were responsible for the change in total assets:

- Investment in the infrastructure of the City continued in 2015. The Agnes Blvd. reconstruction project, Ruple Rd. emergency slide repair project and Engle Road resurfacing project were completed.

- Eastland Rd. reconstruction project was completed jointly with the City of Berea and the City of Middleburg Heights. Total cost of the project for the City was $646,306.

- The Engle Rd. sanitary sewer improvement was completed in June 2015.

- Capital equipment that was purchased or encumbered to be purchased in 2015 included:
    1. Snow plow assembly ($9,267)
    2. 4-Ton Asphalt Trailer ($25,617)

Total liabilities increased by $697,057, which is primarily due to an implementation of GASB 68 and an increase in net pension liability from 2014.

Table 2 shows the changes in net position for 2015 as compared with 2014.

Table 2
Changes in Net Position

	2015	2014
REVENUES		
Program Revenues:		
Charges for services	$ 3,749,320	$ 3,624,199
Operating grants and contributions	1,144,355	994,821
Capital grants and contributions	1,341,603	2,143,521
Total Program Revenues	6,235,278	6,762,541
General Revenues:		
Property taxes	1,769,793	1,684,574
Municipal income and other taxes	19,570,562	18,556,361
Grants and entitlements	716,253	790,071
Investment income	19,345	4,746
All other revenues	1,265	65,244
Total General Revenues	22,077,218	21,100,996
Total Revenues	28,312,496	27,863,537
EXPENSES		
Program Expenses:		
Security of persons and property	10,659,035	10,985,542
General government	4,548,339	4,902,511
Public works	3,080,342	3,218,651
Leisure time activities	1,508,908	2,095,119
Transportation	3,081,564	3,210,908
Community development	1,160,879	1,088,706
Public health and welfare	230,016	278,394
Interest and fiscal charges	230,077	284,964
Total Expenses	24,499,160	26,064,795
Change in Net Position	3,813,336	1,798,742
Net Position - Beginning of Year, Restated	65,948,620	N/A
Net Position - End of Year	$ 69,761,956	$ 65,948,620

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of $2,018,645 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense.

Under GASB 68, the 2015 statements report pension expense of $2,193,910. Consequently, in order to compare 2015 program expenses to 2014, the following adjustments are needed:

Total 2015 program expenses under GASB 68	24,499,160
Pension expense under GASB 68	(2,193,910)
2015 contractually required contribution	1,769,108
Adjusted 2015 program expenses	24,074,358
Total 2014 program expenses under GASB 27	26,064,795
Decrease in program expenses not related to pension	(1,990,437)

Governmental Activities

Several revenue sources fund the City's governmental activities, with City income tax being the largest contributor. The City's income tax rate is two percent on gross income and has not changed since 1991. Residents of the City who work in other communities and pay the withholding tax to those municipalities receive a 100 percent tax credit of up to two percent on their City income tax. During 2015, the revenues generated from municipal income tax and other miscellaneous taxes amounted to $19,570,562. The 5.47 percent increase in income tax collections from 2014 to 2015 can mostly be attributed to withholding and net profit tax collections.

For 2015, City income tax revenue of 20 percent is earmarked for specific capital improvements. These revenues are allocated by City ordinance, providing that a substantial portion of the City's income tax collections be set aside for roads, city facilities and other capital requirements.

Of the $28,312,496 in total revenue, income tax and other taxes accounted for 69.12 percent, property taxes accounted for 6.25 percent, charges for services accounted for 13.24 percent, and capital grants and contributions accounted for 4.74 percent of total revenue.

The combination of income tax, property tax, charges for services and intergovernmental funding were sufficient to fund all of the expenses in the governmental activities. The City monitors its sources of revenues very closely for fluctuations. For the most part, slight increases in total functional expenses are a direct result of the City's conscious effort to control costs in a declining economic environment. The largest program functions for the City relate to security of persons and property and general government. During 2015, security of persons and property accounted for 43.51 percent of program expenses, and 18.57 percent of program expenses related to general government. In 2015, the overall decrease in expenses was $1,565,635 or 6.01 percent. This decrease in expenses was mainly due to decreases in leisure time activities and general government.

Currently there are 36 full-time sworn officers in the police department. The department wrote 7,959 tickets in 2015, which constituted a 62.43 percent increase over tickets written in 2014.

The fire department consists of 30 full-time firefighters. The department handled 3,018 calls for assistance in 2015, of which approximately 2,572 were for emergency medical services (EMS), with the balance attributed to fire and fire-related incidents. Total calls for assistance represented an increase of nearly 1.34 percent over 2014.

Program Expenses

For the year ended December 31, 2015, the City's total cost of services was $24,499,160, with a net cost of services totaling $18,263,882.

Table 3 itemizes fiscal year 2015 program expenses by specific function.

Table 3
Program Expenses

	Total Cost of Services 2015	Net Cost of Services 2015
Security of persons and property	$10,659,035	$ 9,334,901
General government	4,548,339	3,449,188
Public works	3,080,342	1,764,669
Transportation	3,081,564	2,333,080
Leisure time activities	1,508,908	1,264,078
Community development	1,160,879	(341,937)
Public health and welfare	230,016	229,826
Interest and fiscal charges	230,077	230,077
Total cost of service	$24,499,160	$ 18,263,882

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

As referenced, most of the City's governmental activities rely on general revenues (property taxes, municipal income tax, grants, etc.) to support program expenses.

In conclusion, the implementation of GASB Statement No. 68 requires the reader to perform additional calculations to determine the City's Total Net Position at December 31, 2015 without the implementation of GASB Statement No. 68. This is an important exercise, as the State Pension Systems (OPERS & OP&F) collect, hold and distributes pensions to our employees, not the City of Brook Park. These calculations are as follows:

Total Net Position at December 31, 2015 (with GASB 68)	$ 69,763,971
GASB 68 Calculations:	
Add: Deferred Inflows related to Pension	104,779
Net Pension Liability	21,096,949
Less: Deferred Outflows related to Pension	(2,738,419)
Net Pension Asset	(9,623)
Total Net Position at December 31, 2015 (without GASB 68)	$ 88,217,657

The City's Funds

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the year. Information about the City's governmental funds begins on page 21.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $18,940,064. Of that amount, $6,670,354 constitutes unassigned fund balances that are available for spending at the government's discretion without externally or internally imposed constraints. The remaining balance is nonspendable, restricted, committed, or assigned to indicate that it is not available for new spending.

General Fund

The General Fund is the chief operating fund of the City. As of December 31, 2015, the total fund balance for the General Fund was $8,871,256, of which $6,697,552 was unassigned. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to fund expenditures (not including other financing uses). Unassigned fund balance represents 36.96 percent of total General Fund expenditures, while total fund balance represents 48.96 percent of that same amount.

During 2015, the said fund balance increased by $3,489,724 or 64.85 percent. This increase is due to the City's continued efforts to control expenditures and transfers out within the constraints of the revenue received.

Capital Improvements Fund

The Capital Improvements Fund accounts for intergovernmental revenue in the form of grants as well as the portion of municipal income tax allocated by City Council for the purpose of improving, constructing, maintaining and purchasing those items necessary to enhance the operation of the City. As of December 31, 2015, the total fund balance for the Capital Improvements Fund was $3,756,232, of which $2,241,200 was committed due to constraints imposed by Council and $1,515,032 was restricted by external constraints. The said fund balance decreased by $2,230,121 during 2015, mainly due to the continued spend down of bond proceeds received in 2013 for various capital projects.

City Budget

The City's budget is prepared according to Ohio law and accounts for certain transactions on a basis of cash receipts, cash disbursements and encumbrances. The most significant budgeted fund is the General Fund. Except for agency funds, an annual appropriation budget is legally required to be prepared for all funds of the City. City Council is provided with a detailed line item budget for all departments. After discussions at regularly held council meetings that are open to the public, the budget is adopted at the department level by object. Within each object, appropriations can be transferred between line items with the approval of the finance director and the respective department head. Council must approve any revisions in the budget that alter object level totals or total appropriations for any department or fund. During the course of 2015, the

City amended its General Fund budget twice. The finance department watches all department expenditures closely to monitor compliance with allocated budgets and provides monthly reports to City Council that depicts monthly and year-to-date activity.

For the General Fund, the final budget basis revenue plus other financing sources was $23,254,456 as compared to the original budget estimate plus other financing sources of $22,324,048. The final budget was higher than the original budget due to higher than expected income tax collections and fines and forfeitures. The final appropriations plus other financing uses of $22,364,933 were sufficient to meet the actual expenditures plus other financing uses for the year, $20,572,738 million.

Capital Assets and Debt Administration

Capital Assets

As of December 31, 2015, the City had $77,437,848 million invested in land, construction in progress, buildings and improvements, improvements other than buildings, machinery and equipment, furniture and fixtures, vehicles and infrastructure. Table 4 shows fiscal year 2015 balances of capital assets, net of depreciation, as compared to 2014.

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

	2015	2014
Land	$ 4,896,683	$ 4,925,383
Construction in progress	5,534,872	6,389,574
Buildings and improvements	8,538,855	8,897,626
Improvements other than buildings	918,609	1,024,908
Machinery and equipment	1,615,051	1,894,295
Furniture and fixtures	28,621	33,911
Vehicles	2,601,357	2,940,299
Infrastructure:		
Streets	39,145,095	36,416,106
Sewers	13,416,046	12,050,289
Water Lines	742,659	762,945
Total Capital Assets	$ 77,437,848	$ 75,335,336

In 2015, several vehicles were disposed of and several capital projects were completed or nearing completion.

With respect to infrastructure, the City engineer maintains a comprehensive listing of all the streets, bridges, culverts and sewer lines located within the City. As part of the annual road maintenance program, the City engineer evaluates the condition of each street after each winter and prepares a list of streets to be either resurfaced or crack sealed. In the case of concrete roads, the damaged portion will be either replaced or repaired. After approval from City Council, the projects are bid to get the best possible pricing from contractors. For additional information on capital assets, see Note 7 of the basic financial statements.

Debt

On December 31, 2015, the City had $10,701,033 in outstanding debt, with $811,479 of that debt due within one year.

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

Table 5
Outstanding Debt at Year End

	2015	2014
General obligation bonds	$ 7,060,299	$ 7,456,470
Capital leases	719,597	984,644
OPWC loans	2,921,137	1,611,149
Total outstanding debt	$ 10,701,033	$ 10,052,263

As of December 31, 2015, the City's overall legal debt margin was $38,176,520, with an unvoted debt margin of $17,313,648.

More detailed information about the City's debt liabilities is presented in Note 8 of the basic financial statements.

Current Financial Related Activities

Local officials and Ford executives will continue to meet frequently to discuss current operating conditions and to strategize for new business alternatives that will keep the Brook Park Ford facility competitive in their corporate structure, resulting in a long-term existence within the City. In addition, discussions will continue on how to best develop the vacant acreage on the campus.

NASA Glenn, the largest taxpayer in the City, continues to be a tremendous asset to the community and region. City officials will continue to meet with Glenn administrators to discuss the current and future state of their facility.

In closing, local officials continue to work through the economic challenges facing the City and remain committed to providing full disclosure of the City's financial position to its residents.

Contacting the City's Finance Department

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

City of Brook Park, Ohio
Statement of Net Position
December 31, 2015

	Governmental Activities
ASSETS	
Equity in Pooled Cash and Cash Equivalents	$ 18,801,882
Materials and Supplies Inventory	172,646
Accounts Receivable	144,759
Accrued Interest Receivable	2,494
Intergovernmental Receivable	1,885,095
Prepaid Items	399,813
Municipal Income Taxes Receivable	3,447,970
Property Taxes Receivable	1,659,050
Special Assessments Receivable	89,875
Net Pension Asset	9,623
Nondepreciable Capital Assets	10,431,555
Depreciable Capital Assets	67,006,293
Total Assets	104,051,055
DEFERRED OUTFLOWS OF RESOURCES	
Pension	2,738,419
Total Deferred Outflows of Resources	2,738,419
LIABILITIES	
Accounts Payable	196,224
Contracts Payable	733,167
Accrued Wages and Benefits	330,910
Intergovernmental Payable	161,622
Matured Compensated Absences Payable	80,326
Accrued Interest Payable	25,983
Retainage Payable	84,198
Claims Payable	157,875
Long-term Liabilities:	
Due within one year	1,101,296
Due in more than one year:	
Net Pension Liability (See Note 11)	21,096,949
Other amounts due in more than one year	11,371,173
Total Liabilities	35,339,723
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	1,583,016
Pension	104,779
Total Deferred Inflows of Resources	1,687,795
NET POSITION	
Net Investment in Capital Assets	66,736,815
Restricted for:	
Debt Services	3,994,770
Capital Projects	1,841,871
Economic Development	1,263,245
Street Paving and Repair	2,441,997
Other Purposes	1,156,438
Unrestricted	(7,673,180)
Total Net Position	$ 69,761,956

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

City of Brook Park, Ohio
Statement of Activities
For the Year Ended December 31, 2015

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Security of Persons and Property					
Police and Others	$ 6,327,476	$ 777,539	$ 92,944	$ -	$ (5,456,993)
Fire	4,331,559	448,401	5,250	-	(3,877,908)
Public Health and Welfare	230,016	190	-	-	(229,826)
Leisure Time Activities	1,508,908	244,830	-	-	(1,264,078)
Community Development	1,160,879	1,477,072	25,744	-	341,937
Public Works	3,080,342	-	32,358	1,283,315	(1,764,669)
Transportation	3,081,564	4,706	950,483	-	(2,126,375)
General Government	4,548,339	796,582	37,576	58,288	(3,655,893)
Interest and Fiscal Charges	230,077	-	-	-	(230,077)
Total Governmental activities	$ 24,499,160	$ 3,749,320	$ 1,144,355	$ 1,341,603	(18,263,882)

General Revenues:	
Property Taxes levied for:	
General Purposes	1,469,402
Other Purposes	300,391
Municipal Income and Other Taxes levied for:	
General Purposes	15,725,387
Capital Outlay	3,845,175
Grants & Entitlements not restricted to specific programs	716,253
Investment Income	19,345
All Other Revenues	1,265
Total General Revenues	22,077,218
Change in Net Position	3,813,336
Net Position - Beginning of Year, as Restated	65,948,620
Net Position - End of Year	$ 69,761,956

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

City of Brook Park, Ohio

Balance Sheet – Governmental Funds

For the Year Ended December 31, 2015

	General Fund	Capital Improvements Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Equity in Pooled Cash and Cash Equivalents	$ 6,942,136	$ 3,982,768	$ 5,464,508	$ 16,389,412
Materials and Supplies Inventory	172,646	-	-	172,646
Accrued Interest Receivable	1,625	-	869	2,494
Accounts Receivable	144,759	-	-	144,759
Intergovernmental Receivable	390,774	137,330	1,356,991	1,885,095
Prepaid Items	123,312	-	-	123,312
Municipal Income Taxes Receivable	2,789,778	658,192	-	3,447,970
Property Taxes Receivable	1,354,187	-	304,863	1,659,050
Special Assessments Receivable	-	31,888	57,987	89,875
Total Assets	$ 11,919,217	$ 4,810,178	$ 7,185,218	$ 23,914,613
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	$ 181,178	$ -	$ 15,046	$ 196,224
Accrued Wages and Benefits	168,502	-	162,408	330,910
Contracts Payable	-	733,167	-	733,167
Intergovernmental Payable	157,114	-	4,508	161,622
Matured Compensated Absences Payable	80,326	-	-	80,326
Retainage Payable	4,000	77,692	2,506	84,198
Total Liabilities	591,120	810,859	184,468	1,586,447
Deferred Inflows of Resources:				
Property Taxes	1,292,148	-	290,868	1,583,016
Unavailable Revenue - Delinquent Property Taxes	62,039	-	13,995	76,034
Unavailable Revenue - Income Taxes	844,796	211,199	-	1,055,995
Unavailable Revenue - Other	257,858	31,888	383,311	673,057
Total Deferred Inflows of Resources	2,456,841	243,087	688,174	3,388,102
Fund Balances:				
Nonspendable	295,958	-	-	295,958
Restricted	-	1,515,032	3,732,034	5,247,066
Committed	1,661,168	2,241,200	1,716,144	5,618,512
Assigned	216,578	-	891,596	1,108,174
Unassigned (Deficit)	6,697,552	-	(27,198)	6,670,354
Total Fund Balances	8,871,256	3,756,232	6,312,576	18,940,064
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 11,919,217	$ 4,810,178	$ 7,185,218	$ 23,914,613

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

City of Brook Park, Ohio

Reconciliation of Total Governmental Funds Balances to Net Position of Governmental Activities

For the Year Ended December 31, 2015

Total Governmental Funds Balance		$ 18,940,064
Amounts reported for Governmental Activities in the Statement of Net Position are different because:		
Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds		77,437,848
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable revenues in the funds:		
Delinquent property taxes	$ 76,034	
Municipal income and other taxes	1,055,995	
Special assessments	89,875	
Intergovernmental	573,545	
Charges for services	9,637	
Total		1,805,086
The prepayment of the City's net OPEB amount is a result of the City's annual OPEB expenses exceeding the annual OPEB cost.		240,388
In the Statement of Activities, interest is accrued on outstanding bonds, whereas in Governmental funds, an interest expenditure is reported when due.		(25,983)
Internal Service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The assets and liabilities of the Internal Service funds are included in Governmental Activities in the Statement of Net Position.		2,290,708
The net pension liability/asset is not due and payble in the current period; therefore, the liability/asset and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflows - Pension	2,738,419	
Deferred Inflows - Pension	(104,779)	
Net Pension Liability/Asset	(21,087,326)	
Total		(18,453,686)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:		
General obligation bonds	(6,820,000)	
OPWC loans	(2,921,137)	
Unamortized bond premiums	(240,299)	
Capital leases	(719,597)	
Accrued compensated absences	(1,771,436)	
Total		(12,472,469)
Net Position of Governmental Activities		$ 69,761,956

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

City of Brook Park, Ohio

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

For the Year Ended December 31, 2015

	General Fund	Capital Improvements Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property Taxes	$ 1,475,378	$ -	$ 301,627	$ 1,777,005
Municipal Income Taxes	16,451,329	2,819,805	-	19,271,134
Other Taxes	344,687	-	-	344,687
Intergovernmental	622,561	1,350,133	997,032	2,969,726
Interest	16,325	-	3,020	19,345
Licenses and Permits	802,890	-	52,550	855,440
Fines and Forfeitures	850,445	-	926	851,371
Rentals	87,998	-	-	87,998
Charges for Services	1,688,949	-	-	1,688,949
Contributions and Donations	35,724	-	-	35,724
Special Assessments	-	25,000	57,987	82,987
All Other Revenues	316,299	8,460	147,687	472,446
Total Revenues	22,692,585	4,203,398	1,560,829	28,456,812
EXPENDITURES				
Security of Persons and Property:				
Police and Others	5,464,113	-	601,583	6,065,696
Fire	3,489,477	-	607,558	4,097,035
Public Health and Welfare	106,813	-	112,121	218,934
Leisure Time Activities	1,125,716	-	71,258	1,196,974
Community Development	816,443	114	333,023	1,149,580
Public Works	2,135,767	139,455	-	2,275,222
Transportation	563,534	114,583	534,650	1,212,767
General Government	4,419,208	126,824	820	4,546,852
Capital Outlay	-	5,578,459	-	5,578,459
Debt Service:				
Principal Retirement	-	265,047	499,532	764,579
Interest and Fiscal Charges	-	16,922	265,961	282,883
Total Expenditures	18,121,071	6,241,404	3,026,506	27,388,981
Excess of Revenues (Under) Expenditures	4,571,514	(2,038,006)	(1,465,677)	1,067,831
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	3,210	19,850	13,505	36,565
OPWC Loans Issued	-	1,429,520	-	1,429,520
Transfers In	1,000,000	-	2,726,485	3,726,485
Transfers Out	(2,085,000)	(1,641,485)	-	(3,726,485)
Total Other Financing Sources (Uses)	(1,081,790)	(192,115)	2,739,990	1,466,085
Net Change in Fund Balances	3,489,724	(2,230,121)	1,274,313	2,533,916
Fund Balances - Beginning of Year	5,381,532	5,986,353	5,038,263	16,406,148
Fund Balances - End of Year	$ 8,871,256	$ 3,756,232	$ 6,312,576	$ 18,940,064

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

City of Brook Park, Ohio

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

For the Year Ended December 31, 2015

Net Change in Fund Balances-Total Governmental Funds		$ 2,533,916
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital Outlay	$ 5,412,646	
Depreciation	(3,269,696)	
Total		2,142,950
In the Statement of Activities, only the loss on the disposal of capital assets is reported, whereas, in the Governmental Funds, the proceeds from the disposals increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets.		(40,438)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent property taxes	(7,212)	
Municipal income and other taxes	(45,260)	
Special assessments	2,241	
Intergovernmental	12,205	
Charges for services	(106,290)	
Total		(144,316)
Other financing sources in the Governmental funds increase long-term liabilities in the Statement of Net Position. These sources were attributed to the issuance of OPWC loans.		(1,429,520)
Repayment of bond and loan principal and capital leases are expenditures in the Governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		764,579
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows		1,769,108
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		(2,193,910)
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 compensated absences	103,494	
Judgments payable	89,000	
Accrued interest on bonds	19,713	
Annual OPEB cost	100,154	
Amortization of bond premiums	16,171	
Total		328,532
Internal Service funds are used by management to charge costs to certain activities, such as insurance to individual funds. The net revenue (expense) of Internal Service funds are reported in the Governmental Activities.		82,435
Change in Net Position of Governmental Activities		$ 3,813,336

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

City of Brook Park, Ohio

Statement of Revenues, Expenditures and Changes in Fund Balances –
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Property Taxes	$ 1,458,971	$ 1,458,971	$ 1,475,378	$ 16,407
Municipal Income Taxes	15,579,200	16,000,952	16,000,952	-
Other Taxes	340,500	346,522	346,522	-
Intergovernmental	602,206	750,185	733,775	(16,410)
Interest	2,877	15,438	15,438	-
Licenses and Permits	751,480	797,370	799,063	1,693
Fines and Forfeitures	558,000	846,455	846,453	(2)
Rentals	-	-	87,998	87,998
Charges for Services	1,670,988	1,700,841	1,690,849	(9,992)
Contributions and Donations	-	-	35,724	35,724
All Other Revenues	304,193	452,377	323,976	(128,401)
Total Revenues	21,268,415	22,369,111	22,356,128	(12,983)
Expenditures:				
Current:				
Security of Persons and Property	9,269,258	9,387,598	9,168,046	219,552
Public Health and Welfare	133,106	124,106	112,838	11,268
Leisure Time Activities	1,446,359	1,323,796	1,168,948	154,848
Community Development	919,032	939,254	860,166	79,088
Public Works	2,451,172	2,378,742	2,276,272	102,470
Transportation	676,735	799,902	590,538	209,364
General Government	5,265,066	5,203,001	4,513,465	689,536
Total Expenditures	20,160,728	20,156,399	18,690,273	1,466,126
Excess of Revenues Over (Under) Expenditures	1,107,687	2,212,712	3,665,855	1,453,143
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	3,210	3,210
Transfer In	1,000,000	1,000,000	1,000,000	-
Transfers Out	(1,832,211)	(2,196,281)	(2,196,281)	-
Total Other Financing Sources (Uses)	(832,211)	(1,196,281)	(1,193,071)	3,210
Net Change in Fund Balance	275,476	1,016,431	2,472,784	1,456,353
Cash Fund Balance - Beginning of Year	4,198,846	4,198,846	4,198,846	-
Current Year Encumbrances	244,641	244,641	244,641	-
Cash Fund Balance - End of Year	$ 4,718,963	$ 5,459,918	$ 6,916,271	$ 1,456,353

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

City of Brook Park, Ohio

Statement of Net Position
Proprietary Fund
December 31, 2015

	Governmental Activities Internal Service Fund
ASSETS	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	$ 2,412,470
Prepaid Items	36,113
Total Assets	2,448,583
LIABILITIES	
Current Liabilities:	
Claims Payable	157,875
Total Liabilities	157,875
NET POSITION	
Unrestricted	2,290,708
Total Net Position	$ 2,290,708

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

City of Brook Park, Ohio

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
For The Year Ended December 31, 2015

	Governmental Activities Internal Service Fund
OPERATING REVENUES	
Charges for Services	$ 2,117,979
Miscellaneous	2,075
Total Operating Revenues	2,120,054
OPERATING EXPENSES	
Fringe Benefits	2,003,368
Contractual Services	34,251
Total Operating Expense	2,037,619
Change in Net Position	82,435
Net Position - Beginning of Year	2,208,273
Net Position- End of Year	$ 2,290,708

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

City of Brook Park, Ohio

Statement of Cash Flows
Proprietary Fund

For The Year Ended December 31, 2015

	Governmental Activities Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Charges for Services	$ 2,117,979
Other Cash Receipts	2,075
Cash Payments for Goods and Services	(34,251)
Cash Payments for Claims	(2,021,882)
Net Cash Provided by Operating Activities	63,921
Net Increase in Cash and Cash Equivalents	63,921
Cash and Cash Equivalents - Beginning of Year	2,348,549
Cash and Cash Equivalents - End of Year	$ 2,412,470
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Income	$ 82,435
Adjustments:	
(Increase) in Assets:	
Prepaid Items	(554)
(Decrease) in Liabilities:	
Claims Payable	(17,960)
Net Cash Provided by Operating Activities	$ 63,921

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

City of Brook Park, Ohio

Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2015

	Agency Funds
Assets	
Equity in Pooled Cash and Cash Equivalents	$ 479,480
Cash and Cash Equivalents:	
in Segregated Accounts	88,178
Total Assets	$ 567,658
Liabilities	
Deposits Held and Due to Others	$ 567,658

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

Notes to Basic Financial Statements

Note 1: The Reporting Entity

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

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

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

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. The City has no component units.

Jointly Governed Organizations

Southwest General Health Center

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

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

Note 1: The Reporting Entity (continued)

Jointly Governed Organizations (continued)

The Board exercises total control over the operations of the Health Center including budgeting, appropriating, contracting and designating management. Each City's control is limited to its representation on the Board. In 2015, the City of Brook Park contributed $112,121 of property tax levies and intergovernmental revenue to the Health Center.

Southwest Regional Communications Network Council of Governments

The Southwest Regional Communications Network Council of Governments is a jointly-governed organization between the City and seven other communities. Formed as a Regional Council of Governments as permitted under Ohio Revised Code Section 167.01, the intent of this organization is to establish, own, operate, maintain, and administer, a regional communications network for public safety and public service purposes for the mutual benefit of the participating communities. This organization is controlled by a governing body consisting of each participating community's mayor or his/her delegate or representative. The degree of control exercised by any member is limited to its representation on the governing board. All members agree to contribute the sums of money on a shared basis as agreed per the requirements set forth in the Articles of Understanding. In accordance with GASB Statement No. 14 as amended by GASB Statement No. 61, the City does not have an equity interest in the organization. Financial information may be obtained by writing to the Finance Director of the City of Brook Park, at 6161 Engle Road, Brook Park, Ohio 44142.

Note 2: Summary of Significant Accounting Policies

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

A. Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net 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 activity of the internal service fund is eliminated to avoid doubling up revenues and expenses.

Note 2: Summary of Significant Accounting Policies (continued)

A. Basis of Presentation (continued)

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

Fund Financial Statements

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

B. Fund Accounting

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

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources compared to 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 accounts for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City and/or the general laws of Ohio.

Note 2: Summary of Significant Accounting Policies (continued)

B. Fund Accounting (continued)

Capital Improvements Fund

The Capital Improvements Fund accounts for intergovernmental revenues, bond proceeds, and the portion of municipal income tax allocated by Council for the purpose of improving, constructing, maintaining, and purchasing those items necessary to enhance the operation of the City.

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

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. The City has no enterprise funds.

Internal Service Fund

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

Fiduciary Funds

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

C. Measurement Focus

Government-Wide Financial Statements

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

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 reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses and changes in 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 outflows/inflows of resources, and in the presentation of expenses versus expenditures.

Revenues – Exchange and Non-Exchange Transactions

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

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (see Note 6). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the

Note 2: Summary of Significant Accounting Policies (continued)

D. Basis of Accounting (continued)

City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for pension. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The deferred outflows of resources related to pension are explained in Note 11.
In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2015, but which were levied to finance year 2016 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, income taxes, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 11)

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 Process

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

Note 2: Summary of Significant Accounting Policies (continued)

E. Budgetary Process (continued)

Tax Budget

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

Estimated Resources

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

On or about January 1 the certificate of estimated resources is amended to include unencumbered fund balances at December 31. Further amendments may be made during the year if the Finance Director determines that revenue to be collected will be greater than or less than the prior estimates and the budget commission considers the revised estimates to be reasonable. The amounts reported in the budgetary statements as original represent the amounts in the first official certificate of estimated resources issued during 2015. The amounts reported in the budgetary statements as final reflect the amounts in the final amended official certificate of estimated resources issued during 2015.

Annual Estimate

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

Appropriations

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

Note 2: Summary of Significant Accounting Policies (continued)

E. Budgetary Process (continued)

Lapsing of Appropriations

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

Budgeted Level of Expenditure

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

Encumbrances

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

F. Pooled Cash and Cash Equivalents

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

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

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

The City complies with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. As a governmental entity other than an external investment pool in accordance with GASB 31, the City's investments are stated at fair value, except for interest-earning investment contracts, money market investments, and external investment pools (see Note 5).

Note 2: Summary of Significant Accounting Policies (continued)

F. Pooled Cash and Cash Equivalents (continued)

In applying GASB Statement No. 31, the City utilized the following methods and assumptions as of December 31, 2015:

The portfolio was limited to the State Treasury Asset Reserve of Ohio (STAR Ohio).

Most of the City's investments are reported at fair value, which is the quoted market price as of the valuation date. For investments in STAR Ohio, fair value is determined by the pool's share price.

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

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

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

During the year, the City invested in STAR Ohio, an investment pool managed by the State Treasurer's office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2015.

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

G. Inventory

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

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2015, are recorded as prepaid items using the allocation method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

Note 2: Summary of Significant Accounting Policies (continued)

I. Receivables

Receivables at December 31, 2015 consist of taxes, intergovernmental, accounts (billings for user charged services), special assessments, and accrued interest on investments. All are deemed collectible in full.

J. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and disposals during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of five thousand dollars. The City's infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, irrigation systems and water and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized.

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

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

K. Interfund Balances

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

L. Compensated Absences

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

Note 2: Summary of Significant Accounting Policies (continued)

L. Compensated Absences (continued)

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

The entire compensated absence liability is reported on the government-wide financial statements. A liability for the amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

M. Pensions

For purposes of measuring the net pension liability/(asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

N. Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital leases and long-term loans are recognized as a liability on the fund financial statements when due.

O. 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 classification includes amounts that cannot be spent because they are not spendable in 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 loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

Note 2: Summary of Significant Accounting Policies (continued)

O. Fund Balance (continued)

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.

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of the City's Council. Those committed amounts cannot be used for any other purpose unless the City's Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

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

Unassigned – Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In the 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.

P. Net Position

Net position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position 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 along with any related deferred outflows/inflows of resources. The restricted component of net position is reported when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. As of December 31, 2015, the City did not have net position restricted by enabling legislation.

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

Note 2: Summary of Significant Accounting Policies (continued)

Q. Operating Revenues and Expenses

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

R. Grants and Intergovernmental Revenues

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

S. Interfund Activity

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

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. Neither extraordinary nor special items had occurred in 2015.

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: Changes in Accounting Principles and Restatement of Net Position

For year 2015, the City implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68." GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources deferred inflows of resources and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported December 31, 2014:

	Governmental Activities
Net Position as of December 31, 2014	$ 83,977,504
Adjustments:	
Net Pension Liability	(20,050,152)
Net Pension Assets	2,623
Deferred Outflow - Payments Subsequent to Measurement Date	2,018,645
Restated Net Position December 31, 2014	$ 65,948,620

Other than employer contributions subsequent to the measurement date, the City made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

Note 4: Budgetary Basis of Accounting

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

The Statements of Revenues, Expenditures and Changes in Fund Balances – Budget (Non-GAAP Budgetary Basis) and Actual presented for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

(a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);

(b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);

(c) Encumbrances are treated as expenditures (budget) rather than as a part of restricted, committed, and assigned fund balances (GAAP);

(d) Investments are recorded at fair value (GAAP) rather than at cost (budget).

Note 4: Budgetary Basis of Accounting (continued)

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

Net Change in Fund Balance

	General
GAAP Basis	$ 3,489,724
Increase (Decrease) Due to:	
Revenue Accruals	(189,607)
Expenditure Accruals	(815,153)
Funds with Separate Legally Adopted Budget	232,461
Outstanding Encumbrances	(244,641)
Budget Basis	$ 2,472,784

Note 5: Deposits and Investments

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

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

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

1. United States Treasury notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily;

4. Investment grade obligations of state and local governments, and public authorities;

Note 5: Deposits and Investments (continued)

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

6. The State Treasurer's investment pool (STAR Ohio).

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.

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

A. Deposits

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by eligible securities pledged to and deposited either within the City or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose fair 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 $11,638,789 (including $4,030 of petty cash, $88,178 of segregated accounts and $5,009,849 in STAR Plus) and the bank balance was $11,993,690. As of December 31, 2015, $5,348,920 of the City's bank balances were covered by Federal depository insurance and the remaining $6,644,770 was exposed to custodial credit risk because it was uninsured and collateralized. Although the securities were held by the pledging institution's trust department and all statutory requirements for the investment of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

Note 5: Deposits and Investments (continued)

B. Investments

Investments are reported at fair value. As of December 31, 2015, the City had the following investments:

Investment Type	Fair-Value	Credit Rating (*)	Investment Maturities (in Years) <1
STAR Ohio	$ 7,730,752	AAAm	$ 7,730,752
Total Investments	7,730,752		$ 7,730,752

* Credit Ratings were obtained from Standard & Poor's, respectively, for all 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 in five years unless specifically matched to a specific cash flow. To date, no investments have been purchased with a life greater than five years.

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

Credit Risk is addressed by the City's investment policy by the requirements that all investments are authorized by Ohio Revised Code and that the portfolio be diversified both by types of investment and issuer. The investments of the City are registered and the credit rating provided by Standard & Poor's is provided in the table above.

Concentration of Credit Risk is defined by the Governmental Accounting Standards Board as five percent or more in the securities of a single issuer. The City's investment policy requires diversification of the portfolio but does not indicate specific percentage allocations. The City's investment in STAR Ohio represents 100.00 percent of the City's total investments.

Note 6: Receivables

Receivables at December 31, 2015 consisted primarily of taxes, intergovernmental receivables arising from grants, entitlements or shared revenues, accounts, special assessments and interest on investments. All receivables are considered fully collectible.

Note 6: Receivables

A. Property Tax

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Taxes collected on real property (other than public utility) in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values are established by state statute at 35 percent of appraised market value. All property is required to be revalued every six years. The last revaluation was completed in 2015. Real property taxes are payable annually or semiannually. The first payment is due December 31, with the remainder payable by June 20.

Taxes collected on tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year.

Tangible personal property used in business (except for public utilities) is currently assessed for *ad valorem* taxation purposes at 25 percent of its true value. The tangible personal property tax has been phased out and the City is only receiving residual amounts from delinquent tangible personal property taxes. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30; with the remainder payable by September 20.

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

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

The full tax rate for all City operations for the year ended December 31, 2015, was $4.75 per $1,000 of assessed value. The assessed values of real and tangible personal property upon which 2015 property tax receipts were based are as follows:

Category	Assessed Value
Real Estate	$ 405,538,600
Public Utility	11,718,840
Total	$ 417,257,440

Note 6: Receivables (continued)

B. Income Tax

The City levies and collects a 2 percent income tax on all income earned within the City as well as on income of residents earned outside the City. In the latter case, the City allows a credit of 100 percent of the tax paid to another municipality, not to exceed the amount owed. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. The City, by ordinance, allocates income tax revenues and expenditures for collecting, administering, and enforcing the tax to the General and Capital Improvements Capital Projects Funds, at eighty and twenty percent, respectively.

The Capital Improvements Capital Projects Fund further allocates income taxes to other project-based capital projects funds, as transfers, through the budgetary process.

C. Intergovernmental

A summary of the principal items of intergovernmental receivables follows:

	Amounts
Local government funds	$ 231,792
Auto registration fees	101,105
Homestead and rollback	114,516
Gasoline and excise tax	343,804
Permissive tax	3,800
City of Cleveland (share of OPWC loan)	886,946
Ohio Public Works Commission (OPWC)	134,578
Fines and forfeitures	65,802
Miscellaneous reimbursements	2,752
Total	$ 1,885,095

Note 7: Capital Assets

	Balances 12/31/2014	Additions	Disposals	Balances 12/31/2015
Governmental Activities				
Nondepreciable Assets:				
Land	$ 4,925,383	$ -	$ (28,700)	$ 4,896,683
Construction in progress	6,389,574	4,762,497	(5,617,199)	5,534,872
Total Nondepreciable Assets	11,314,957	4,762,497	(5,645,899)	10,431,555
Depreciable Assets:				
Buildings and Improvements	17,914,794	-	-	17,914,794
Improvements Other than Buildings	3,111,144	13,940	-	3,125,084
Machinery and Equipment	5,142,954	9,266		5,152,220
Furniture and Fixtures	210,094	-	-	210,094
Vehicles	8,686,651	81,207	(280,276)	8,487,582
Infrastructure:				
Streets	49,601,171	4,369,448		53,970,619
Sewers	20,489,739	1,793,487	-	22,283,226
Water Lines	1,107,963	-	-	1,107,963
Total Depreciable Assets	106,264,510	6,267,348	(280,276)	112,251,582
Less Accumulated Depreciation				
Buildings and Improvements	(9,017,168)	(358,771)	-	(9,375,939)
Improvements Other than Buildings	(2,086,236)	(120,239)	-	(2,206,475)
Machinery and Equipment	(3,248,659)	(288,510)		(3,537,169)
Furniture and Fixtures	(176,183)	(5,290)	-	(181,473)
Vehicles	(5,746,352)	(408,411)	268,538	(5,886,225)
Infrastructure:				
Streets	(13,185,065)	(1,640,459)		(14,825,524)
Sewers	(8,439,450)	(427,730)	-	(8,867,180)
Water Lines	(345,018)	(20,286)	-	(365,304)
Total Accumulated Depreciation	(42,244,131)	(3,269,696)	268,538	(45,245,289)
Total Depreciable Assets, Net	64,020,379	2,997,652	(11,738)	67,006,293
Governmental Activities Capital Assets, Net	$ 75,335,336	$ 7,760,149	$ (5,657,637)	$ 77,437,848

Depreciation was charged to governmental activities as follows:

Security of Persons and Property:	
Police and Others	$ 169,567
Fire	173,231
Public Health and Welfare	5,586
Leisure Time Activities	320,020
Community Development	10,028
Public Works	815,325
Transportation	1,686,223
General Government	89,716
Total Depreciation Expense	$ 3,269,696

Note 8: Long-Term Obligations

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

	Original Issuance Date	Interest Rate	Original Issuance Amount
General Obligation Bonds:			
Laich Street Improvements	2004	2% - 3.7%	$ 775,000
Heatherwood Dr. Reconstruction	2011	2% - 3.4%	905,000
Sheldon Rd. Waterline Replacement	2011	2% - 3.4%	800,000
Various Purpose Improvement Bonds:			
Engle Road Resurfacing	2013	2% - 4.75%	1,835,000
Engle Road Sanitary Sewer Replacement	2013	2% - 4.75%	1,965,000
Smith Road Sanitary Sewer	2013	2% - 4.75%	1,720,000

Changes in long-term debt activity for the year ended December 31, 2015 was as follows:

	Restated Balances 12/31/2014	Issued	Retired	Balances 12/31/2015	Amounts Due in One Year
General Obligation Bonds:					
Laich Street Improvements	$ 465,000	$ -	$ 40,000	$ 425,000	$ 40,000
Heatherwood Drive Reconstruction	750,000	-	50,000	700,000	55,000
Sheldon Rd. Waterline Replacement	665,000	-	50,000	615,000	50,000
Various Purpose Improvement Bonds, Series 2013:					
Engle Road Resurfacing Project	1,745,000	-	100,000	1,645,000	105,000
Engle Road Sanitary Sewer Replacement Project	1,905,000	-	75,000	1,830,000	75,000
Smith Road Sanitary Sewer Project	1,670,000	-	65,000	1,605,000	65,000
Total General Obligation Bonds	7,200,000	-	380,000	6,820,000	390,000
Capitalized Lease Agreements:					
Automated Rubbish Vehicles and Cans	885,158	-	215,855	669,303	219,438
Safety Forces Vehicles	99,486	-	49,192	50,294	50,194
Total Capital Leases	984,644	-	265,047	719,597	269,632

(continued)

Note 8: Long-Term Obligations (continued)

	Restated Balances 12/31/2014	Issued	Retired	Balances 12/31/2015	Amounts Due in One Year
Other Long-term Obligations:					
Unamortized Bond Premiums	$ 256,470	$ -	$ 16,171	$ 240,299	$ -
OPWC Loan - W. 150th Project	1,510,731	-	97,467	1,413,264	97,467
OPWC Loan - Smith/Hummel Rd	100,418	-	5,907	94,511	5,907
OPWC Loan Payable - Smith Rd. Sanitary Sewer	-	783,214	-	783,214	-
City of Berea OPWC loan - Eastland Rd.	-	646,306	16,158	630,148	48,473
Judgments Payable (see Note 17)	89,000	-	89,000	-	-
Accrued Compensated Absences	1,874,930	387,732	491,226	1,771,436	289,817
Net Pension Liability:					
OPERS	5,666,119	130,935	-	5,797,054	-
OP&F	14,384,033	915,862	-	15,299,895	-
Total Net Pension Liability:	20,050,152	1,046,797	-	21,096,949	-
Total Other Long-term Obligations	23,881,701	2,864,049	715,929	26,029,821	441,664
Total Governmental Long-term Liabilities	$ 32,066,345	$ 2,864,049	$ 1,360,976	$ 33,569,418	$ 1,101,296

General obligation bonds are direct obligations of the City for which its full faith and credit are pledged for repayment. In the event that income tax revenues are not sufficient to meet annual principal and interest requirements, the City has reserved the right to levy and assess a special assessment on the property. Revenues will be received in and the debt will be paid from the General Obligation Debt Service Fund.

During 2005, the Ohio Public Works Commission (OPWC) approved a loan to the City to finance a portion of the West 150th Street Improvement project. OPWC committed up to $1,949,332 at a zero percent interest rate for twenty years. The City and the City of Cleveland have an agreement to share the debt service requirements of the OPWC loan. The City will pay 100 percent of the annual debt service requirements and the City of Cleveland will reimburse the City 65 percent of the annual debt service requirement. The City has recorded an intergovernmental receivable in the amount of $886,946 to recognize the City of Cleveland's share of the loan.

During 2010, the Ohio Public Works Commission (OPWC) approved a loan to the City to finance a portion of the Smith/Hummel Sewer Improvement Project Phase II. OPWC has committed up to $573,140 at a zero percent interest rate for twenty years. The City has completed the project but only utilized $118,139 of total $573,140 in loan proceeds from OPWC.

During 2011, the City issued $1,705,000 in various purpose improvement bonds, series 2011 with interest rates ranging from 2.00 percent to 3.40 percent over the life of the bonds. The proceeds from these bonds were used to finance the reconstruction of Heatherwood Drive ($905,000) and a waterline replacement on Sheldon Road ($800,000). The bonds will mature in 2026.

On October 1, 2013, the City issued $5,520,000 in various purpose improvement bonds, series 2013 with interest rates ranging from 2.00 percent to 4.75 percent over the life of the bonds. The proceeds from these bonds were used to finance the Engle Road resurfacing project ($1,835,000), the Engle Road sanitary sewer replacement project ($1,965,0000), and the Smith Road sanitary sewer project ($1,720,000). The bonds will be fully matured in 2033.

Note 8: Long-Term Obligations (continued)

At the end of the year, the City has an outstanding Smith Rd. Sanitary Sewer Improvement Project Phase III provided through the Ohio Public Works Commission (OPWC) loan funding. Since this loan is not finalized, the repayment schedule is not included in the schedule of debt service payments.

During 2015, the Ohio Public Works Commission (OPWC) approved a loan to the City of Berea to finance the Eastland Road Reconstruction Project. OPWC has committed up to $1,900,900 at a zero percent interest rate for twenty years. The City, the City of Berea and the City of Middleburg Heights have an agreement to share the debt service requirements of the OPWC loan. The City of Berea will pay 100 percent of the annual debt service requirements; the City will reimburse the City of Berea 34 percent of the annual debt service requirement; the City of Middleburg Heights will reimburse the City of Berea 43 percent of the annual debt service requirement.

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

See Notes 9 and 17 for additional information on capital leases and judgments, respectively. See Note 11 for additional information on Net Pension Liability.

The City's overall legal debt margin was $38,239,873 at December 31, 2015.

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2015 are as follows:

	General Obligation Bonds		OPWC Loans	
Year	Principal	Interest	Principal	Total
2016	$ 390,000	$ 257,213	$ 151,847	$ 799,060
2017	390,000	247,988	$ 135,689	773,677
2018	415,000	238,763	$ 135,689	789,452
2019	415,000	226,026	$ 135,689	776,715
2020	425,000	213,013	$ 135,690	773,703
2021-2025	2,355,000	819,915	$ 678,443	3,853,358
2026-2030	1,665,000	365,860	$ 629,708	2,660,568
2031-2034	765,000	65,875	$ 135,168	966,043
Total	$ 6,820,000	$ 2,434,653	$ 2,137,923	$ 11,392,576

Note 9: Capital Leases

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

	Governmental Activities
Assets:	
Machinery and equipment	$ 932,651
Less: accumulated depreciation	(372,459)
Total	$ 560,192
Vehicles	$ 4,363,809
Less: accumulated depreciation	(2,362,314)
Total	$ 2,001,495

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2015, were as follows:

Year	Payments
2016	$ 281,970
2017	230,549
2018	230,549
Less: Amount Representing Interest	(23,471)
Present Value of Minimum Lease Payment	$ 719,597

Note 10: Compensated Absences

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

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

Note 11 - Defined Benefit Pension Plans

Net Pension Liability

The net pension liability/(asset) reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions--between an employer and its employees—of salaries and benefits for employee services.

Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the City's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the City's obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate 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 and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan.

Note 11 - Defined Benefit Pension Plans (continued)

Plan Description – Ohio Public Employees Retirement System (OPERS)(continued)

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting https://www.opers.org/financial/reports.shtml, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS' CAFR referenced above for additional information):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	**State and Local**	**State and Local**
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Formula:** 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Formula:** 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Note 11 - Defined Benefit Pension Plans (continued)

Plan Description – Ohio Public Employees Retirement System (OPERS)(continued)

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local
2015 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2015 Actual Contribution Rates	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	2.0
Total Employer	14.0 %
Employee	10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contributions was $611,134 for 2015.

Plan Description – Ohio Police & Fire Pension Fund (OPF)

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF 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. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OPF may retire and receive a lifetime monthly pension. OPF offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

Note 11 - Defined Benefit Pension Plans (continued)

Plan Description – Ohio Police & Fire Pension Fund (OPF) (continued)

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

Under normal service retirement, retired members who are at least 55 years old and have been receiving OPF benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either three percent or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to three percent of their base pension or disability benefit.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	Police	Firefighters
2015 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	12.25 %	12.25 %
2015 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	19.50 %	24.00 %
Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was $1,157,974 for 2015.

Note 11 - Defined Benefit Pension Plans (continued)

Pension Liabilities, Pension Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability for OPERS was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2014, and was determined by rolling forward the total pension liability as of January 1, 2014, to December 31, 2014. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS Traditional Pension Plan	OPERS Combined Pension Plan	OPF Police	OPF Fire	Total
Proportionate Share of the Net Pension Liability/(Asset)	$5,797,054	($9,623)	$7,445,803	$ 7,854,092	$21,087,326
Proportion of the Net Pension Liability/Asset	0.048064%	0.024994%	0.1437298%	0.1516112%	
Pension Expense	632,925	6,395	762,070	792,520	2,193,910

At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS	OPF Police	OPF Fire	Total
Deferred Outflows of Resources				
Differences between expected and actual experience	$309,900	$320,907	$338,504	$969,311
City contributions subsequent to the measurement date	611,134	554,116	603,858	1,769,108
Total Deferred Outflows of Resources	$921,034	$875,023	$942,362	$2,738,419
Deferred Inflows of Resources				
Net difference between projected and actual earnings on pension plan investments	$104,779	$0	$0	$104,779

$1,769,108 reported as deferred outflows of resources related to pension resulting from City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016.

Note 11 - Defined Benefit Pension Plans (continued)

Pension Liabilities, Pension Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS	OPF Police	OPF Fire	Total
2016	$30,135	$80,227	$84,626	$194,988
2017	30,135	80,227	84,626	$194,988
2018	69,264	80,227	84,626	$234,117
2019	77,126	80,226	84,626	$241,978
2020	(349)	0	0	(349)
Thereafter	(1,190)	0	0	(1,190)
Total	$205,121	$320,907	$338,504	$864,532

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA	3 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

The total pension asset in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 to 8.05 percent including wage inflation
COLA or Ad Hoc COLA	3 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

Note 11 - Defined Benefit Pension Plans (continued)

Actuarial Assumptions – OPERS (continued)

Mortality rates were based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

The most recent experience study was completed for the five year period ended December 31, 2010.

The long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 6.95 percent for 2014.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2014 and the long-term expected real rates of return:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	19.90	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	19.10	7.40
Other investments	18.00	4.59
Total	100.00 %	5.28 %

Note 11 - Defined Benefit Pension Plans (continued)

Actuarial Assumptions – OPERS (continued)

Discount Rate The discount rate used to measure the total pension liability was 8 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 8 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (7 percent) or one-percentage-point higher (9 percent) than the current rate:

City's proportionate share of the net pension liability	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Traditional Pension Plan	10,664,921	5,796,999	1,697,140
Combined Plan	1,250	(9,498)	(18,246)

Actuarial Assumptions – OPF

OPF's total pension liability as of December 31, 2014 is based on the results of an actuarial valuation date of January 1, 2014, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2014, are presented below:

Valuation Date	January 1, 2014
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent

Note 11 - Defined Benefit Pension Plans (continued)

Actuarial Assumptions – OPF (continued)

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed January 1, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2014 are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and Cash Equivalents	- %	(0.25) %
Domestic Equity	16.00	4.47
Non-US Equity	16.00	4.47
Core Fixed Income *	20.00	1.62
Global Inflation Protected *	20.00	1.33
High Yield	15.00	3.39
Real Estate	12.00	3.93
Private Markets	8.00	6.98
Timber	5.00	4.92
Master Limited Partnerships	8.00	7.03
Total	120.00 %	

* levered 2x

OPF's Board of Trustees has incorporated the "risk parity" concept into OPF's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

Note 11 - Defined Benefit Pension Plans (continued)

Actuarial Assumptions – OPF (continued)

Discount Rate The total pension liability was calculated using the discount rate of 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.25 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.25 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.25 percent), or one percentage point higher (9.25 percent) than the current rate.

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	21,162,070	15,299,895	10,336,416

Note 12 – Post-Employment Benefits

Ohio Public Employees Retirement System

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

OPERS maintains two cost-sharing multiple-employer defined benefit post-employment health care trusts, which fund multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursement, to qualifying benefit recipients of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

In order to qualify for post-employment health care coverage, age and service retirees under the Traditional Pension and Combined Plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described is GASB Statement No. 45. Please see the Plan Statement in the OPERS 2014 CAFR for details.

Note 12 – Post-Employment Benefits (continued)

Ohio Public Employees Retirement System (continued)

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage 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 www.opers.org/investments/cafr.shtml, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy **-** The Ohio Revised Code provides 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 to fund OPERS health care plans. Employer contribution rates are expressed as a percentage of the earnable salary of active members. In. 2015, State and Local employers contributed at a rate of 14.00 percent of earnable salary and Public Safety and Law Enforcement employers contributed at 18.10 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

OPERS maintains three health care trusts. The two cost-sharing, multiple-employer trusts, the 401(h) Health Care Trust and the 115 Health Care trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined Plans. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.00 percent during calendar year 2015. As recommended by the OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 remained at 2.00 percent for both plans. The Board 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 employer contribution as a percentage of covered payroll deposited to the VEBA participants in the Member-Directed Plan for 2015 was 4.50 percent. The City's actual employer contributions for December 31, 2015, 2014 and 2013 which were used to fund post-employment benefits were $102,020, $127,105, and $61,252, respectively; 92.52 percent has been contributed for 2015 and 100 percent has been contributed for 2014 and 2013.

Ohio Police and Fire Pension Fund

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

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or 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 No. 45.

Note 12 – Post-Employment Benefits (continued)

Ohio Police and Fire Pension Fund (continued)

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, OH 43215-5164. That report is also available on OP&F's website at www.op-f.org.

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 Trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was 0.50 percent of covered payroll from January 1, 2015 thru December 31, 2015. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of the Sections 115 and 401(h).

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

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were $14,548 and $12,815 for the year ended December 31, 2015, $16,737 and $14,030 for the year ended December 31, 2014, and $106,409 and $99,612 for the year ended December 31, 2013, respectively; 92.69 percent for police and 91.93 percent for firefighters has been contributed for 2015 and the full amount has been contributed for 2014 and 2013.

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

Note 13: Other Postemployment Benefits

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

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

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

As of December 31, 2015 (the latest information available), 126 retirees and dependents are currently receiving the post-employment benefits mentioned above.

Funding Policy
The City's annual contributions to the plan are negotiated through the union contracts of the City. For the fiscal year ended December 31, 2015, the City contributed $342,461 to the plan. The plan requires no matching contributions from the employees during their period of employment.

Annual OPEB Costs and Net OPEB Obligation
The City's latest actuarial valuation performed for the plan was as of December 31, 2015 (the latest information available) to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended December 31, 2015. For 2015, the City's annual OPEB cost (expense) of $242,307 was less than the actual employer contribution for the fiscal year and the net OPEB amount has been recorded as a prepayment on the government-wide financial statements. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2015, 2014 and 2013 are as follows:

Fiscal Year Ended	Annual Required Contribution	Interest on Net OPEB Obligation	Adjustment to the ARC	Annual OPEB Cost	Employer Contribution	% of Annual OPEB Cost Contributed	Change in Net OPEB Obligation	Net OPEB Obligation Balance
December 31, 2013	$ 249,529	$ (3,029)	$ (3,016)	$ 243,484	$ 308,580	126.74%	$ (65,096)	$ (163,830)
December 31, 2014	249,883	(5,012)	46,247	291,118	267,522	91.89%	23,596	(140,234)
December 31, 2015	268,256	(5,996)	(19,953)	242,307	342,461	141.33%	(100,154)	(240,388)

Funded Status and Funding Progress
The funded status of the plan as of December 31, 2015 (the latest information available), was as follows:

	2015	2013	2012
Actuarial Accrued Liability (AAL)	$ 4,064,370	$ 3,980,994	$ 4,147,692
Unfunded Actuarial Accrued Liability (UAAL)	$ 4,064,370	$ 3,980,994	$ 4,147,692
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.00%	0.00%	0.00%

Note 13: Other Postemployment Benefits (continued)

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

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

In the December 31, 2015 actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions include a discount rate (interest rate) of 4.00 percent and a healthcare cost trend rate (which is the anticipated rate of future increases in health care costs due to inflation) of 3.00 percent which applies to uncapped reimbursements only and equals approximate historical increase in uncapped reimbursements. The actuarial value of assets was zero as a result of the City's pay-as-you-go funding of the plan and premiums are paid when due. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on a closed basis. The remaining amortization period at December 31, 2015, was 23 years.

Note 14: Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During the year, the City contracted with Wichert Insurance Services, Inc. to manage its insurance coverage. The City's insurance carrier for all coverages is Selective Insurance Co. of America. The coverage limits, on December 31, 2015, per occurrence for all types of coverage are as follows:

Note 14: Risk Management (continued)

Type of Coverage		Coverage
Property:		
Blanket building and contents		$ 48,308,133
Business income and extra expense		Actual Loss Sustained-12 mos.
General liability:		
Commercial general liability, which includes:		1,000,000
Employee benefits		
Employers liability (Ohio stop gap)		
Automotive liability		1,000,000
Excess liability:		
Umbrella, which includes:		10,000,000
All underlying liabilities		
Public officials and law enforcement		
Other types of coverages:		
Contractors equipment		1,190,325
EDP equipment		346,585
Employee dishonesty		1,000,000
Valuable papers		100,000
Accounts receivable		100,000
Law enforcement		1,000,000
Public Officials		1,000,000
Flood	Each Occurrence	5,000,000
	Aggregate	10,000,000
Earthquake	Each Occurrence	5,000,000
	Aggregate	10,000,000

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

The City provides a medical plan for full time employees and their families. The plan is self-funded for fiscal year 2015 and administered by a third party organization. All covered employees also received prescription drug coverage, vision and dental plans. Full time employees are covered by a $25,000 term life insurance policy.

For the plan, the preferred provider prices all claims which are then submitted to the third party administrator. The third party administrator reviews and processes the claims, which the City then pays. The City has stop loss coverage of $500,000 in the aggregate. In 2015, the City funded the self-insurance reserve $515 per month for single coverage and $1,380 per month for family coverage. These rates are paid by the fund from which the employee's compensation is paid and include medical, prescription, dental and vision coverage.

Note 14: Risk Management (continued)

The claims liability of $157,875 as estimated by the third party administrator and reported in the Self-Insurance Fund at December 31, 2015 is based on the requirements of the GASB Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be reported if information prior to the issuance of the financial statements indicates that it is possible that a liability has been incurred at the date of the financial statements and that the amount of the loss can be reasonably estimated. The liability represents the self-funded plan's portion of claims that remained outstanding at December 31, 2015. Changes in the fund's claim liability amount for the years ended 2013, 2014, and 2015 are as follows:

	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Year End
2013	$ 212,453	$ 1,733,427	$ (1,874,891)	$ 70,989
2014	70,989	1,917,031	(1,812,185)	175,835
2015	175,835	2,003,922	(2,021,882)	157,875

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

Note 15: Construction and Other Significant Commitments

At December 31, 2015, the City's significant contractual construction commitments consisted of:

Project	Contract Amount	Amount Paid	Remaining on Contract
Railroad Crossing Project	$ 177,047	$ 159,064	$ 17,983
2013 Roads Program	1,088,147	1,000,148	87,999
Smith Rd Sanitary Sewer Impr.	4,347,913	4,289,762	58,151
Total	$ 5,613,107	$ 5,448,974	$ 164,133

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end are components of fund balance for subsequent year expenditures and may be reported as part of restricted, committed, or assigned classifications of fund balance. As of December 31, 2015, the City's commitments for encumbrances in the governmental funds were as follows:

	Encumbrances Outstanding
Major Funds:	
General	$ 220,015
Capital Improvements	1,970,855
Nonmajor Funds:	
Special Revenue Funds	151,082
Total	$ 2,341,952

Note 16: Interfund Transfers

Interfund transfers for the year ended December 31, 2015, consisted of the following:

	Transfer From		
Transfer To	General Fund	Capital Improvements Fund	Total
General Fund	$ -	$ 1,000,000	$ 1,000,000
Non-Major Governmental Funds	$ 2,085,000	$ 641,485	$ 2,726,485
Total	$ 2,085,000	$ 1,641,485	$ 3,726,485

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

Note 17: Contingencies/Pending Litigation

A. Grants

The City received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2015.

B. Litigation

In March 2011, the City reached a settlement with a property owner wherein the City agreed to pay $874,000. As of December 31, 2015, this settlement has been paid in full.

There are additional claims and lawsuits that are pending against the City. The amount of the liability from these claims and lawsuits, if any, cannot be reasonably estimated at this time. However, in the opinion of management, any such claims and lawsuits will not have a material adverse effect on the overall financial position of the City at December 31, 2015.

Note 18: Accountability

Fund Equity Deficit - Special Revenue Funds

There is fund deficit in the Police Pension Special Revenue Funds of $27,198 caused by the application of accounting principles generally accepted in the United States of America to these funds. The General Fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur.

Note 19: 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 other governmental funds are presented below:

Fund Balances	General Fund	Capital Improvements Fund	Other Governmental Funds	Total
Nonspendable				
Prepaid Items	$ 123,312	$ -	$ -	$ 123,312
Materials and Supplies Inventories	172,646	-	-	172,646
Total Nonspendable	295,958	-	-	295,958
Restricted for				
Other Law Enforcement	-	-	589,058	589,058
Streets and Highways	-	-	2,138,009	2,138,009
FEMA	-	-	54,663	54,663
CDBG	-	-	36,582	36,582
Debt Service	-	-	913,722	913,722
Capital Improvements	-	212,026	-	212,026
Engle Road Sewer Improvement	-	1,000,937	-	1,000,937
W. 150th Sewer Improvements Phase	-	202,752	-	202,752
Snow Rd. Resurfacing	-	99,317	-	99,317
Total Restricted	-	1,515,032	3,732,034	5,247,066
Committed to				
Income Tax Allocation - Capital	-	1,319,074	-	1,319,074
Admissions Tax	260,059	-	-	260,059
Hotel and Motel Tax	211,484	-	-	211,484
Property Insurance	1,189,625	-	-	1,189,625
Economic Development	-	-	1,263,245	1,263,245
Brook Park Road Corridor	-	-	82,835	82,835
Special Recreation	-	-	370,064	370,064
Ditch Cleaning Program	-	224,069	-	224,069
Sound Insulation Program	-	484,940	-	484,940
Street Programs	-	213,117	-	213,117
Total Committed	1,661,168	2,241,200	1,716,144	5,618,512
Assigned to				
Park Concessions	14,897	-	-	14,897
Food Pantry	4,766	-	-	4,766
Debt Service	-	-	891,596	891,596
Purchases on Order	194,365	-	-	194,365
Other	2,550	-	-	2,550
Total Assigned	216,578	-	891,596	1,108,174
Unassigned (Deficit)	6,697,552	-	(27,198)	6,670,354
Total Fund Balances	$ 8,871,256	$ 3,756,232	$ 6,312,576	$ 18,940,064

City of Brook Park, Ohio

Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System
Last Two Years (1)

Traditional Plan	2014	2013
City's Proportion of the Net Pension Liability	0.048064%	0.048064%
City's Proportionate Share of the Net Pension Liability	$5,797,055	$5,666,119
City's Covered-Employee Payroll	$5,912,167	$6,018,853
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	98.05%	94.14%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.45%	86.36%

Combined Plan	2014	2013
City's Proportion of the Net Pension (Asset)	0.024994%	0.024994%
City's Proportionate Share of the Net Pension (Asset)	($9,623)	($2,623)
City's Covered-Employee Payroll	$92,050	$106,362
City's Proportionate Share of the Net Pension (Asset) as a Percentage of its Covered Employee Payroll	10.45%	2.47%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	114.83%	104.33%

(1) Information prior to 2013 is not available.

Amounts presented as of the City's measurement date which is the prior year end.

City of Brook Park, Ohio

Requires Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Police and Fire Pension Fund
Last Two Years (1)

Police	2014	2013
City's Proportion of the Net Pension Liability	0.1437298%	0.1437298%
City's Proportionate Share of the Net Pension Liability	$7,445,803	$7,000,092
City's Covered-Employee Payroll	$3,354,032	$3,061,875
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	222.00%	228.62%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.20%	73.00%

Fire	2014	2013
City's Proportion of the Net Pension Liability	0.1516112%	0.1516112%
City's Proportionate Share of the Net Pension Liability	$7,854,092	$7,383,941
City's Covered-Employee Payroll	$2,812,226	$2,830,504
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	279.28%	260.87%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.20%	73.00%

(1) Information prior to 2013 is not available.

Amounts presented as of the City's measurement date which is the prior year end.

City of Brook Park, Ohio

Required Supplementary Information
Schedule of City Contributions
Ohio Public Employees Retirement System
Last Three Years (1)

	2015	2014	2013
Contractually Required Contributions			
Traditional Plan	$599,279	$709,460	$782,451
Combined Plan	$11,855	$11,046	13,827
Total Required Contributions	$611,134	$720,506	$796,278
Contributions in Relation to the Contractually Required Contribution	($611,134)	($720,506)	($796,278)
Contribution Deficiency / (Excess)	$0	$0	$0
City's Covered-Employee Payroll			
Traditional Plan	$4,993,992	$5,912,167	$6,018,853
Combined Plan	$98,792	$92,050	$106,362
Pension Contributions as a Percentage of Covered-Employee Payroll			
Traditional Plan	12.00%	12.00%	13.00%
Combined Plan	12.00%	12.00%	13.00%

(1) – Information prior to 2013 is not available.

City of Brook Park, Ohio

Required Supplementary Information
Schedule of City Contributions
Ohio Police and Fire Pension Fund
Last Ten Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually Required Contributions										
Police	$554,116	$637,266	$481,633	$388,484	$395,232	$405,512	$440,584	$417,361	$390,851	$355,707
Fire	$603,858	$660,873	$572,611	$517,304	$538,686	$538,555	$561,992	$559,327	$543,814	$501,417
Total Required Contributions	$1,157,974	$1,298,139	$1,054,244	$905,788	$933,918	$944,067	$1,002,576	$976,688	$934,665	$857,124
Contributions in Relation to the Contractually Required Contribution	($1,157,974)	($1,298,139)	($1,054,244)	($905,788)	($933,918)	($944,067)	($1,002,576)	($976,688)	($934,665)	($857,124)
Contribution Deficiency / (Excess)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
City's Covered-Employee Payroll										
Police	$2,916,400	$3,354,032	$3,061,875	$3,046,933	$3,099,859	$3,180,486	$3,455,561	$3,273,420	$3,065,498	$3,027,294
Fire	$2,569,609	$2,812,226	$2,830,504	$2,998,864	$3,122,817	$3,122,058	$3,257,925	$3,242,475	$3,152,545	$3,085,643
Pension Contributions as a Percentage of Covered-Employee Payroll										
Police	19.00%	19.00%	[1]	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	11.75%
Fire	23.50%	23.50%	[1]	17.25%	17.25%	17.25%	17.25%	17.25%	17.25%	16.25%

[1] – The portion of the City's contributions to fund pension obligations from January 1, 2013 thru May 31, 2013, for both police officers and firefighters was 14.81 percent and 19.31 percent, respectively. The portion of the City's contributions to fund pension obligations from June 1, 2013 thru December 31, 2013 for both police officers and firefighters was 16.65 percent and 21.15 percent, respectively.

Non-Major Special Revenue Funds

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

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

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

Economic Development Fund
The Economic Development Fund accounts for parking fees and proceeds received from the sale of City owned property committed for expenditures essential to the development of the City.

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

CDBG Fund
The CDBG Fund accounts for funds received from the Community Development Block Grant passed through from the Cuyahoga County. The grant funds were utilized for the W. 147th/Elm Street road project.

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

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

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

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

Non-Major Special Revenue Funds (continued)

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

Retiree Accrued Benefits Fund
The Retiree Accrued Benefits Fund accounts for funds allocated to pay for the accrued compensated absences paid out to employees upon retirement. Due to the implementation of GASB Statement No. 54, the 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 separate legally adopted budget.

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

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

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

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

FEMA Fund
The FEMA Fund accounts for restricted funds that are used to reimburse costs incurred as a result of a natural disaster (Hurricane Sandy).

Non-Major Debt Service Fund

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

City of Brook Park, Ohio

Combining Balance Sheet
Non-Major Governmental Funds
December 31, 2015

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
ASSETS			
Equity in Pooled Cash and Cash Equivalents	$ 4,546,136	$ 918,372	$ 5,464,508
Accrued Interest Receivable	869	-	869
Intergovernmental Receivable	470,045	886,946	1,356,991
Property Taxes Receivable	304,863	-	304,863
Special Assessments Receivable	-	57,987	57,987
Total Assets	$ 5,321,913	$ 1,863,305	$ 7,185,218
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts Payable	$ 15,046	$ -	$ 15,046
Accrued Wages and Benefits	162,408	-	162,408
Intergovernmental Payable	4,508	-	4,508
Retainage Payable	2,506	-	2,506
Total Liabilities	184,468	-	184,468
Deferred Inflows of Resources:			
Property Taxes	290,868	-	290,868
Unavailable Revenue - Delinquent Property Taxes	13,995	-	13,995
Unavailable Revenue - Other	325,324	57,987	383,311
Total Deferred Inflows of Resources	630,187	57,987	688,174
Fund Balances:			
Restricted	2,818,312	913,722	3,732,034
Committed	1,716,144	-	1,716,144
Assigned	-	891,596	891,596
Unassigned (Deficit)	(27,198)	-	(27,198)
Total Fund Balances	4,507,258	1,805,318	6,312,576
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 5,321,913	$ 1,863,305	$ 7,185,218

City of Brook Park, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For The Year Ended December 31, 2015

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
REVENUES			
Property Taxes	$ 301,627	$ -	$ 301,627
Intergovernmental	997,032	-	997,032
Interest	3,020	-	3,020
Licenses and Permits	52,550	-	52,550
Fines and Forfeitures	926	-	926
Special Assessments	-	57,987	57,987
All Other Revenues	147,687	-	147,687
Total Revenues	1,502,842	57,987	1,560,829
EXPENDITURES			
Security of Persons and Property:			
Police and Others	601,583	-	601,583
Fire	607,558	-	607,558
Public Health and Welfare	112,121	-	112,121
Leisure Time Activities	71,258	-	71,258
Community Development	333,023	-	333,023
Transportation	534,650	-	534,650
General Government	-	820	820
Debt Service:			
Principal Retirement	-	499,532	499,532
Interest and Fiscal Charges	-	265,961	265,961
Total Expenditures	2,260,193	766,313	3,026,506
Excess of Revenues Over (Under) Expenditures	(757,351)	(708,326)	(1,465,677)
OTHER FINANCING SOURCES			
Sale of Capital Assets	13,505	-	13,505
Transfer In	2,085,000	641,485	2,726,485
Total Other Financing Sources	2,098,505	641,485	2,739,990
Net Change in Fund Balances	1,341,154	(66,841)	1,274,313
Fund Balances - Beginning of Year	3,166,104	1,872,159	5,038,263
Fund Balances - End of Year	$ 4,507,258	$ 1,805,318	$ 6,312,576

City of Brook Park, Ohio
Combining Balance Sheet
Non-Major Special Revenue Funds
December 31, 2015

	Street Maintenance	State Highway	Permissive Tax	Economic Development	Brook Park Road Corridor
ASSETS					
Equity in Pooled Cash and Cash Equivalents	$ 893,664	$ 567,060	$ 545,877	$ 1,263,485	$ 82,835
Accrued Interest Receivable	328	208	200	-	-
Intergovernmental Receivable	411,541	33,368	3,800	-	-
Property Taxes Receivable	-	-	-	-	-
Total Assets	$ 1,305,533	$ 600,636	$ 549,877	$ 1,263,485	$ 82,835
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	$ 4,345	$ -	$ 1,661	$ 240	$ -
Accrued Wages and Benefits	3,535	-	-	-	-
Intergovernmental Payable	4,508	-	-	-	-
Retainage Payable	-	-	-	-	-
Total Liabilities	12,388	-	1,661	240	-
Deferred Inflows of Resources:					
Property Taxes	-	-	-	-	-
Unavailable Revenue - Delinq. Property Taxes	-	-	-	-	-
Unavailable Revenue - Other	281,189	22,799	-	-	-
Total Deferred Inflows of Resources	281,189	22,799	-	-	-
Fund Balances:					
Restricted	1,011,956	577,837	548,216	-	-
Committed	-	-	-	1,263,245	82,835
Unassigned (Deficit)	-	-	-	-	-
Total Fund Balances (Deficit)	1,011,956	577,837	548,216	1,263,245	82,835
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 1,305,533	$ 600,636	$ 549,877	$ 1,263,485	$ 82,835

(Continued)

City of Brook Park, Ohio
Combining Balance Sheet
Non-Major Special Revenue Funds (Continued)
December 31, 2015

	CDBG	Special Recreation	Law Enforcement	DWI Enforcement & Education	Federal Forfeiture
ASSETS					
Equity in Pooled Cash and Cash Equivalents	$ 39,088	$ 378,864	$ 159,828	$ 22,258	$ 363,723
Accrued Interest Receivable	-	-	-	-	133
Intergovernmental Receivable	-	-	-	-	-
Property Taxes Receivable	-	-	-	-	-
Total Assets	$ 39,088	$ 378,864	$ 159,828	$ 22,258	$ 363,856
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	$ -	$ 8,800	$ -	$ -	$ -
Accrued Wages and Benefits	-	-	-	-	-
Intergovernmental Payable	-	-	-	-	-
Retainage Payable	2,506	-	-	-	-
Total Liabilities	2,506	8,800	-	-	-
Deferred Inflows of Resources:					
Property Taxes	-	-	-	-	-
Unavailable Revenue - Delinq. Property Taxes	-	-	-	-	-
Unavailable Revenue - Other	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-
Fund Balances:					
Restricted	36,582	-	159,828	22,258	363,856
Committed	-	370,064	-	-	-
Unassigned (Deficit)	-	-	-	-	-
Total Fund Balances (Deficit)	36,582	370,064	159,828	22,258	363,856
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 39,088	$ 378,864	$ 159,828	$ 22,258	$ 363,856

Community Diversion	Police Pension	Fire Pension	Southwest General Health Center	Continuing Training Program	FEMA	Total Nonmajor Special Revenue Funds
$ 9,071	$ 48,911	$ 111,466	$ -	$ 5,343	$ 54,663	$ 4,546,136
-	-	-	-	-	-	869
-	7,261	7,261	6,814	-	-	470,045
-	105,520	105,520	93,823	-	-	304,863
$ 9,071	$ 161,692	$ 224,247	$ 100,637	$ 5,343	$ 54,663	$ 5,321,913
$ -	$ -	$ -	$ -	$ -	$ -	$ 15,046
-	76,109	82,764	-	-	-	162,408
-	-	-	-	-	-	4,508
-	-	-	-	-	-	2,506
-	76,109	82,764	-	-	-	184,468
-	100,686	100,686	89,496	-	-	290,868
-	4,834	4,834	4,327	-	-	13,995
-	7,261	7,261	6,814	-	-	325,324
-	112,781	112,781	100,637	-	-	630,187
9,071	-	28,702	-	5,343	54,663	2,818,312
-	-	-	-	-	-	1,716,144
-	(27,198)	-	-	-	-	(27,198)
9,071	(27,198)	28,702	-	5,343	54,663	4,507,258
$ 9,071	$ 161,692	$ 224,247	$ 100,637	$ 5,343	$ 54,663	$ 5,321,913

City of Brook Park, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For The Year Ended December 31, 2015

	Street Maintenance	State Highway	Permissive Tax	Economic Development	Brook Park Road Corridor	CDBG	Special Recreation
REVENUES							
Property Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	804,949	65,266	43,992	25,744	-	-	-
Interest	1,161	732	694	-	-	-	-
Fees, Licenses, and Permits	-	-	-	52,550	-	-	-
Fines and Forfeitures	-	-	-	-	-	-	-
All Other Revenues	-	-	-	-	-	-	105,004
Total Revenues	806,110	65,998	44,686	78,294	-	-	105,004
EXPENDITURES							
Security of Persons and Property:							
Police and Others	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-
Public Health and Welfare	-	-	-	-	-	-	-
Leisure Time Activities	-	-	-	-	-	-	71,258
Community Environment	-	-	-	133,023	200,000	-	-
Transportation	522,917	567	11,166	-	-	-	-
Total Expenditures	522,917	567	11,166	133,023	200,000	-	71,258
Excess of Revenues Over (Under) Expenditures	283,193	65,431	33,520	(54,729)	(200,000)	-	33,746
OTHER FINANCING SOURCES							
Sale of Capital Assets	-	-	-	13,505	-	-	-
Transfer In	-	-	-	1,000,000	-	-	-
Total Other Financing Sources	-	-	-	1,013,505	-	-	-
Net Change in Fund Balances	283,193	65,431	33,520	958,776	(200,000)	-	33,746
Fund Balances - Beginning of Year	728,763	512,406	514,696	304,469	282,835	36,582	336,318
Fund Balances - End of Year	$ 1,011,956	$577,837	$ 548,216	$ 1,263,245	$ 82,835	$ 36,582	$ 370,064

Law Enforcement	DWI Enforcement & Education	Federal Forfeiture	Community Diversion	Police Pension	Fire Pension	Southwest General Health Center	Continuing Training Program	FEMA	Total Nonmajor Special Revenue Funds
$ -	$ -	$ -	$ -	$ 105,014	$ 105,014	$ 91,599	$ -	$ -	$ 301,627
-	-	-	2,400	19,007	19,007	13,627	3,040	-	997,032
-	-	433	-	-	-	-	-	-	3,020
-	-	-	-	-	-	-	-	-	52,550
-	926	-	-	-	-	-	-	-	926
343	-	42,340	-	-	-	-	-	-	147,687
343	926	42,773	2,400	124,021	124,021	105,226	3,040	-	1,502,842
1,548	-	26,568	995	570,722	-	-	1,750	-	601,583
-	-	-	-	-	607,558	-	-	-	607,558
-	-	-	-	-	-	112,121	-	-	112,121
-	-	-	-	-	-	-	-	-	71,258
-	-	-	-	-	-	-	-	-	333,023
-	-	-	-	-	-	-	-	-	534,650
1,548	-	26,568	995	570,722	607,558	112,121	1,750	-	2,260,193
(1,205)	926	16,205	1,405	(446,701)	(483,537)	(6,895)	1,290	-	(757,351)
-	-	-	-	-	-	-	-	-	13,505
-	-	-	-	490,000	595,000	-	-	-	2,085,000
-	-	-	-	490,000	595,000	-	-	-	2,098,505
(1,205)	926	16,205	1,405	43,299	111,463	(6,895)	1,290	-	1,341,154
161,033	21,332	347,651	7,666	(70,497)	(82,761)	6,895	4,053	54,663	3,166,104
$ 159,828	$ 22,258	$ 363,856	$ 9,071	$ (27,198)	$ 28,702	$ -	$ 5,343	$ 54,663	$4,507,258

Agency Funds

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

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

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

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

Radio Tower Replacement Fund
The Radio Tower Replacement Fund accounts for resources received from participating entities of the Southwest Regional Communications jointly governed organization, with the City of Brook Park acting as the fiscal agent. These resources are accumulated for the future replacement of the radio tower.

City of Brook Park, Ohio

Combining Statement of Assets and Liabilities
Agency Funds
December 31, 2015

	Cash Bonds Held	Mayor's Court	Board of Building Standards	Payroll Deducation Employees' Share	Radio Tower Replacement	Total
Assets						
Equity in Pooled Cash and Cash Equivalents	$62,509	$ -	$ 7,743	$ 26,066	$ 383,162	$ 479,480
Cash and Cash Equivalents: in Segregated Accounts	-	88,178	-	-	-	88,178
Total Assets	$62,509	$ 88,178	$ 7,743	$ 26,066	$ 383,162	$ 567,658
Liabilities						
Deposits Held and Due to Others	$62,509	$ 88,178	$ 7,743	$ 26,066	$ 383,162	$ 567,658

City of Brook Park, Ohio

Combining Statement of Changes in Assets and Liabilities
Agency Funds
For The Year Ended December 31, 2015

	Balance 12/31/2014	Additions	Deletions	Balance 12/31/2015
Cash Bonds Held				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 53,298	$ 14,750	$ 5,539	$ 62,509
Liabilities				
Deposits Held and Due to Others	$ 53,298	$ 14,750	$ 5,539	$ 62,509
Mayor's Court				
Assets				
Cash and Cash Equivalents:				
in Segregated Accounts	$ 76,673	$ 11,505	$ -	$ 88,178
Liabilities				
Deposits Held and Due to Others	$ 76,673	$ 11,505	$ -	$ 88,178
Board of Building Standards				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 825	$ 7,291	$ 373	$ 7,743
Liabilities				
Deposits Held and Due to Others	$ 825	$ 7,291	$ 373	$ 7,743
Payroll Deduction Employees' Share				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 24,470	$ 89,440	$ 87,844	$ 26,066
Liabilities				
Deposits Held and Due to Others	$ 24,470	$ 89,440	$ 87,844	$ 26,066
Radio Tower Replacement				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 368,835	$ 53,414	$ 39,087	$ 383,162
Liabilities				
Deposits Held and Due to Others	$ 368,835	$ 53,414	$ 39,087	$ 383,162
Total - All Agency Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 447,428	$ 164,895	$ 132,843	$ 479,480
Cash and Cash Equivalents:				
in Segregated Accounts	76,673	11,505	-	88,178
Total Assets	$ 524,101	$ 176,400	$ 132,843	$ 567,658
Liabilities				
Deposits Held and Due to Others	$ 524,101	$ 176,400	$ 132,843	$ 567,658

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

City of Brook Park, Ohio

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

For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Property Taxes	$ 1,458,971	$ 1,458,971	$ 1,475,378	$ 16,407
Income Taxes	15,579,200	16,000,952	16,000,952	-
Other Taxes	340,500	346,522	346,522	-
Intergovernmental	602,206	750,185	733,775	(16,410)
Interest	2,877	15,438	15,438	0
Licenses and Permits	751,480	797,370	799,063	1,693
Fines and Forfeitures	558,000	846,455	846,453	(2)
Rentals	-	-	87,998	87,998
Charges for Services	1,670,988	1,700,841	1,690,849	(9,992)
Contributions and Donations	-	-	35,724	35,724
All Other Revenues	304,193	452,377	323,976	(128,401)
Total Revenues	21,268,415	22,369,111	22,356,128	(12,983)
Expenditures:				
Current:				
Security of Persons and Property				
Correctional Facility				
Personal Services	86,587	86,587	80,128	6,459
Contractual Services	14,731	15,156	14,919	237
Supplies and Materials	19,520	19,095	14,364	4,731
Total Correctional Facility	120,838	120,838	109,411	11,427
School Guards				
Personal Services	96,978	96,978	87,198	9,780
Total School Guards	96,978	96,978	87,198	9,780
Fire Department				
Personal Services	3,437,785	3,387,784	3,298,922	88,862
Travel and Education	7,680	7,359	6,683	676
Contractual Services	109,544	122,266	118,181	4,085
Supplies and Materials	76,090	103,690	97,966	5,724
Total Fire Department	3,631,099	3,621,099	3,521,752	99,347
Police Department				
Personal Services	3,746,648	3,866,781	3,855,461	11,320
Travel and Education	8,085	8,085	7,766	319
Contractual Services	132,856	136,116	130,361	5,755
Supplies and Materials	143,743	144,558	128,539	16,019
Total Police Department	4,031,332	4,155,540	4,122,127	33,413

Continued

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund (continued)
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Animal Control				
Personal Services	84,312	84,312	83,442	870
Travel and Education	500	500	150	350
Contractual Services	37,705	26,105	18,589	7,516
Supplies and Materials	7,375	8,975	6,520	2,455
Total Animal Control	129,892	119,892	108,701	11,191
Safety Director				
Personal Services	120,243	120,243	119,695	548
Travel and Education	100	-	-	-
Contractual Services	400	400	368	32
Supplies and Materials	100	200	-	200
Total Safety Director	120,843	120,843	120,063	780
Safety Building				
Personal Services	524,411	524,410	494,945	29,465
Travel and Education	250	240	100	140
Contractual Services	104,124	98,687	91,068	7,619
Supplies and Materials	250	5,698	3,431	2,267
Total Safety Building	629,035	629,035	589,544	39,491
Safety Town				
Contractual Services	2,500	2,100	2,100	-
Supplies and Materials	500	900	595	305
Total Safety Town	3,000	3,000	2,695	305
Street Lighting				
Contractual Services	418,450	433,450	428,309	5,141
Supplies and Materials	1,908	6,408	4,856	1,552
Total Street Lighting	420,358	439,858	433,165	6,693
Traffic Lights				
Contractual Services	62,908	47,908	47,285	623
Supplies and Materials	6,400	6,400	-	6,400
Total Traffic Lights	69,308	54,308	47,285	7,023

Continued

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund (continued)
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Disaster Services				
Personal Services	8,300	13,004	13,000	4
Contractual Services	2,025	2,025	1,927	98
Supplies and Materials	6,250	11,178	11,178	-
Total Disaster Services	16,575	26,207	26,105	102
Total Security of Persons and Property	9,269,258	9,387,598	9,168,046	219,552
Public Health & Welfare				
County Board of Health				
Contractual Services	79,061	79,061	79,061	-
Total County Board of Health	79,061	79,061	79,061	-
Office of Aging				
Personal Services	38,099	35,099	31,694	3,405
Contractual Services	896	896	271	625
Supplies and Materials	15,050	9,050	1,812	7,238
Total Office of Aging	54,045	45,045	33,777	11,268
Total Public Health and Welfare	133,106	124,106	112,838	11,268
Leisure Time Activities				
Recreation Commission				
Personal Services	15,776	15,776	15,512	264
Total Recreation Commission	15,776	15,776	15,512	264
Recreation Center				
Personal Services	473,035	473,034	465,802	7,232
Travel and Education	250	250	28	222
Contractual Services	382,953	302,271	264,670	37,601
Supplies and Materials	56,893	54,576	22,653	31,923
Other Expenses	500	1,000	728	272
Total Recreation Center	913,631	831,131	753,881	77,250
Home Day Celebration				
Personal Services	10,162	17,660	17,660	-
Contractual Services	45,850	41,720	41,223	497
Supplies and Materials	1,250	2,531	2,065	466
Total Home Day Celebration	57,262	61,911	60,948	963

Continued

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund (continued)
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Parks and Play Grounds				
Personal Services	214,650	214,938	193,236	21,702
Travel and Education	50	153	153	-
Contractual Services	70,670	71,670	66,560	5,110
Supplies and Materials	91,783	65,680	39,843	25,837
Other Expenses	200	200	-	200
Total Parks and Play Grounds	377,353	352,641	299,792	52,849
Public Recreation				
Personal Services	24,822	24,822	15,222	9,600
Contractual Services	265	29,265	22,874	6,391
Supplies and Materials	57,250	8,250	719	7,531
Total Public Recreation	82,337	62,337	38,815	23,522
Total Leisure Time Activities	1,446,359	1,323,796	1,168,948	154,848
Community Development				
Planning Commission				
Personal Services	15,468	15,468	15,454	14
Total Planning Commission	15,468	15,468	15,454	14
Community Development				
Personal Services	113,495	113,495	113,027	468
Travel and Education	1,250	1,250	389	861
Contractual Services	1,400	1,400	484	916
Supplies and Materials	176	176	135	41
Total Community Development	116,321	116,321	114,035	2,286
Board of Zoning Appeals				
Personal Services	18,562	18,562	18,562	-
Total Board of Zoning Appeals	18,562	18,562	18,562	-
Building Department				
Personal Services	507,717	507,717	464,761	42,956
Travel and Education	950	950	949	1
Contractual Services	56,195	66,469	53,314	13,155
Supplies and Materials	18,798	9,524	6,956	2,568
Other Expenses	500	1,250	1,065	185
Total Building Department	584,160	585,910	527,045	58,865

Continued

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund (continued)
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Tree and Tree Lawns				
Personal Services	152,746	171,218	167,911	3,307
Travel and Education	-	45	45	-
Contractual Services	24,150	21,250	8,475	12,775
Supplies and Materials	7,625	10,480	8,639	1,841
Total Tree and Tree Lawns	184,521	202,993	185,070	17,923
Total Community Development	919,032	939,254	860,166	79,088
Public Works				
Service Director				
Personal Services	122,631	123,206	122,110	1,096
Travel and Education	50	50	-	50
Contractual Services	19,575	22,100	20,694	1,406
Supplies and Materials	2,250	1,350	472	878
Total Service Director	144,506	146,706	143,276	3,430
Service Building				
Personal Services	81,446	81,734	81,373	361
Contractual Services	150,365	149,880	143,592	6,288
Supplies and Materials	101,837	104,322	78,367	25,955
Total Service Building	333,648	335,936	303,332	32,604
Sanitation Department				
Personal Services	625,849	525,553	499,812	25,741
Travel and Education	150	150	-	150
Contractual Services	2,649	2,649	887	1,762
Supplies and Materials	466,907	466,907	444,585	22,322
Total Sanitation Department	1,095,555	995,259	945,284	49,975
Sewers, Drains, and Pump Stations				
Personal Services	724,337	747,715	742,730	4,985
Travel and Education	50	90	90	-
Contractual Services	59,752	66,057	63,909	2,148
Supplies and Materials	93,324	86,979	77,651	9,328
Total Sewers, Drains, and Pump Stations	877,463	900,841	884,380	16,461
Total Public Works	2,451,172	2,378,742	2,276,272	102,470

Continued

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund (continued)
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Transportation				
Street Cleaning				
Personal Services	70,029	82,503	81,302	1,201
Supplies and Materials	6,500	6,500	3,857	2,643
Total Street Cleaning	76,529	89,003	85,159	3,844
Traffic Signs				
Personal Services	69,512	70,205	69,688	517
Travel and Education	50	50	-	50
Supplies and Materials	3,785	3,785	2,870	915
Total Traffic Signs	73,347	74,040	72,558	1,482
Snow Removal				
Personal Services	155,916	155,916	70,888	85,028
Contractual Services	750	750	317	433
Supplies and Materials	370,193	480,193	361,616	118,577
Total Snow Removal	526,859	636,859	432,821	204,038
Total Transportation	676,735	799,902	590,538	209,364
General Government				
City Council				
Personal Services	143,121	143,121	143,121	-
Travel and Education	2,000	1,647	1,370	277
Contractual Services	27,492	19,992	12,198	7,794
Supplies and Materials	1,550	1,903	1,605	298
Total City Council	174,163	166,663	158,294	8,369
Clerk of Council				
Personal Services	90,595	90,593	87,234	3,359
Travel and Education	500	297	148	149
Contractual Services	1,750	1,750	1,689	61
Supplies and Materials	300	505	414	91
Total Clerk of Council	93,145	93,145	89,485	3,660

Continued

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund (continued)
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Mayor's Court				
Personal Services	132,464	144,703	144,259	444
Travel and Education	775	1,075	1,075	-
Contractual Services	5,870	10,070	9,341	729
Supplies and Materials	1,050	2,849	2,812	37
Total Mayor's Court	140,159	158,697	157,487	1,210
Municipal Court				
Contractual Services	-	5,007	5,007	-
Total Mayor's Court	-	5,007	5,007	-
Civil Service Commission				
Personal Services	32,318	32,318	30,062	2,256
Travel and Education	250	200	-	200
Contractual Services	7,625	7,175	1,995	5,180
Supplies and Materials	1,100	1,600	1,454	146
Total Civil Service Commission	41,293	41,293	33,511	7,782
Mayor's Office				
Personal Services	284,867	249,418	234,955	14,463
Travel and Education	2,000	4,465	2,966	1,499
Contractual Services	5,314	5,364	5,148	216
Supplies and Materials	4,642	6,377	1,459	4,918
Total Mayor's Office	296,823	265,624	244,528	21,096
Human Resources				
Personal Services	100,609	100,608	100,182	426
Travel and Education	400	1,102	385	717
Contractual Services	12,688	11,668	4,170	7,498
Supplies and Materials	450	769	739	30
Total Human Resources	114,147	114,147	105,476	8,671
Public Properties				
Personal Services	281,770	276,770	264,216	12,554
Travel and Education	-	45	45	-
Contractual Services	4,225	5,871	5,756	115
Supplies and Materials	1,600	10,959	8,455	2,504
Total Public Properties	287,595	293,645	278,472	15,173

Continued

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund (continued)
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Legal Department				
Personal Services	274,273	282,371	270,436	11,935
Travel and Education	200	245	245	-
Contractual Services	2,023	1,969	1,506	463
Supplies and Materials	250	261	261	-
Total Legal Department	276,746	284,846	272,448	12,398
Finance Department				
Personal Services	387,632	378,777	370,125	8,652
Travel and Education	4,000	4,406	4,406	-
Contractual Services	80,692	78,110	74,042	4,068
Supplies and Materials	4,866	7,042	7,041	1
Total Finance Department	477,190	468,335	455,614	12,721
Tax Department				
Personal Services	227,256	219,293	215,803	3,490
Travel and Education	200	241	241	-
Contractual Services	54,021	59,735	59,635	100
Supplies and Materials	13,628	13,251	11,753	1,498
Other Expenses	600,000	593,258	174,363	418,895
Total Tax Department	895,105	885,778	461,795	423,983
Retirees				
Personal Services	332,832	332,832	306,351	26,481
Total Retirees	332,832	332,832	306,351	26,481
Mechanics				
Personal Services	516,332	564,856	559,937	4,919
Travel and Education	1,500	1,590	1,590	-
Contractual Services	800	755	510	245
Travel and Education	4,180	4,136	2,578	1,558
Total Mechanics	522,812	571,337	564,615	6,722
Engineering				
Contractual Services	48,000	48,000	48,000	-
Total Engineering	48,000	48,000	48,000	-

Continued

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund (continued)
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Lands and Buildings				
Personal Services	7,379	9,165	9,165	-
Contractual Services	179,133	149,400	122,539	26,861
Supplies and Materials	30,053	15,790	10,244	5,546
Total Lands and Buildings	216,565	174,355	141,948	32,407
Other General Government				
Personal Services	519,347	436,347	431,402	4,945
Travel and Education	23,000	23,000	17,484	5,516
Contractual Services	517,501	542,155	458,041	84,114
Supplies and Materials	288,643	292,795	281,747	11,048
Other Expenses	-	5,000	1,760	3,240
Total Other General Government	1,348,491	1,299,297	1,190,434	108,863
Total General Government	5,265,066	5,203,001	4,513,465	689,536
Total Expenditures	20,160,728	20,156,399	18,690,273	1,466,126
Excess of Revenues Over (Under) Expenditures	1,107,687	2,212,712	3,665,855	1,453,143
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	3,210	3,210
Transfer In	1,055,633	885,345	559,276	(326,069)
Transfers Out	(2,219,650)	(2,208,534)	(1,882,465)	326,069
Total Other Financing Sources (Uses)	(1,164,017)	(1,323,189)	(1,319,979)	3,210
Net Change in Fund Balance	(56,330)	889,523	2,345,876	1,456,353
Cash Fund Balance - Beginning of Year	4,198,846	4,198,846	4,198,846	-
Current Year Encumbrances	244,641	244,641	244,641	-
Cash Fund Balance - End of Year	$ 4,387,157	$ 5,333,010	$ 6,789,363	$ 1,456,353

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Capital Improvements Fund
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Income Taxes	$ 2,669,376	$ 2,729,721	$ 2,729,721	$ -
Intergovernmental	1,772,374	1,813,770	2,462,406	648,636
Special Assessments	21,802	25,000	25,000	-
All Other Revenues	209	8,460	8,460	-
Total Revenues	4,463,761	4,576,951	5,225,587	648,636
Expenditures:				
Current:				
Community Development				
Contractual Services	3,040	3,040	2,240	800
Other	114	114	114	-
Total Community Development	3,154	3,154	2,354	800
Public Works				
Sewers and Drains				
Contractual Services	181,103	359,996	359,996	-
Total Sewer and Drains	181,103	359,996	359,996	-
Total Public Works	181,103	359,996	359,996	-
Transportation				
Street Paving and Repair				
Contractual Services	60,425	187,733	176,693	11,040
Supplies and Materials	1,100	1,108	1,108	-
Total Street Paving and Repair	61,525	188,841	177,801	11,040
Total Transportation	61,525	188,841	177,801	11,040
General Government				
Income Tax Department				
Personal Services	49,382	48,436	46,518	1,918
Travel and Education	50	54	22	32
Contractual Services	13,480	13,870	9,347	4,523
Supplies and Materials	223	129	68	61
Other	150,000	148,315	43,591	104,724
Total Income Tax Department	213,135	210,804	99,546	111,258
Land and Buildings:				
Contractual Services	148,096	148,096	119,133	28,963
Total Land and Buildings	148,096	148,096	119,133	28,963
Total General Government	361,231	358,900	218,679	140,221

Continued

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Capital Improvements Fund (continued)
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Capital Outlay				
Animal Warden	-	39,000	36,737	2,263
Building Department	-	1,500	1,186	314
Community Development	119,926	119,926	119,926	-
Council	-	6,000	5,501	499
Finance Department	-	6,500	4,930	1,570
Fire Department	1,668	26,668	24,856	1,812
Lands and Buildings	1,099,660	1,386,143	1,236,270	149,873
Legal Department	-	4,000	2,694	1,306
Mayor's Court	470	3,470	2,980	490
Mayor's Office	-	4,930	4,930	-
Mechanics	-	4,000	2,168	1,832
Parks and Playgrounds	17,897	18,897	602	18,295
Police Department	1,497	74,497	68,801	5,696
Recreation Center	209	44,209	43,565	644
Safety Building	-	16,250	1,250	15,000
Safety Town	-	1,254	1,254	-
Sanitation	-	245,964	245,964	-
Service Building	-	21,819	21,818	1
Sewers and Drains	3,859,500	3,879,830	3,692,749	187,081
Snow Removal	46,432	194,929	62,091	132,838
Street Cleaning	224,777	213,538	213,538	-
Street Paving and Repair	199,646	1,164,259	1,112,828	51,431
Tax Department	-	1,500	816	684
Trees and Tree Lawns	-	517	517	-
Total Capital Outlay	5,571,682	7,479,600	6,907,971	571,629
Total Expenditures	6,178,695	8,390,491	7,666,801	723,690
Excess of Revenues Over (Under) Expenditures	(1,714,934)	(3,813,540)	(2,441,214)	1,372,326
Other Financing Sources (Uses)				
Sale of Capital Assets	19,850	19,850	19,850	-
OPWC Loans Issued	833,500	833,500	-	(833,500)
Transfers In	14,544	831,745	831,745	-
Transfers Out	(1,631,685)	(2,495,785)	(2,495,785)	-
Total Other Financing Sources (Uses)	(763,791)	(810,690)	(1,644,190)	(833,500)
Net Change in Fund Balance	(2,478,725)	(4,624,230)	(4,085,404)	538,826
Cash Fund Balance - Beginning of Year	6,097,317	6,097,317	6,097,317	-
Current Year Encumbrances	-	-	1,970,856	1,970,856
Cash Fund Balance - End of Year	$ 3,618,592	$ 1,473,087	$ 3,982,769	$ 2,509,682

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Street Maintenance Fund
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Intergovernmental	$ 776,574	$ 823,082	$ 823,082	$ -
Interest	181	947	947	-
Total Revenues	776,755	824,029	824,029	-
Expenditures:				
Current:				
Transportation				
Street Paving and Repair				
Personal Services	477,737	477,737	433,134	44,603
Contractual Services	300	60,500	55,666	4,834
Supplies and Materials	132,246	132,246	73,033	59,213
Total Expenditures	610,283	670,483	561,833	108,650
Net Change in Fund Balance	166,472	153,546	262,196	108,650
Cash Fund Balance - Beginning of Year	615,263	615,263	615,263	-
Current Year Encumbrances	-	-	16,205	16,205
Cash Fund Balance - End of Year	$ 781,735	$ 768,809	$ 893,664	$ 124,855

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
State Highway Fund
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Intergovernmental	$ 62,966	$ 66,736	$ 66,736	$ -
Interest	160	642	642	-
Total Revenues	63,126	67,378	67,378	-
Expenditures:				
Current:				
Transportation				
Street Paving and Repair				
Supplies and Materials	25,000	25,000	3,898	21,102
Total Expenditures	25,000	25,000	3,898	21,102
Net Change in Fund Balance	38,126	42,378	63,480	21,102
Cash Fund Balance - Beginning of Year	500,249	500,249	500,249	-
Current Year Encumbrances	-	-	3,331	3,331
Cash Fund Balance - End of Year	$ 538,375	$ 542,627	$ 567,060	$ 24,433

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Permissive Tax Fund
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Intergovernmental	$ 47,285	$ 43,841	$ 43,841	$ -
Interest	167	630	630	-
Total Revenues	47,452	44,471	44,471	-
Expenditures:				
Current:				
Transportation				
Street Paving and Repair				
Supplies and Materials	25,000	25,000	9,505	15,495
Total Expenditures	25,000	25,000	9,505	15,495
Net Change in Fund Balance	22,452	19,471	34,966	15,495
Cash Fund Balance - Beginning of Year	510,911	510,911	510,911	-
Cash Fund Balance - End of Year	$ 533,363	$ 530,382	$ 545,877	$ 15,495

City of Brook Park, Ohio

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

For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Fees, Licenses, and Permits	$ 10,029	$ 25,744	$ 25,744	$ -
All Other Revenues	20,471	52,550	52,550	-
Total Revenues	30,500	78,294	78,294	-
Expenditures:				
Current:				
Community Development				
Travel and Education	-	3,255	3,000	255
Contractual Services	831,548	879,228	244,297	634,931
Supplies and Materials	-	1,553	1,553	-
Total Community Development	831,548	884,036	248,850	635,186
Capital Outlay				
Contractual Services	270,000	270,000	-	270,000
Total Capital Outlay	270,000	270,000	-	270,000
Total Expenditures	1,101,548	1,154,036	248,850	905,186
Excess of Revenues Over (Under) Expenditures	(1,071,048)	(1,075,742)	(170,556)	905,186
Other Financing Sources				
Sale of Capital Assets	9,999	13,504	13,505	1
Transfers In	1,000,000	1,000,000	1,000,000	-
Total Other Financing Sources	1,009,999	1,013,504	1,013,505	1
Net Change in Fund Balance	(61,049)	(62,238)	842,949	905,187
Cash Fund Balance - Beginning of Year	304,469	304,469	304,469	-
Current Year Encumbrances	-	-	116,067	116,067
Cash Fund Balance - End of Year	$ 243,420	$ 242,231	$ 1,263,485	$ 1,021,254

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Brook Park Road Corridor Fund
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Expenditures:				
Current:				
Community Development				
Contractual Services	200,000	200,000	200,000	-
Total Expenditures	200,000	200,000	200,000	-
Net Change in Fund Balance	(200,000)	(200,000)	(200,000)	-
Cash Fund Balance - Beginning of Year	282,835	282,835	282,835	-
Cash Fund Balance - End of Year	$ 82,835	$ 82,835	$ 82,835	$ -

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
CDBG Fund
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Cash Fund Balance - Beginning of Year	36,582	36,582	36,582	-
Cash Fund Balance - End of Year	$ 36,582	$ 36,582	$ 36,582	$ -

City of Brook Park, Ohio

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

For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
All Other Revenues	$ 85,000	$ 104,651	$ 105,004	$ 353
Total Revenues	85,000	104,651	105,004	353
Expenditures:				
Current:				
Leisure Time Activities				
Public Recreation				
Parks & Playground				
Travel and Education	250	250	-	250
Contractual Services	6,750	6,816	6,816	-
Supplies and Materials	71,111	74,685	71,414	3,271
Other	2,000	2,500	2,180	320
Total Expenditures	80,111	84,251	80,410	3,841
Net Change in Fund Balance	4,889	20,400	24,594	4,194
Cash Fund Balance - Beginning of Year	342,086	342,086	342,086	-
Current Year Encumbrances	-	-	12,184	12,184
Cash Fund Balance - End of Year	$ 346,975	$ 362,486	$ 378,864	$ 16,378

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Law Enforcement Fund
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Fines and Forfeitures	$ 3,060	$ -	$ -	$ -
All Other Revenues	108	343	343	-
Total Revenues	3,168	343	343	-
Expenditures:				
Current:				
Security of Persons and Property				
Police and Others				
Contractual Services	1,100	1,100	-	1,100
Supplies and Materials	1,000	1,000	-	1,000
Total Security of Persons & Property	2,100	2,100	-	2,100
Capital Outlay				
Contractual Services	26,548	26,548	1,548	25,000
Total Capital Outlay	26,548	26,548	1,548	25,000
Total Expenditures	28,648	28,648	1,548	27,100
Net Change in Fund Balance	(25,480)	(28,305)	(1,205)	27,100
Cash Fund Balance - Beginning of Year	161,033	161,033	161,033	-
Cash Fund Balance - End of Year	$ 135,553	$ 132,728	$ 159,828	$ 27,100

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
DWI Enforcement and Education Fund
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Fines and Forfeitures	$ 1,070	$ 926	$ 926	$ -
Total Revenues	1,070	926	926	-
Net Change in Fund Balance	1,070	926	926	-
Cash Fund Balance - Beginning of Year	21,332	21,332	21,332	-
Cash Fund Balance - End of Year	$ 22,402	$ 22,258	$ 22,258	$ -

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Federal Forfeiture Fund
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Interest	$ 116	$ 411	$ 411	$ -
All Other Revenues	22,550	42,340	42,340	-
Total Revenues	22,666	42,751	42,751	-
Expenditures:				
Current:				
Security of Persons and Property				
Police and Others				
Travel and Education	4,000	4,000	2,970	1,030
Contractual Services	6,142	16,142	7,791	8,351
Supplies and Materials	32,500	32,500	19,069	13,431
Total Expenditures	42,642	52,642	29,830	22,812
Net Change in Fund Balance	(19,976)	(9,891)	12,921	22,812
Cash Fund Balance - Beginning of Year	347,540	347,540	347,540	-
Current Year Encumbrances	-	-	3,262	3,262
Cash Fund Balance - End of Year	$ 327,564	$ 337,649	$ 363,723	$ 26,074

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Community Diversion Fund
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Intergovernmental	$ 1,300	$ 2,400	$ 2,400	$ -
Total Revenues	1,300	2,400	2,400	-
Expenditures:				
Current:				
Security of Persons and Property				
Police and Others				
Personal Services	1,155	1,155	921	234
Travel and Education	-	65	65	-
Contractual Services	32	32	22	10
Supplies and Materials	19	19	19	-
Total Expenditures	1,206	1,271	1,027	244
Net Change in Fund Balance	94	1,129	1,373	244
Cash Fund Balance - Beginning of Year	7,666	7,666	7,666	-
Current Year Encumbrances	-	-	32	32
Cash Fund Balance - End of Year	$ 7,760	$ 8,795	$ 9,071	$ 276

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Retiree Accrued Benefits Fund
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Expenditures:				
Current:				
Security of Persons and Property				
Police and Others:				
Personal Services	$ 38,720	$ 44,879	$ 44,879	$ -
Fire				
Personal Services	109,731	127,187	127,187	-
Total Security of Persons & Property	148,451	172,066	172,066	-
Leisure Time Activities				
Parks & Playgrounds				
Personal Services	4,209	4,879	4,879	-
Total Leisure Time Activities	4,209	4,879	4,879	-
General Government				
Mayor's Office				
Personal Services	142,800	165,516	165,516	-
Total General Government	142,800	165,516	165,516	-
Total Expenditures	295,460	342,461	342,461	-
Excess of Revenues Over (Under) Expenditures	(295,460)	(342,461)	(342,461)	-
Other Financing Sources				
Transfers In	110,000	110,000	110,000	-
Total Other Financings Sources	110,000	110,000	110,000	-
Net Change in Fund Balance	(185,460)	(232,461)	(232,461)	-
Cash Fund Balance - Beginning of Year	258,326	258,326	258,326	-
Cash Fund Balance - End of Year	$ 72,866	$ 25,865	$ 25,865	$ -

City of Brook Park, Ohio

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

For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Property Taxes	$ 98,845	$ 105,014	$ 105,014	$ -
Intergovernmental	23,613	19,007	19,007	-
Total Revenues	122,458	124,021	124,021	-
Expenditures:				
Current:				
Security of Persons and Property				
Police and Others				
Personal Services	604,465	604,465	569,640	34,825
Total Expenditures	604,465	604,465	569,640	34,825
Excess of Revenues Over (Under) Expenditures	(482,007)	(480,444)	(445,619)	34,825
Other Financing Sources				
Transfers In	490,000	490,000	490,000	-
Total Other Financing Sources	490,000	490,000	490,000	-
Net Change in Fund Balance	7,993	9,556	44,381	34,825
Cash Fund Balance - Beginning of Year	4,530	4,530	4,530	-
Cash Fund Balance - End of Year	$ 12,523	$ 14,086	$ 48,911	$ 34,825

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Fire Pension Fund
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Property Taxes	$ 98,845	$ 105,014	$ 105,014	$ -
Intergovernmental	23,613	19,007	19,007	-
Total Revenues	122,458	124,021	124,021	-
Expenditures:				
Current:				
Fire				
Personal Services	708,544	708,544	612,229	96,315
Total Expenditures	708,544	708,544	612,229	96,315
Excess of Revenues Over (Under) Expenditures	(586,086)	(584,523)	(488,208)	96,315
Other Financing Sources				
Transfers In	595,000	595,000	595,000	-
Total Other Financing Sources	595,000	595,000	595,000	-
Net Change in Fund Balance	8,914	10,477	106,792	96,315
Cash Fund Balance - Beginning of Year	4,674	4,674	4,674	-
Cash Fund Balance - End of Year	$ 13,588	$ 15,151	$ 111,466	$ 96,315

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Southwest General Health Center Fund
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Property Taxes	$ 85,595	$ 91,599	$ 91,599	$ -
Intergovernmental	13,746	13,627	13,627	-
Total Revenues	99,341	105,226	105,226	-
Expenditures:				
Current:				
Public Health and Welfare				
Contractual Services	106,236	112,121	112,121	-
Total Expenditures	106,236	112,121	112,121	-
Net Change in Fund Balance	(6,895)	(6,895)	(6,895)	-
Cash Fund Balance - Beginning of Year	6,895	6,895	6,895	-
Cash Fund Balance - End of Year	$ -	$ -	$ -	$ -

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
Continuing Training Program Fund
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Intergovernmental	$ -	$ 3,040	$ 3,040	$ -
Total Revenues	-	3,040	3,040	-
Expenditures:				
Current:				
Security of Persons and Property				
Travel and Education	$ -	$ 1,750	$ 1,750	$ -
Total Expenditures	-	1,750	1,750	-
Net Change in Fund Balance	-	1,290	1,290	-
Cash Fund Balance - Beginning of Year	4,053	4,053	4,053	-
Cash Fund Balance - End of Year	$ 4,053	$ 5,343	$ 5,343	$ -

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Budgetary Basis) and Actual
FEMA Fund
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Cash Fund Balance - Beginning of Year	54,663	54,663	54,663	-
Cash Fund Balance - End of Year	$ 54,663	$ 54,663	$ 54,663	$ -

City of Brook Park, Ohio

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

For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Intergovernmental	$ 63,353	$ 63,353	$ 63,353	$ -
Special Assessments	58,400	57,987	57,987	-
Total Revenues	121,753	121,340	121,340	-
Expenditures:				
Current:				
Debt Service:				
Principal	499,531	499,531	499,531	-
Interest & Fiscal Charges	266,812	266,812	266,782	30
Total Expenditures	766,343	766,343	766,313	30
Excess of Revenues Over (Under) Expenditures	(644,590)	(645,003)	(644,973)	30
Other Financing Sources				
Transfers In	641,485	641,485	641,485	-
Total Other Financing Sources	641,485	641,485	641,485	-
Net Change in Fund Balance	(3,105)	(3,518)	(3,488)	30
Cash Fund Balance - Beginning of Year	921,860	921,860	921,860	-
Cash Fund Balance - End of Year	$ 918,755	$ 918,342	$ 918,372	$ 30

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Equity-
Budget (Non-GAAP Budgetary Basis) and Actual
Self Insured Medical Benefits Fund
For The Year Ended December 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Charges for Services	$ 1,885,460	$ 2,117,979	$ 2,117,979	$ -
All Other Revenues	1,847	2,075	2,075	-
Total Revenues	1,887,307	2,120,054	2,120,054	-
Expenses				
Current:				
Fringe Benefits	1,886,069	2,086,069	2,056,382	29,687
Contractual Services	1,000	1,000	-	1,000
Other Expenses	1,500	1,500	-	1,500
Total Expenses	1,888,569	2,088,569	2,056,382	32,187
Net Change in Fund Equity	(1,262)	31,485	63,672	32,187
Cash Fund Equity - Beginning of Year	2,348,549	2,348,549	2,348,549	-
Current Year Encumbrances	-	-	249	249
Cash Fund Equity - End of Year	$ 2,347,287	$ 2,380,034	$ 2,412,470	$ 32,436

City of Brook Park, Ohio

Schedule of Funding Progress OPEB

December 31, 2015

Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL) (3)-(2)	Funded Ratio (2)/(3)
1	2	3	4	5
January 1, 2009	$ 0	$ 4,209,513	$ 4,209,513	0%
January 1, 2010	$ 0	$ 4,213,588	$ 4,213,588	0%
January 1, 2011	$ 0	$ 3,962,769	$ 3,962,769	0%
January 1, 2012	$ 0	$ 4,120,492	$ 4,120,492	0%
January 1, 2013	$ 0	$ 4,147,692	$ 4,147,692	0%
January 1, 2014	$ 0	$ 3,980,994	$ 3,980,994	0%
January 1, 2016	$ 0	$ 4,064,370	$ 4,064,370	0%

Source:

- Actuarial Valuation Report on Other Post-Employment Benefits (OPEB) Funded Status for the fiscal year ending December 31, 2015
- Refer to Note 13 of the Basic Financial Statements for more information on the City's OPEB Plan.

STATISTICAL SECTION

City of Brook Park, Ohio

Statistical Section

This part of 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.

Contents **Page(s)**

Financial Trends
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. S2 – S7

Revenue Capacity
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax. S8 - S13

Debt Capacity
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. S14–S17

Economic and Demographic Information
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place. S18-S19

Operating Information
These schedules contain service data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. S20-S23

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

City of Brook Park, Ohio

Net Position by Component
Accrual Basis of Accounting
Last Ten Fiscal Years **Table 1**

	2006	2007	2008	2009	2010	Restated 2011	2012	2013	2014	2015
Governmental activities:										
Net investment in Capital assets	$52,981,641	$55,327,938	$63,019,962	$66,056,261	$69,340,252	$69,624,618	$69,659,655	$68,500,606	$67,365,271	$ 66,736,815
Restricted for:										
Capital projects	9,786,661	12,272,001	10,585,857	6,705,275	5,173,026	5,358,279	3,309,139	3,377,216	5,257,973	1,841,871
Debt service	436,703	459,559	541,282	574,620	651,203	634,751	730,029	747,956	803,224	3,994,770
Other purposes	548,690	2,094,496	272,025	366,682	501,409	615,393	1,180,925	1,257,622	1,270,567	1,156,438
Economic development	-	-	1,604,073	1,341,950	507,980	357,863	456,696	449,730	304,469	1,263,245
Street paving and repair	-	-	1,079,360	1,240,057	1,402,084	1,527,587	1,646,532	1,778,891	2,023,577	2,441,997
Unrestricted	13,281,656	9,634,437	6,171,898	5,585,468	5,286,791	5,119,842	5,897,052	6,066,741	6,952,423	(7,673,180)
Total net position - governmental activities	$77,035,351	$79,788,431	$83,274,457	$81,870,313	$82,862,745	$83,238,333	$82,880,028	$82,178,762	$83,977,504	$ 69,761,956

Note: A portion of the 2012 net position was reclassed between restricted and unrestricted. This reclass did not affect the total 2012 net position.

City of Brook Park, Ohio
Changes in Net Position
Accrual Basis of Accounting
Last Ten Fiscal Years **Table 2**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Program revenues:										
Charges for services										
General government	$ 615,951	$ 539,909	$ 618,514	$ 483,471	$ 551,319	$ 565,523	$ 578,665	$ 824,690	$ 694,869	$ 796,582
Security of persons and property	1,020,166	949,365	1,000,487	1,350,977	1,262,634	922,977	991,409	721,429	1,257,395	1,225,940
Public health and welfare	6,971	6,996	6,375	25,956	20,622	18,294	16,413	16,966	5,229	190
Transportation	-	-	-	46,222	13,218	-	-	9,028	4,266	4,706
Leisure time activities	502,615	498,148	551,417	603,543	589,582	543,853	504,117	459,719	312,411	244,830
Community development	1,026,504	1,142,305	1,246,241	1,313,937	1,257,755	1,310,136	1,352,244	1,357,232	1,350,029	1,477,072
Public works	-	-	-	109,097	26,060	4,749	-	-	-	-
Total charges for services	3,172,207	3,136,723	3,423,034	3,933,203	3,721,190	3,365,532	3,442,848	3,389,064	3,624,199	3,749,320
Operating grants and contributions										
General government	-	-	-	-	9,000	7,035	58,103	10,292	21,137	37,576
Security of persons and property	44,511	30,099	21,103	3,004	35,846	16,893	12,899	119,180	48,522	98,194
Public health and welfare	10,768	10,580	-	-	-	-	-	-	-	-
Transportation	23,287	23,474	973,759	949,509	949,074	937,085	948,382	920,547	897,051	950,483
Leisure time activities	-	-	-	-	-	-	-	12,000	-	-
Community development	-	-	-	-	-	-	-	-	3,360	25,744
Public works	142,135	182,117	-	-	-	-	-	23,764	24,751	32,358
Total operating grants and contributions	220,701	246,270	994,862	952,513	993,920	961,013	1,019,384	1,085,783	994,821	1,144,355
Capital grants and contributions										
General government	-	-	34,842	-	-	185,500	-	-	1,420,975	58,288
Security of persons and property	-	-	1,749	103,500	3,000	117,755	7,968	-	-	-
Transportation	98,188	1,396,638	5,370,901	1,156,966	-	1,267,992	1,938,948	5,971	95,581	-
Leisure time activities	-	-	-	-	35,000	-	-	-	-	-
Community development	141,101	665,925	65,645	-	-	306,298	29,713	-	150,000	-
Public works	-	-	-	183,223	3,958,586	-	-	59,447	476,965	1,283,315
Total capital grants and contributions	239,289	2,062,563	5,473,137	1,443,689	3,996,586	1,877,545	1,976,629	65,418	2,143,521	1,341,603
Total program revenues	3,632,197	5,445,556	9,891,033	6,329,405	8,711,696	6,204,090	6,438,861	4,540,265	6,762,541	6,235,278

Continued

City of Brook Park, Ohio

Changes in Net Position (continued)

Accrual Basis of Accounting

Last Ten Fiscal Years **Table 2**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses:										
General government	4,752,217	5,183,964	5,319,134	5,200,887	4,979,667	5,047,013	5,957,703	4,614,338	4,902,511	4,548,339
Security of persons and property	11,396,843	12,258,151	11,325,203	12,524,620	12,160,835	11,430,668	11,068,045	11,287,480	10,985,542	10,659,035
Public health and welfare	332,619	566,718	483,130	393,134	542,592	412,809	314,932	313,017	278,394	230,016
Transportation	2,635,279	2,618,477	2,766,466	2,504,805	2,613,821	2,486,308	3,213,847	3,083,726	3,210,908	3,081,564
Leisure time activities	2,940,351	2,928,253	2,866,895	2,818,681	2,581,318	2,562,792	2,305,024	2,198,184	2,095,119	1,508,908
Community development	1,770,697	2,125,890	2,701,221	1,507,000	1,790,631	1,428,069	1,035,202	886,092	1,088,706	1,160,879
Public works	4,277,913	4,380,006	4,351,316	4,308,772	3,537,459	3,547,146	3,501,691	3,230,274	3,218,651	3,080,342
Interest and fiscal charges	57,224	70,405	54,951	47,563	44,829	46,100	98,982	264,510	284,964	230,077
Total primary government expenses	28,163,143	30,131,864	29,868,316	29,305,462	28,251,152	26,960,905	27,495,426	25,877,621	26,064,795	24,499,160
Net (expense)/revenue	(24,530,946)	(24,686,308)	(19,977,283)	(22,976,057)	(19,539,456)	(20,756,815)	(21,056,565)	(21,337,356)	(19,302,254)	(18,263,882)
General revenues										
Property taxes	4,521,976	2,261,148	2,331,911	2,134,450	2,026,186	1,994,242	1,986,778	1,807,889	1,684,574	1,769,793
Municipal income taxes	20,655,175	21,321,660	18,358,018	17,343,214	17,029,564	17,801,257	17,768,862	18,134,634	18,556,361	19,570,562
Grants and entitlements not restricted to specific programs	2,453,114	2,695,712	2,087,153	1,944,138	2,016,732	1,393,561	878,135	615,425	790,071	716,253
Investment income	1,112,436	1,135,195	686,197	150,111	29,733	4,702	7,157	2,045	4,746	19,345
All other revenues	33,422	25,673	30	-	4,603	2,428	57,328	76,097	65,244	1,265
Total general revenues	28,776,123	27,439,388	23,463,309	21,571,913	21,106,818	21,196,190	20,698,260	20,636,090	21,100,996	22,077,218
Change in net position	$ 4,245,177	$ 2,753,080	$ 3,486,026	$(1,404,144)	$ 1,567,362	$ 439,375	$ (358,305)	$ (701,266)	$ 1,798,742	$ 3,813,336

City of Brook Park, Ohio

Fund Balances, Governmental Funds
Modified Accrual Basis of Accounting

Last Ten Fiscal Years **Table 3**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General fund:										
Nonspendable	$ -	$ -	$ -	$ -	$ 370,218	$ 283,312	$ 266,001	$ 261,923	$ 273,738	$ 295,958
Committed	-	-	-	-	3,763,449	3,229,970	2,767,778	1,874,885	1,481,623	1,661,168
Assigned	-	-	-	-	1,109,427	414,414	277,395	266,035	250,794	216,578
Unassigned	-	-	-	-	684,449	1,415,476	3,064,486	3,070,287	3,375,377	6,697,552
Reserved	509,811	654,598	561,726	581,663	-	-	-	-	-	-
Unreserved	11,018,809	9,058,619	4,905,898	3,445,039	-	-	-	-	-	-
Total general fund	11,528,620	9,713,217	5,467,624	4,026,702	5,927,543	5,343,172	6,375,660	5,473,130	5,381,532	8,871,256
All other governmental funds:										
Restricted	-	-	-	-	3,793,076	4,316,404	3,980,814	6,967,254	6,231,265	5,247,066
Committed	-	-	-	-	3,747,047	3,568,496	2,246,761	4,091,320	4,055,013	3,957,344
Assigned	-	-	-	-	2,669,474	2,639,466	1,757,135	859,276	891,596	891,596
Unassigned (Deficit)	-	-	-	-	(455,619)	(445,746)	(354,414)	(102,722)	(153,258)	(27,198)
Reserved	652,675	1,869,385	3,897,002	2,354,819	-	-	-	-	-	-
Unreserved:										
Designated:										
Accrued retiree benefits	-	1,315,162	1,049,591	1,534,236	-	-	-	-	-	-
Undesignated, reported in:										
Special revenue	1,560,280	1,374,871	2,527,419	2,551,083	-	-	-	-	-	-
Debt service	436,703	459,559	460,119	493,635	-	-	-	-	-	-
Capital project	9,223,506	10,441,047	7,272,257	5,770,241	-	-	-	-	-	-
Total all other governmental funds	11,873,164	15,460,024	15,206,388	12,704,014	9,753,978	10,078,620	7,630,296	11,815,128	11,024,616	10,068,808
Total governmental funds	$23,401,784	$25,173,241	$20,674,012	$16,730,716	$15,681,521	$15,421,792	$14,005,956	$17,288,258	$16,406,148	$18,940,064

Note: In 2011, the City implemented GASB Statement No. 54. As a result, the 2010 fund balances were reclassified to reflect the effects of GASB Statement No.54.

City of Brook Park, Ohio

Changes in Fund Balances, Governmental Funds

Modified Basis of Accounting

Last Ten Fiscal Years **Table 4**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:										
Property Taxes	$ 3,360,471	$ 2,759,724	$ 2,338,903	$ 2,223,343	$2,031,983	$ 2,002,050	$ 1,952,842	$ 1,827,212	$ 1,735,105	$1,777,005
Income Taxes	20,648,297	21,582,162	17,999,769	16,863,883	16,959,103	17,465,889	17,603,699	17,577,172	18,097,977	19,271,134
Other Taxes	260,397	359,472	358,969	274,922	271,452	325,486	213,567	338,001	345,238	344,687
Intergovernmental	2,871,206	4,938,245	8,224,555	4,553,194	6,508,356	3,772,270	3,537,753	1,861,096	3,952,536	2,969,726
Interest	1,112,436	1,135,195	684,229	240,545	33,181	4,893	7,172	2,045	4,746	19,345
Licenses and Permits	393,337	433,795	465,318	411,410	547,492	705,694	689,562	739,328	699,901	855,440
Fines and Forfeitures	384,660	395,605	358,033	294,582	531,713	350,017	408,470	268,370	535,859	851,371
Rentals	-	-	2,775	3,000	2,500	1,975	3,550	3,850	1,650	87,998
Charges for Services	1,733,112	1,833,367	1,979,578	2,273,175	2,360,691	1,984,816	1,867,450	1,785,589	1,773,668	1,688,949
Contributions and Donations	-	-	18,307	22,176	15,208	219,725	190,820	91,648	72,075	35,724
Special Assessments	119,767	105,473	83,419	84,655	82,933	85,071	85,066	85,512	82,455	82,987
All Other Revenues	694,520	499,629	599,053	521,282	478,617	700,243	471,719	722,235	443,236	472,446
Total Revenues	31,578,203	34,042,667	33,112,908	27,766,167	29,823,229	27,618,129	27,031,670	25,302,058	27,744,446	28,456,812
Expenditures:										
Current:										
Security of persons and property	10,793,884	11,703,939	11,984,162	11,981,074	11,588,747	11,540,053	11,014,188	11,017,683	10,799,690	10,162,731
Public health and welfare	324,927	559,409	490,831	404,083	433,317	408,973	309,741	307,431	272,808	218,934
Leisure time activities	2,628,688	2,634,424	2,532,652	2,418,962	2,176,888	2,243,478	2,031,832	1,878,129	1,841,553	1,196,974
Community development	1,657,861	1,127,745	2,710,605	1,758,463	1,168,046	1,942,284	1,037,516	895,478	1,372,890	1,149,580
Public works	3,068,509	4,048,769	3,891,294	3,600,960	2,942,100	3,052,788	2,820,750	2,456,099	2,795,928	2,275,222
Transportation	1,582,956	1,807,115	2,014,481	1,593,031	1,560,812	1,643,494	4,243,551	2,427,129	1,250,950	1,212,767
General government	4,740,737	4,848,012	5,263,908	5,100,208	4,826,362	4,791,064	5,556,723	6,957,185	5,589,126	4,546,852
Capital Outlay	3,660,098	5,964,107	10,833,340	5,437,258	5,420,568	3,648,548	2,968,253	1,270,804	3,985,506	5,578,459
Debt Service:										
Principal retirement	165,000	170,000	170,000	175,000	228,733	287,467	388,374	398,374	608,374	764,579
Interest and fiscal charges	69,496	66,196	62,625	58,375	53,477	48,075	90,704	84,467	314,141	282,883
Bond issuance costs	-	-	-	-	-	64,143	2,491	115,166	-	-
Total expenditures	28,692,156	32,929,716	39,953,898	32,527,414	30,399,050	29,670,367	30,464,123	27,807,945	28,830,966	27,388,981
Excess of revenues over (under) expenditures	2,886,047	1,112,951	(6,840,990)	(4,761,247)	(575,821)	(2,052,238)	(3,432,453)	(2,505,887)	(1,086,520)	1,067,831

Continued

City of Brook Park, Ohio

Changes in Fund Balances, Governmental Funds (continued)

Modified Basis of Accounting

Last Ten Fiscal Years **Table 4**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Other financing sources (uses):										
General Obligation Bond issued	-	-	-	-	-	1,705,000	-	5,520,000	-	-
OWDA Loan issued	-	-	-	339,187	-	-	-	-	-	-
OPWC loans issued	-	-	1,678,203	271,129	92,896	25,243	-	-	-	1,429,520
Premium on Debt issuance	-	-	-	-	-	25,873	-	253,973	-	-
Capital leases	185,639	631,381	650,985	157,445	-	-	2,006,371	-	150,879	-
Sale of capital assets	34,258	27,125	12,573	50,190	8,660	36,393	10,246	14,216	53,531	36,565
Transfers in	4,666,838	3,949,538	1,209,598	2,313,639	3,423,113	1,390,040	3,534,965	2,817,504	2,010,532	3,726,485
Transfers out	(4,666,838)	(3,949,538)	(1,209,598)	(2,313,639)	(3,423,113)	(1,390,040)	(3,534,965)	(2,817,504)	(2,010,532)	(3,726,485)
Total other financing sources (uses)	219,897	658,506	2,341,761	817,951	101,556	1,792,509	2,016,617	5,788,189	204,410	1,466,085
Net change in fund balances	$ 3,105,944	$ 1,771,457	$ (4,499,229)	$ (3,943,296)	$ (474,265)	$ (259,729)	$ (1,415,836)	$ 3,282,302	$ (882,110)	$2,533,916
Debt service as a percentage of noncapital expenditures	0.89%	0.84%	0.79%	0.85%	1.11%	1.29%	1.88%	1.97%	3.73%	4.50%

City of Brook Park, Ohio

Assessed Valuations and Estimated True Values

Last Ten Years **Table 5**

Collection Year	Residential/ Agricultural Real Property	Other Real Property	Public Utility Tangible	Tangible Personal Property	Total	Estimated True Value of Real Property	Direct Tax Rate
2006	$ 290,141,140	$ 157,113,310	$ 12,380,180	$ 129,294,459	$ 588,929,089	$ 1,280,280,628	$ 4.80
2007	313,620,240	159,071,900	11,951,610	84,910,572	569,554,322	1,238,161,570	4.75
2008	314,329,200	142,446,360	8,447,320	58,744,121	523,967,001	1,305,073,029	4.75
2009	315,453,260	169,275,580	8,664,680	29,901,423	523,294,943	1,384,939,543	4.75
2010	290,810,300	148,270,160	9,019,390	-	448,099,850	1,254,515,600	4.75
2011	291,898,930	171,886,210	9,310,360	-	473,095,500	1,325,100,400	4.75
2012	291,695,680	171,577,480	9,584,670	-	472,857,830	1,323,637,600	4.75
2013	256,589,630	153,158,610	10,334,750	-	420,082,990	1,170,709,257	4.75
2014	256,527,620	153,604,430	11,308,840	-	421,440,890	1,171,805,857	4.75
2015	256,334,940	149,203,660	11,718,840	-	417,257,440	1,158,681,714	4.75

Source: Cuyahoga County Fiscal Officer

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

City of Brook Park, Ohio

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

Last Ten Years **Table 6**

Collection Year	City of Brook Park General Fund	City of Brook Park Special Funds (1)	City of Brook Park Total Levy	Berea City School District	Polaris Vocational School	Cuyahoga County Commissioners	Special (2) Taxing Districts	Total Tax Levy
2006	3.85	0.95	4.80	74.90	2.40	13.42	6.78	102.30
2007	3.85	0.90	4.75	74.90	2.40	13.42	6.78	102.25
2008	3.85	0.90	4.75	74.90	2.40	13.42	6.78	102.25
2009	3.85	0.90	4.75	74.90	2.40	13.32	7.28	102.65
2010	3.85	0.90	4.75	74.90	2.40	13.32	7.58	102.95
2011	3.85	0.90	4.75	75.00	2.40	13.22	7.58	102.95
2012	3.85	0.90	4.75	78.90	2.40	13.22	7.58	106.85
2013	3.85	0.90	4.75	78.90	2.40	13.22	7.58	106.85
2014	3.85	0.90	4.75	78.80	2.40	14.05	8.48	108.48
2015	3.85	0.90	4.75	78.00	2.40	14.05	9.38	108.58

Source: Cuyahoga County Fiscal Officer

(1) – Southwest General Hospital, Police & Firemen Pension Fund, and Tri City Senior Center. Tri City Senior Center was not renewed in 2007 and is excluded after the 2006 rate.
(2) – Metroparks, Port Authority, County Library, Community College

City of Brook Park, Ohio

Real Property Tax Levies And Collections

Last Ten Years **Table 7a**

Year	Current Tax Levy	Current Collections	Percentage of Current Collections To Current Levy	Prior Year Collections	Total Collections (1)	Percentage of Total Collections To Current Levy
2006	2,169,941	2,111,420	97%	131,737	2,243,157	103%
2007	2,275,106	2,197,527	97%	57,903	2,255,430	99%
2008	2,293,775	2,222,011	97%	77,522	2,299,533	100%
2009	2,310,821	2,234,522	97%	51,048	2,285,570	99%
2010	2,199,507	2,134,591	97%	65,000	2,199,591	100%
2011	2,219,407	2,114,938	95%	71,669	2,186,607	99%
2012	2,225,730	2,072,366	93%	73,996	2,146,362	96%
2013	1,998,706	1,908,141	95%	59,236	1,967,377	98%
2014	1,985,143	1,802,931	91%	66,265	1,869,196	94%
2015	1,968,424	1,847,043	94%	31,346	1,878,389	95%

Source: Cuyahoga County Fiscal Officer

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

Note: The County is aware of the requirement to report delinquent tax collections by levy year rather than by collection year. The County's current computer system tracks levy amounts by either current levy or delinquent levy. Once amounts become part of the delinquent levy, the ability to track information by levy year is lost. The County is looking at options to provide this information in the future.

City of Brook Park, Ohio

Tangible Personal Property Tax Levies And Collections

Last Ten Years **Table 7b**

Year	Current Tax Levy	Current Collections	Percentage of Current Collections To Current Levy	Prior Year Collections	Total Collections	Percentage of Total Collections To Current Levy
2006	407,294	405,424	100%	14,359	419,783	103%
2007	291,696	284,344	97%	1,031,518	1,315,862	451%
2008	139,575	139,418	100%	16,815	156,233	112%
2009	5,822	5,819	100%	24,757	30,576	525%
2010	3,070	3,070	100%	-	3,070	100%
2011	-	-	0%	984	984	0%
2012	-	-	0%	152	152	0%
2013	-	-	0%	67	67	0%
2014	-	-	0%	-	-	0%
2015	-	-	0%	-	-	0%

Source: Cuyahoga County Fiscal Officer

Note: In 2010, tangible personal property taxes were completely phased out. Therefore, this tax will no longer be levied. Refer to the Note provided in Table 7a which provides an explanation for the percentages of total collections exceeding the current levies.

City of Brook Park, Ohio

Principal Taxpayers - Real Estate Tax

2015 and 2006 **Table 8**

Name of Taxpayer	December 31, 2015 Assessed Value (1)	Percent of Total Assessed Value
Cleveland Electric Illum Co	9,626,900	2.35%
M.W.P. Company	8,138,670	1.98%
Ford Motor Engine Plt.	5,239,500	1.28%
CP-Snow Prop, LLC	4,690,500	1.14%
Laich, Walter	4,615,380	1.13%
Techpark Ltd Partnership	3,851,630	0.94%
Brook Park Station, LLC	3,549,010	0.87%
CP-Cleveland ADC, LLC and Chavez	3,227,460	0.79%
Ford Motor Co.	2,940,010	0.72%
KW Real Estate/Cleveland Company, LLC	2,295,450	0.56%
Total	$ 48,174,510	11.76%

Name of Taxpayer	December 31, 2006 Assessed Value (1)	Percent of Total Assessed Value
Ford Motor Company	$ 20,594,130	3.50%
MWP Company	9,857,350	1.67%
Tech Park Limited Partnership	8,218,500	1.40%
Brookgate Associates, LLC	4,611,060	0.78%
CP-Cleveland ADC, LLC and Chavez	3,739,300	0.63%
CP-Snow Prop, LLC	3,686,270	0.63%
Laich, Walter	2,876,370	0.49%
Foseco, Inc.	2,291,630	0.39%
KW Real Estate/Cleveland Company, LLC	2,135,250	0.36%
Sandelmand Sanford & Susan Trs.	2,135,010	0.36%
Total	$ 60,144,870	10.21%

Source: Cuyahoga County Fiscal Officer
(1) Excludes Public Utilities

City of Brook Park, Ohio

Municipal Income Tax Revenues By Source
Modified Accrual Basis of Accounting
Last Ten Years **Table 9**

Withheld Year	Individual Tax	Municipal Direct Tax	Business Direct Tax	Income Tax Collections
2006	18,530,174	726,347	1,391,776	20,648,297
2007	19,251,983	684,848	1,645,331	21,582,162
2008	16,200,253	655,380	1,144,136	17,999,769
2009	14,835,940	688,482	1,339,461	16,863,883
2010	14,904,762	610,161	1,444,180	16,959,103
2011	15,407,196	754,473	1,304,220	17,465,889
2012	15,348,105	681,180	1,574,414	17,603,699
2013	15,290,038	708,829	1,578,305	17,577,172
2014	15,607,541	693,255	1,797,181	18,097,977
2015	16,689,291	861,607	1,720,236	19,271,134

Source: City Financial Records

City of Brook Park, Ohio

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

Last Ten Years **Table 10**

	Governmental Activities							
Fiscal Year	General Obligation Bonds (1)	General Obligation Notes (1)	OPWC Loans	OWDA Loan	Lease Purchase Agreements	Total	Percentage of Personal Income	Per Capita
2006	$1,945,000	$ -	$ -	$ -	$ 1,075,745	$ 3,020,745	0.70%	$ 142
2007	1,775,000	-	-	-	1,146,912	2,921,912	0.67%	138
2008	1,605,000	-	1,678,203	-	1,142,044	4,425,247	1.02%	209
2009	1,430,000	-	1,949,332	339,187	650,507	4,369,026	1.01%	206
2010	1,250,000	-	1,993,495	-	222,556	3,466,051	0.75%	180
2011	2,765,000	-	1,921,271	-	2,403	4,688,674	1.02%	244
2012	2,480,000	750,000	1,817,897	-	1,616,919	6,664,816	1.45%	347
2013	7,977,641	-	1,714,523	-	1,253,966	10,946,130	2.38%	570
2014	7,456,470	-	1,611,149	-	984,644	10,052,263	2.19%	523
2015	7,060,299	-	2,921,137	-	719,597	10,701,033	2.33%	557

(1) – Amounts include associated premiums

Source: City Financial Records

- Population and Personal Income data are presented on Table 15
- The OPWC Loans are in the City's name; however, $886,946 of the total outstanding at December 31, 2015 will be reimbursed by the City of Cleveland.
- The funding structure of the OWDA Loan was changed from a loan to grant during 2010. Therefore, the City is no longer required to repay the $339,187.

City of Brook Park, Ohio

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

Last Ten Years **Table 11**

Year	Net General Bonded Debt (1)	Assessed Value	Population (2)	Ratio of Net Bonded Debt to Assessed Value	Debt per Capita
2006	1,508,297	$ 588,929,089	21,218	0.26%	$ 71.09
2007	1,315,441	569,554,322	21,218	0.23%	62.00
2008	3,965,128	523,967,001	21,218	0.76%	186.88
2009	3,875,391	523,294,943	21,218	0.74%	182.65
2010	1,663,883	448,099,850	19,212	0.37%	86.61
2011	2,931,328	473,095,500	19,212	0.62%	152.58
2012	4,939,294	472,857,830	19,212	1.04%	257.09
2013	9,044,156	420,082,990	19,212	2.15%	470.76
2014	8,180,104	421,440,890	19,212	1.94%	425.78
2015	8,832,362	417,257,440	19,212	2.12%	459.73

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

(2) Source: 2000 and 2010 U.S. Census

City of Brook Park, Ohio

Computation of Direct and Overlapping Debt

December 31, 2015 **Table 12**

Jurisdiction	Net Debt Outstanding	(1) Percentage Applicable to City of Brook Park	Amount Applicable to City of Brook Park
Direct Debt:			
City of Brook Park (2)			
General Obligation Bonds	$ 7,060,299	100.00%	$ 7,060,299
OPWC Loan	2,921,137	100.00%	2,921,137
Capital Leases	719,597	100.00%	719,597
Total Direct Debt	10,701,033		10,701,033
Overlapping Debt:			
Berea City School District	8,110,000	29.57%	2,398,209
Cleveland City School District	126,135,928	0.46%	581,794
Cuyahoga County	243,900,000	1.49%	3,626,500
Regional Transit Authority	88,715,000	1.49%	1,319,086
Total Overlapping Debt	466,860,928		7,925,589
Total	$ 477,561,961		$ 18,626,622

Source: Cuyahoga County Fiscal Officer

(1) Percentages determined by dividing each overlapping subdivision's assessed valuation within the City by the subdivision's total assessed valuation.
(2) Amounts include associated premiums.

City of Brook Park, Ohio

Legal Debt Margin

Last Ten Fiscal Years **Table 13**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Assessed Valuation	$ 588,929,089	$ 569,554,322	$ 523,967,001	$ 523,294,943	$ 448,099,850	$ 473,095,500	$ 472,857,830	$ 420,082,990	$ 421,440,890	$ 417,257,440
Overall debt limit - 10.5% of assessed value	61,837,554	59,803,204	55,016,535	54,945,969	49,675,028	49,675,028	49,650,072	44,108,714	44,251,293	43,812,031
Gross indebtedness	1,945,000	1,775,000	1,605,000	1,430,000	3,243,495	4,686,271	5,047,897	9,419,523	8,811,149	8,327,775
Less: debt outside limitation	-	-	-	-	(1,235,389)	(1,140,359)	(1,077,005)	(1,013,652)	(950,299)	(886,946)
Less: amount available in debt service fund	(436,703)	(459,559)	(460,119)	(493,635)	(1,802,168)	(1,757,346)	(1,725,522)	(1,901,974)	(1,872,159)	(1,805,318)
Net debt within 10.5% limit	1,508,297	1,315,441	1,144,881	936,365	205,938	1,788,566	2,245,370	6,503,897	5,988,691	5,635,511
Legal Debt Margin	$ 60,329,257	$ 58,487,763	$ 53,871,654	$ 54,009,604	$ 49,469,090	$ 47,886,462	$ 47,404,702	$ 37,604,817	$ 38,262,602	$ 38,176,520
Debt Limit - 5.5% of assessed unvoted value	$ 32,391,100	$ 31,325,488	$ 28,818,185	$ 28,781,222	$ 24,645,492	$ 26,020,253	$ 26,007,181	$ 23,104,564	$ 23,179,249	$ 22,949,159
Gross indebtedness authorized by council:	1,945,000	1,775,000	1,605,000	1,430,000	3,243,495	4,686,271	5,047,897	9,419,523	8,811,149	8,327,775
Less: debt outside limitation	-	-	-	-	(1,235,389)	(1,140,359)	(1,077,005)	(1,013,652)	(950,299)	(886,946)
Less: amount available in debt service fund	(436,703)	(459,559)	(460,119)	(493,635)	(1,802,168)	(1,757,346)	(1,725,522)	(1,901,974)	(1,872,159)	(1,805,318)
Net debt within 5.5% limit	1,508,297	1,315,441	1,144,881	936,365	205,938	1,788,566	2,245,370	6,503,897	5,988,691	5,635,511
Unvoted debt margin	$ 30,882,803	$ 30,010,047	$ 27,673,304	$ 27,844,857	$ 24,439,554	$ 24,231,687	$ 23,761,811	$ 16,600,667	$ 17,190,558	$ 17,313,648

Source: Cuyahoga County Fiscal Officer and City Financial Records

City of Brook Park, Ohio

Principal Employers

Current Year and 2007 **Table 14**

	2015	
Employer	Employees	Percentage of
Department of the Interior	1,639	7.39%
Ford Motor Company	1,608	7.25%
Marc Glassman Inc.	508	2.29%
Credit First National	328	1.48%
City of Brook Park	322	1.45%
Malley's Candies	312	1.41%
Bernie Moreno Companies	285	1.29%
Berea City School District	284	1.28%
Vitran Transport (previously Central Transport, LLC)	270	1.22%
Lakefront Lines, Inc.	263	1.20%
Total	5,819	26.26%
Total City Employment	22,176	100.00%

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

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

City of Brook Park, Ohio

Demographic and Economic Statistics

Last Ten Years **Table 15**

Year	Population (1)	Total Personal Income (4)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)	School Enrollment (2)	Cuyahoga County Unemployment Rate (3)
2006	21,218	$ 433,080,598	$ 20,411	$ 46,333	39.8	7,526	5.4%
2007	21,218	433,080,598	20,411	46,333	39.8	7,713	6.1%
2008	21,218	433,080,598	20,411	46,333	39.8	7,157	7.1%
2009	21,218	433,080,598	20,411	46,333	39.8	7,181	8.9%
2010	19,212	459,704,736	23,928	53,264	43.8	7,099	9.5%
2011	19,212	459,704,736	23,928	53,264	43.8	7,017	7.1%
2012	19,212	459,704,736	23,928	53,264	43.8	7,122	6.6%
2013	19,212	459,704,736	23,928	53,264	43.8	6,681	7.2%
2014	19,212	459,704,736	23,928	53,264	43.8	6,361	5.3%
2015	19,212	459,781,584	23,932	49,366	43.8	6,491	5.5%

(1) Source: 2000 and 2010 U. S. Census
(2) Source: Ohio Department of Education Website
(3) Source: Ohio Bureau of Employment Services, U.S. Department of Labor, Bureau of Labor Statistics for Cleveland
(4) Computation of per capita personal income multiplied by population

City of Brook Park, Ohio

Full Time Employees by Function/Program

Last Ten Years **Table 16**

	2006	2007	2008	2009 (1)	2010	2011	2012	2013	2014	2015
Function/program:										
General government:										
Council	2.00	2.00	2.00	2.00	2.00	2.00	1.50	1.00	1.00	1.00
Finance	5.00	5.00	5.00	5.00	4.00	4.00	4.00	4.00	4.00	4.00
Tax	5.00	5.00	6.00	4.50	4.00	3.00	3.50	3.00	3.00	3.00
Law	2.00	1.00	2.00	2.00	2.00	1.00	1.50	1.00	1.00	1.00
Mayor's office	3.00	3.00	3.00	2.00	2.00	2.00	2.00	3.00	2.00	2.00
Human resources	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Civil service	1.00	1.00	1.00	0.50	0.50	-	0.50	-	0.50	0.50
Clerk of courts	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Security of persons and property:										
Safety department	11.00	11.00	11.00	10.00	11.00	9.00	9.00	11.00	8.00	6.00
Animal warden	2.00	2.00	2.00	2.00	1.00	1.00	1.50	1.00	1.50	1.50
Police	44.00	44.00	44.00	44.00	43.00	39.00	39.00	41.00	38.00	36.00
Police administration	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Property maintenance	4.00	5.00	5.00	3.50	4.00	4.00	3.00	4.00	4.00	3.00
Fire	40.00	36.00	40.00	42.00	37.00	34.00	34.00	36.00	33.00	30.00
Fire administration	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-	-
Public health and welfare:										
Office of aging	1.00	1.00	3.00	2.50	2.50	2.50	1.50	-	-	-
Leisure time activities:										
Recreation	9.00	9.00	8.00	9.00	7.50	7.00	6.00	6.00	7.00	6.00
Community development:										
Building	6.00	6.00	6.00	6.00	6.00	5.00	4.00	4.00	5.00	5.00
Economic development	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Transportation:										
Service	59.00	56.00	53.00	50.50	43.50	43.00	40.50	36.00	39.00	31.00
Public works:										
Service	5.00	5.00	5.00	5.00	5.00	4.00	3.00	3.00	1.00	1.00
Service dispatch	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Totals	206.00	199.00	203.00	196.50	181.00	166.50	159.50	159.00	153.00	136.00

Source: City Payroll Records

(1) Starting in 2009, the City is reflecting permanent part-time employees as .5 persons

City of Brook Park, Ohio

Operating Indicators by Function/Program

Last Ten Years **Table 17**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Function/program:											
General government:											
Council and clerk											
Number of ordinances passed	93	83	85	110	87	55	66	60	55	75	44
Number of resolutions passed	37	30	22	37	24	21	27	40	27	24	26
Finance department:											
Number of checks/vouchers issued (excluding payroll)	6,378	6,446	6,023	5,891	5,666	5,115	5,016	4,877	4,444	4,260	3,893
Number of purchase orders issued	2,167	2,079	1,928	1,865	1,507	1,349	1,344	1,320	1,226	1,151	1,035
Number of W-2 forms issued	402	382	382	382	385	351	335	348	377	374	322
City W-2 wages (in millions)	13	13	13	12	14	14	13	13	12	12	12
Agency ratings - Fitch	AA-3	AA-3	AA-3	AA-3	AA-3	AA	AA	AA	AA-	AA-	AA-
Income tax department:											
Number of individual returns	8,824	8,587	10,119	10,427	10,256	10,572	10,379	10,022	9,970	9,984	10,085
Number of business returns	1,538	1,582	1,658	1,682	1,615	1,668	1,659	1,758	1,779	1,810	1,922
Number of business withholding accounts	1,554	1,470	1,554	1,580	1,561	1,591	1,476	1,552	1,480	1,554	1,568
Civil service:											
Number of exams given	-	4	2	3	1	2	6	4	5	2	1
Building department											
Number of permits issued	904	1,570	1,553	1,257	1,331	1,439	1,401	1,330	1,408	1,392	1,510
Security of persons and property:											
Police:											
Number of traffic citations issued	4,038	3,337	5,403	4,197	3,463	2,853	2,203	2,389	2,338	4,900	7,959
Number of parking citations issued	1,375	1,773	1,784	1,844	1,444	2,125	2,197	2,412	1,619	1,850	2,279
Number of criminal arrests	212	208	254	462	531	814	1,078	928	731	684	707
Animal warden service calls responded to per annual report	64	81	75	127	163	187	129	768	1,209	1,171	1,095

City of Brook Park, Ohio

Operating Indicators by Function/Program (continued)

Last Ten Years **Table 17**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Security of persons and property:											
Fire:											
EMS calls	2,240	2,230	2,092	1,981	2,102	2,190	2,282	2,447	2,204	2,549	2,572
Fire and fire-related calls	359	388	435	359	423	418	411	449	423	429	446
Hydrants tested	1,204	1,204	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,149	1,206
Leisure time activities:											
Recreation:											
Number of memberships	7,220	7,576	7,653	7,961	7,746	4,762	3,968	3,358	2,153	2,653	3,100
Community development:											
Parking fees collected due to Economic development dept.	$855,840	$827,354	$962,131	$1,061,234	$1,051,743	$995,999	$976,591	$975,500	$968,732	$965,031	$985,439
Public works:											
Refuse disposal per year (tons)	13,470	13,020	12,867	9,138	9,858	10,901	10,930	10,870	7,129	7,423	9,483
Refuse disposal costs per year	$417,180	$436,085	$419,775	$ 411,540	$ 468,255	$386,998	$378,919	$361,016	$272,325	$298,457	$340,659
Percentage of waste recycled	4.60%	4.25%	6.21%	4.12%	2.41%	2.00%	4.00%	9.00%	10.42%	15.44%	10.00%
Transportation:											
Snowfall in inches	108.40	34.60	75.70	85.20	85.20	58.40	69.50	38.90	68.10	64.60	60.00
Cost of salt purchased	$464,333	$151,524	$281,519	$ 379,808	$ 238,218	$222,818	$100,124	$127,428	$167,207	$188,632	$213,392
Asphalt used in road maintenance (tons)	387	240	165	125	425	348	76	272	336	211	283
Concrete used in road maintenance (yards)	300	300	300	300	590	110	244	179	290	161	202
Number of trees removed	248	157	144	131	98	78	207	175	213	109	84
Number of trees planted	125	110	124	105	102	80	8	15	100	-	-
Senior citizen driveway plowing participants	1,367	1,320	1,366	1,368	1,312	1,210	1,140	1,096	1,149	-	-

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

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

N/A- Information is not available

City of Brook Park, Ohio

Capital Assets Statistics by Function/Program

Last Ten Years **Table 18**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Function/program:											
General government:											
City Hall square footage	16,880	16,880	16,880	16,880	16,880	16,880	16,880	16,880	16,880	16,880	16,880
Other departmental vehicles	11	14	14	13	12	12	12	12	12	12	12
Security of persons and property:											
Police:											
Stations	1	1	1	1	1	1	1	1	1	1	1
Square footage of Police (and Fire) building	16,072	16,072	16,072	16,072	16,072	16,072	16,072	16,072	16,072	16,072	16,072
Number of vehicles	52	45	36	33	33	33	33	41	34	30	30
Number of street lights	2,565	2,565	2,565	2,565	2,565	2,565	2,565	2,565	2,565	2,565	2,565
Number of traffic lights	49	49	49	49	44	44	44	44	44	44	44
Fire:											
Stations	3	3	3	3	3	3	2	2	2	2	2
Square footage of station	16,072	16,072	16,072	16,072	16,072	16,072	16,072	16,072	16,072	16,072	16,072
Square footage of station - Ruple	3,807	3,807	3,807	3,807	3,807	3,807	3,807	3,807	3,807	3,807	3,807
Number of Vehicles	16	14	15	15	15	15	14	14	13	14	14
Leisure time activities:											
Recreation:											
Number of Parks	7	7	7	7	7	7	7	7	7	7	7
Number of Pools	2	2	2	2	2	2	2	2	2	2	2
Number of Diving Tanks	1	1	1	1	1	1	1	1	1	1	1
Square footage of Recreation Center	105,300	105,300	105,300	105,300	105,300	105,300	105,300	105,300	105,300	105,300	105,300
Public works:											
Streets (miles)	46	46	46	46	46	46	46	46	46	46	46
Service vehicles	70	74	74	74	74	74	74	74	74	74	74

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

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Dave Yost • Auditor of State

CITY OF BROOK PARK

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JULY 26, 2016

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