

2008

Annual Report



City of Brook Park, Ohio

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2008

City of Brook Park, Ohio

**Comprehensive Annual Financial Report
For the Year Ended December 31, 2008**

Issued by: Finance Department

Gregory M. Cingle, CPA, Finance Director

Martin S. Healy, Assistant Finance Director

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City of Brook Park, Ohio

Comprehensive Annual Financial Report For the Year Ended December 31, 2008

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City of Brook Park

Finance Department

Gregory M. Cingle
Finance Director

Martin S. Healy
Assistant Finance Director

June 16, 2009

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, 2008.

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

The City's financial statements have been audited by Ciuni & Panichi Inc., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2008, are free of material misstatement. The independent audit involved: examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion on the financial statements of the City for the fiscal year ended December 31, 2008, 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 MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

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Profile of the Government

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

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

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

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

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

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

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

Factors Affecting Financial Condition

I. Economic Conditions and Outlook. The City is experiencing the same difficulties that similar inner-ring suburbs across the United States are currently facing. The 2008 Recession has been extremely challenging for the city of Brook Park in numerous areas, including:

- There are currently 73 homes in foreclosure and 19 homes vacant, which is a slight improvement over the previous year. In 2007, there were 81 homes in foreclosure and 32 homes vacant.
- The closure of five businesses and reduction of operations by four more within the City, resulting in a decrease in tax revenue.
- The tightened credit markets have made it difficult for businesses to obtain financing for expansion, improvements and operations.
- With the price of oil reaching all time highs on the New York Mercantile Exchange, gasoline soared to over \$4.00 per gallon in 2008, severely affecting the local and national economy.
- The acquisition of National City Bank by PNC Bank may dramatically affect the City. Currently there are 450 NCB employees working in the City. Whether the current employees are retained at the current facility located on Aerospace Parkway or moved to an alternate location outside of the City has yet to be determined by PNC Bank management.

The federal and state governments have been proactive in initiating programs to stimulate the economy and create new employment opportunities:

- The Federal Recovery Act was announced in 2008 and is anticipated to be enacted in early 2009. This stimulus initiative is designed to provide federal funding to jumpstart the economy. The funding will be used to save and create more than 130,000 jobs, provide tax relief to working families and help protect essential state and local services. The federal funding will enable Ohio to make targeted investments in the critical sectors of our economy. The City will aggressively pursue federal funding from the State to improve deteriorating infrastructure, i.e. roadwork, water lines and sewers improvements. The federal dollars are anticipated to flow from the State directly to local municipalities.
- The Troubled Asset Relief Program (TARP) is a program the Federal government enacted to purchase assets and equities from financial institutions for the purpose of strengthening the financial sector. The program was aimed at addressing the sub prime mortgage crisis of 2008.

II. Local Economic Activity. The City continues to aggressively pursue new business opportunities and expand existing business relationships.

Additional positive economic factors influencing the City's business base include:

- If market conditions improve, Ford Motor Co. is scheduled to reopen Engine Plant #1 in late 2009 to manufacture the new "Eco-Boost" engine. The reopening of Engine Plant #1 will result in the retention of at least 200 jobs.
- GXS, Inc., a local data center, expanded operations at their existing Brook Park location, generating an additional 50-75 new high income jobs.
- National Office completed their 35,000 Sq. Ft. addition and created over 20 jobs.
- In late 2008, City council approved the sale of a City owned parcel on Snow Road for the purpose of constructing a new animal veterinary hospital & clinic. The capital investment for this project is expected to exceed \$4 million and create over 25 jobs.
- The Boyland Group began construction of their new Infiniti automotive showroom. This project's capital investment is over \$5 million and will generate 25 jobs.

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

Retention Activity:

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

- Ford Motor Co. announced that the scheduled closure of the Casting Plant will take place in mid-year 2010. A working group consisting of Local, State, County, Ford, UAW and other officials are strategizing ways to attract new investment into the Casting Plant. There has also been a strong push to attract new work to Engine Plant #2. The improvement of current economic conditions will be a major factor in Ford's success.
- NASA Glenn employment and subcontractor levels have remained stable at approximately 1,500 individuals each. NASA Glenn continues to evolve the facility into a space exploration center similar to the Kennedy, Johnson and Huntsville Centers. The new administration has pledged to remain committed to the Constellation Program, where NASA Glenn plays a significant role. NASA Glenn has responsibility for the Crew Exploration Vehicle (CEV) service module and the Crew Launch Vehicle upper stage rocket. NASA headquarters has approved Glenn's Master Plan for future redevelopment, which includes demolition of two buildings located in Fairview Park.

Redevelopment Opportunities:

- There has been over \$40 million of private funding invested into the North Side of Brookpark Rd. since the acquisition of this area from Cleveland in 1998. Numerous storefront renovation projects have enhanced the visual quality of the commercial corridor. The City's Brookpark Road Corridor Fund has been instrumental in helping spur over \$685,000 in private investment in the area.
- The partnership with Cuyahoga County and the First Suburbs Development Coalition produced over \$25,000 in façade improvements for two Snow Road businesses: Automotive Technologies and The Garden Restaurant. Both businesses took advantage of the storefront renovation program that was targeted toward businesses located on Snow Road.

Infrastructure:

- The West 150th street/sanitary sewer improvement project was substantially completed in 2008. This is a joint project between the city of Cleveland and the city of Brook Park.
- The reconstruction of South Gallatin, Michael Drive Phase IV and Grosse Drive Phase II were completed in 2008.
- The Snow Rd. underpass project with CSX is under construction. This project is designed to eliminate train traffic delays, improve safety and eradicate train whistle noise. The project is due for completion in June 2009.

The above initiatives are extremely imperative to the City's economic development strategy. Each of the projects will enhance the City's ability to attract additional investment to 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, which have a face value equal to at least 105 percent of deposits.

Risk Management

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

Awards and Acknowledgements

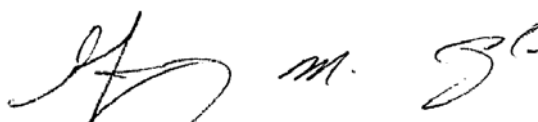
Certificate of Achievement. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended December 31, 2007. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports.

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

The Certificate of Achievement is valid for a period of only one year. The City has received a Certificate of Achievement for the last 17 years. We believe that our current CAFR continues to meet the requirements for the Certificate of Achievement, and we are submitting it to the GFOA to determine its eligibility for another certificate.

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

Respectfully submitted,



Gregory M. Cingle, CPA, MBA
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Brook Park
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

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



President

Executive Director

City of Brook Park, Ohio

Elected Officials

December 31, 2008

Mayor.....	Mark J. Elliott
Council Member – President	Michael Gammella
Council Member – At-Large.....	Carl J. Burgio
Council Member – At-Large.....	Danny V. Colonna
Council Member – At-Large.....	Richard A. Salvatore
Council Member – Ward 1	Raymond Barr
Council Member – Ward 2	Patti Astorino
Council Member – Ward 3	Jim Wilson
Council Member – Ward 4	Brian Higgins
Finance Director.....	Gregory M. Cingle
Law Director	Neal M. Jamison

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Independent Auditors' Report

Members of the City Council
Brook Park, Ohio

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brook Park, Ohio (the "City") as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2008, and the respective changes in financial position, and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, during the year ended December 31, 2008, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 45, "*Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*", GASB Statement No. 49, "*Accounting and Financial Reporting for Pollution Remediation Obligations*" and GASB Statement No. 50, "*Pension Disclosures*".

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2009 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



Members of the City Council
Brook Park, Ohio

Management's Discussion and Analysis on pages 3 through 14 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

Cini & Panichi, Inc.

Cleveland, Ohio
June 16, 2009

City of Brook Park, Ohio

Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2008

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, 2008. 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 2008 are:

- City income tax revenue totaled \$18,358,018.
- Total assets increased by \$5,468,195, or a 6.07 percent increase over 2007.
- Total net assets increased by \$3,486,026 or a 4.37 percent increase over 2007.
- Total capital assets increased by \$8,104,527, or a 13.91 percent increase over 2007.
- Total outstanding long-term liabilities increased by \$1,086,189. This was a 19.10 percent increase over 2007.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$20,674,012, a decrease of \$4,499,229 in comparison with the prior year. Approximately 78.43 percent of this total amount, \$16,215,284, is available for spending at the government's discretion (unreserved fund balance).
- At the end of the current fiscal year, the General Fund's unreserved fund balance was \$4,905,898, or 20.77 percent of total General Fund expenditures.

Using This Comprehensive Annual Financial Report (CAFR)

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

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

City of Brook Park, Ohio

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

For the Year Ended December 31, 2008

Reporting the City of Brook Park as a Whole

Statement of Net Assets and Statement of Activities

While the CAFR contains information about the funds used by the City to provide services to our citizens, the *Statement of Net Assets* and the *Statement of Activities* provide a view of the City's monetary transactions and answer the question, "How did the City do financially during 2008?" These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting method used by the private sector. This accounting method takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

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

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

Fund Financial Statements

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable

City of Brook Park, Ohio

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

For the Year Ended December 31, 2008

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

The City maintains 18 individual governmental funds. Information is presented separately in the *Governmental Funds Balance Sheet* and in the *Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances* for the General Fund and Capital Improvements Fund. Data from the other governmental funds are combined into single, aggregated presentations. Individual fund data for each of these nonmajor governmental funds is provided elsewhere in this CAFR in the form of combining statements.

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

Proprietary Funds

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

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

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

Fiduciary Funds

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

Notes to the Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 26.

City of Brook Park, Ohio

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

For the Year Ended December 31, 2008

Other information

In addition to the basic financial statements and the accompanying notes, this CAFR also presents certain other information that the City believes readers will find useful. After the notes to the basic financial statements, the combining statements, referred to earlier in connection with nonmajor governmental funds, are presented, along with individual detailed budgetary comparisons for all nonmajor funds. This information can be found starting on page 58.

The City as a Whole

As noted earlier, the *Statement of Net Assets* looks at the City as a whole and can prove to be a useful indicator of the City's financial position. Table 1 provides a summary of the City's net assets for 2008 as compared to 2007.

Table 1
Net Assets

	<u>2008</u>	<u>2007</u>
ASSETS		
Current and other assets	\$ 29,160,982	\$ 31,797,314
Capital assets, net	<u>66,354,377</u>	<u>58,249,850</u>
Total Assets	<u>95,515,359</u>	<u>90,047,164</u>
LIABILITIES		
Current and other liabilities	5,468,980	4,573,000
Long-term liabilities:		
Due within one year	2,029,885	1,691,415
Due in more than one year	<u>4,742,037</u>	<u>3,994,318</u>
Total Liabilities	<u>12,240,902</u>	<u>10,258,733</u>
NET ASSETS		
Invested in capital assets, net of related debt	63,019,962	55,327,938
Restricted	14,082,597	14,826,056
Unrestricted	<u>6,171,898</u>	<u>9,634,437</u>
Total Net Assets	<u>\$ 83,274,457</u>	<u>\$ 79,788,431</u>

An additional portion of the City's net assets, 16.91 percent, represents resources that are subject to external restrictions on how they may be used. Unrestricted net assets, \$6,171,898, may be used to meet the City's ongoing obligations to citizens and creditors.

Total assets increased by \$5,468,195 during the current year. These increases are due primarily to the growth in intergovernmental receivables, restricted assets and capital assets, offset by a decrease in cash and cash equivalents and prepaid items.

The following factors were responsible for this increase:

- Investment in the infrastructure of the City continued in 2008, with approximately \$1,487,000 appropriated for street improvements.

City of Brook Park, Ohio

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

For the Year Ended December 31, 2008

- Capital projects that were finished in 2008 included the 2006 and 2007 roads programs.
- Capital improvements at the Recreation Center included the construction of a storage room mezzanine, remodeling of the administrative offices and the purchase of new equipment for the water park.
- Infrastructure upgrades are as follows:
 1. Investment of equipment and land improvements to the Fry Road playground
 2. Completion of the City Hall campus lighting improvement project
 3. Construction of a large gazebo near City Hall
- Capital assets that were purchased in 2008 included:
 1. Rubbish packer (\$201,575)
 2. International medium duty plow truck (\$123,496)
 3. Senior transportation bus (\$55,859)
 4. Ford F-550 dump truck with snowplow (\$42,679)
 5. Ford F-250 pick-up truck with snowplow (\$21,779)
- The Snow Road underpass project began in 2007 and continued through 2008. The City originally funded the project with a disbursement of \$1,278,983 to CSX Corporation that will be reimbursed by the Ohio Department of Transportation (ODOT). As of December 31, 2008, the City has received reimbursements from ODOT which has resulted in a reduction of the prepaid balance. At year end, the prepaid balance is \$404,196. This balance is for the portion of the disbursement that relates to costs that will be incurred in future years. In addition, ODOT provided approximately \$4.3 million in 2008 to assist with the funding of the said project.
- The City obtained OPWC grant and loan funds for the West 150th street/sanitary sewer improvement project. During 2008, the project was substantially completed and the City received \$1,678,203 in OPWC loan proceeds. The total project costs will be shared by OPWC (67 percent) and a joint cooperative between the city of Brook Park and the city of Cleveland (33 percent). A signed agreement was entered into to share the local portion costs of the project, with the city of Cleveland being responsible for 65 percent and the City assuming the remaining balance, 35 percent. Per the agreement, the City will pay the full annual debt service requirements and then be reimbursed by the city of Cleveland for their above referenced agreed upon share of the local costs. As of year end, the City has created an intergovernmental receivable in the amount of \$1,090,832 to account for the city of Cleveland's share.

Total liabilities increased by \$1,982,169. This increase is primarily due to the City receiving \$1,678,203 in OPWC loan proceeds for 2008. As mentioned above, these loan proceeds were used to partially fund the West 150th street/sanitary sewer improvement project.

The largest portion of the City's net assets (75.68 percent) reflects its investment in capital assets, i.e. land, buildings, machinery, equipment, vehicles and infrastructure, less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

City of Brook Park, Ohio

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

For the Year Ended December 31, 2008

Although the City's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate those liabilities.

The City continues to make concerted efforts to maximize the return on investments of its cash and cash equivalents. Since the Federal Reserve Board decreased the Fed Funds Rate seven times in 2008, the City continues to be proactive in its investment strategy. By utilizing federal government agency issues, short-term certificate of deposits and money market funds, the City achieves a balanced investment portfolio. The strategy is to maximize current returns and hedge against future declining market environments while protecting the principal of each investment.

Table 2 shows the changes in net assets for 2008 as compared with 2007.

Table 2
Changes in Net Assets

	2008	2007
REVENUES		
Program Revenues:		
Charges for services	\$ 3,423,034	\$ 3,136,723
Operating grants and contributions	994,862	1,087,384
Capital grants and contributions	5,473,137	2,244,680
Total Program Revenues	<u>9,891,033</u>	<u>6,468,787</u>
General Revenues:		
Property taxes	2,331,911	2,261,148
Municipal income taxes	18,358,018	21,321,660
Grants and entitlements	2,087,153	1,672,481
Investment income	686,197	1,135,195
All other revenues	30	25,673
Total General Revenues	<u>23,463,309</u>	<u>26,416,157</u>
Total Revenues	<u>33,354,342</u>	<u>32,884,944</u>
EXPENSES		
Program Expenses:		
Security of persons and property	11,325,203	12,258,151
General government	5,319,134	5,183,964
Public works	4,351,316	4,380,006
Leisure time activities	2,866,895	2,928,253
Transportation	2,766,466	2,618,477
Community development	2,701,221	2,125,890
Public health and welfare	483,130	566,718
Interest and fiscal charges	54,951	70,405
Total Expenses	<u>29,868,316</u>	<u>30,131,864</u>
 Change in Net Assets	 3,486,026	 2,753,080
Net Assets - Beginning of Year	79,788,431	77,035,351
Net Assets - End of Year	<u><u>\$ 83,274,457</u></u>	<u><u>\$ 79,788,431</u></u>

City of Brook Park, Ohio

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

For the Year Ended December 31, 2008

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's income tax. During 2008, the revenues generated from municipal income tax amounted to \$18,358,018. The decrease in income tax collections from 2007 to 2008 can be attributed to the following income tax sectors:

- Withholding tax from the automotive sector has shrunk approximately 16%
- Individual tax receipts have decreased by nearly 5%
- Business income tax receipts have diminished by roughly 22%

30 percent of City income tax revenue is earmarked for specific capital improvements. These revenues are allocated by an ordinance of City council, providing that a substantial portion of the City's income tax collections be set aside for roads, city facilities and capital needs. Of the \$33,354,342 in total revenue, income tax accounts for 55.04 percent. Property tax of \$2,331,911 accounts for 6.99 percent of total revenue. Operating grants and contributions and capital grants and contributions totaling \$6,467,999 account for 19.39 percent of total revenue, which constituted a 94.11 increase over the \$3,332,064 received during 2007.

With the combination of income tax, property tax, charges for services and intergovernmental funding, all expenses in the governmental activities are funded. The City monitors its sources of revenues very closely for fluctuations. For the most part, increases in expenses closely parallel inflation and growth in the demand for services. The largest program functions for the City relate to security of persons and property and general government. During 2008, security of persons and property accounted for 37.92 percent of program expenses and 17.81 percent of program expenses related to general government.

Salaries and fringe benefits continue to make-up the largest component of program expenses, approximately 63 percent. These costs continue to increase on a yearly basis and contributed to the overall increase in expenses, \$458,492. In addition to increases in salaries and fringe benefits, including health insurance premiums, the investment in a new Computer Aided Dispatch (CAD) system for our safety forces contributed to the growth in expenditures.

In the spring of 2008, the safety forces began an implementation process of the above referenced CAD system. These software applications will bring advanced dispatching and incident reporting features to our safety forces. As of December 2008, the implementation of the said system was approximately 50 percent complete. The new system has an estimated total cost of \$603,000 and is scheduled to be fully operational in late 2009.

The police and fire departments are an integral component of the City's outstanding services. Currently there are 44 full-time sworn officers in the police department. During 2008, the police department leased nine new Ford Crown Victoria Police Interceptors. The new vehicles were outfitted with state-of-the-art radio and computer equipment. As noted in prior years, the police department continued to make employee training a top priority.

City of Brook Park, Ohio

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

For the Year Ended December 31, 2008

The fire department consists of 40 full-time firefighters. Again, training plays a crucial role in the day-to-day operation of the department. The department handled 2,340 calls for assistance, of which approximately 1,981 were for EMS, with the balance attributed to fire and fire-related incidents. This constituted a decrease of 7.4 percent over 2007.

Throughout 2008, the City purchased small capital equipment for approximately \$250,000. These equipment purchases were individually below the City's capitalization policy of \$5,000, which factored into the overall increase in program expenses.

Program Expenses

As of December 31, 2008, the City's total cost of services was \$29,868,316, with a net cost of services totaling \$(19,977,283).

Table 3 itemizes fiscal year 2008 program expenses by specific function.

Table 3
Program Expenses

	Total Cost of Services 2008	Net Cost of Services 2008
Security of persons and property	\$ 11,325,203	\$ (10,301,864)
General government	5,319,134	(4,665,778)
Public works	4,351,316	(4,351,316)
Leisure time activities	2,866,895	(2,315,478)
Transportation	2,766,466	3,578,194
Community development	2,701,221	(1,389,335)
Public health and welfare	483,130	(476,755)
Interest and fiscal charges	54,951	(54,951)
Total cost of service	<u>\$ 29,868,316</u>	<u>\$ (19,977,283)</u>

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

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

The City's Funds

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balances may serve as a useful measure of a government's net resources available for spending at the end of the year. Information about the City's governmental funds begins on page 17.

City of Brook Park, Ohio

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

For the Year Ended December 31, 2008

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$20,674,012. Of that amount, \$16,215,284 constitutes unreserved fund balances that are available for spending at the government's discretion. The remaining balance is reserved to indicate that it is not available for new spending because it has already been committed: (1) to liquidate contracts and purchases of the prior period, \$2,687,112; (2) to reflect year end inventory, \$150,673; (3) to indicate expenses prepaid at year end, \$530,111; and (4) to reveal the reserve for the intergovernmental receivable from the city of Cleveland, \$1,090,832.

General Fund

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the total fund balance for the General Fund was \$5,467,624, of which \$4,905,898 was unreserved. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 20.77 percent of total General Fund expenditures, while total fund balance represents 23.15 percent of that same amount.

The said fund balance decreased by \$4,245,593 during 2008. The decrease in income tax revenues and the increase in salaries and fringe benefits were the foremost reasons for the decrease.

Capital Improvements Fund

The Capital Improvements Fund accounts for fund transfers and the portion of municipal income tax designated by Council for the purpose of improving, constructing, maintaining and purchasing those items necessary to enhance the operation of the City. At the end of the current fiscal year, the total fund balance for the Capital Improvements Fund was \$11,144,383, of which \$7,272,257 was unreserved. The said fund balance decreased by \$1,127,618 during 2008. This decrease is mainly due to the increased percentage of completion on various capital improvement projects, i.e. the Snow Road underpass project and the West 150th street /sanitary sewer improvement project.

City Budget

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. An annual appropriation budget is legally required to be prepared for all funds of the City other than agency funds. City council is provided with a detailed line item budget for all departments; and after discussions at regularly held council meetings that are open to the public, the budget is adopted at the department level by object. Within each object, appropriations can be transferred between line items with the approval of the finance director and the respective department head. Council must approve any revisions in the budget that alter object level totals or total appropriations for any department or fund. During the course of fiscal year 2008, the City amended its General Fund budget three times. The finance department watches all department expenditures closely to monitor compliance with allocated budgets and provides monthly reports to City council that depicts monthly and year-to-date activity.

City of Brook Park, Ohio

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

For the Year Ended December 31, 2008

For the General Fund, the budget basis revenue was \$20.6 million as compared to the original budget estimate of \$20.4 million. Final budget exceeded original budget due to higher than expected intergovernmental revenues. The final appropriations of \$26 million were sufficient to meet the actual expenditures for the year, \$24.6 million. Final appropriations exceeded original appropriations mainly due to the increased cost of fuel, fluctuations in overtime and premium adjustments for worker's compensation coverage. The City's ending unencumbered budgetary fund balance was \$1,665,878 higher than the final budgeted amount primarily due to conservative revenue and expenditure budgetary practices.

Capital Assets and Debt Administration

Capital Assets

As of December 31, 2008, the City had \$66 million invested in land, buildings and equipment. Table 4 shows fiscal year 2008 balances of capital assets, net of depreciation, as compared to 2007.

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

	<u>2008</u>	<u>2007</u>
Land	\$ 4,869,709	\$ 4,861,009
Construction in progress	12,958,529	3,966,473
Buildings and improvements	10,799,757	11,137,044
Improvements other than buildings	1,689,596	1,582,580
Machinery and equipment	1,912,229	1,848,342
Furniture and fixtures	48,520	54,045
Vehicles	3,648,446	3,873,292
Infrastructure:		
Streets	18,208,165	18,337,549
Sewers	11,998,889	12,353,497
Water Lines	220,537	236,019
Total Capital Assets	<u>\$ 66,354,377</u>	<u>\$ 58,249,850</u>

Net of depreciation, the balances for the above capital assets remained practically unchanged, except for construction in progress. The 2008 road program, Snow Road underpass project, quiet zones project and the West 150th street/sewer improvement project were still in progress at year-end. In addition, various street resurfacing projects were completed in 2008. These projects were transferred from construction in progress to streets.

Replacement of vehicles, such as fire trucks, police cars, ambulances, rubbish trucks, etc., is planned for well in advance by the respective department heads, and scheduled maintenance is followed to provide peak performance for the maximum time frame. Older vehicles are either traded in or sold to the highest bidder on the open market.

City of Brook Park, Ohio

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

For the Year Ended December 31, 2008

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

Debt

On December 31, 2008, the City had \$4,425,247 in outstanding debt, with \$769,685 of that debt due within one year.

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

	<u>2008</u>	<u>2007</u>
General obligation bonds	\$ 1,605,000	\$ 1,775,000
Capital leases	1,142,044	1,146,912
OPWC Loan	<u>1,678,203</u>	<u>-</u>
Total outstanding debt	<u>\$ 4,425,247</u>	<u>\$ 2,921,912</u>

As of December 31, 2008, the City's overall legal debt margin was \$53,871,654, with an unvoted debt margin of \$27,673,304. The City has an aggressive debt reduction approach, paying off most long-term debt within 10 years. In 2008, the City received \$1,678,203 in OPWC loan proceeds. This is a zero percent interest loan that will be repaid over a period of 20 years upon completion of the West 150th street/sanitary sewer improvement project. As stated earlier, the annual debt service requirements will be paid in full by the City and the City of Cleveland will reimburse the City 65 percent of the annual debt service requirements. More detailed information about the City's long-term liabilities is presented in Note 8 of the basic financial statements.

Current Financial Related Activities

Management of the City is extremely concerned with the general financial condition of the current economy. The continued reduction of employment levels at the Brook Park Ford Motor Co. facility along with the general news concerning the long-term existence of this facility has caused management to re-evaluate the current operating model of the City. Ford's Casting Plant is scheduled to close in mid-2010 and Plant #1 is currently idled, with an expected reopening scheduled to occur in late 2009 if market conditions improve. Continued reductions in employment and/or plant closings will have a material impact on the budget and result in significant changes in the operation of the City. Management and Ford officials meet frequently to discuss current operating conditions and strategize for new business alternatives that will keep the Brook Park Ford facility competitive in their corporate structure, resulting in a long-term existence in Brook Park.

City of Brook Park, Ohio

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

For the Year Ended December 31, 2008

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

Contacting the City's Finance Department

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

City of Brook Park, Ohio

Statement of Net Assets

December 31, 2008

ASSETS

Equity in Pooled Cash and Cash Equivalents	\$ 18,887,952
Cash and Cash Equivalents:	
With Escrow Agents	259,925
Materials and Supplies Inventory	150,673
Accounts Receivable	172,618
Accrued Interest Receivable	151,759
Intergovernmental Receivable	3,424,735
Prepaid Items	562,525
Income Taxes Receivable	2,832,747
Property Taxes Receivable	2,260,308
Special Assessments Receivable	86,027
Restricted Assets:	
Intergovernmental Receivable	371,713
Nondepreciable Capital Assets	17,828,238
Depreciable Capital Assets	48,526,139
Total Assets	<u>95,515,359</u>

LIABILITIES

Accounts Payable	240,009
Contracts Payable	926,185
Accrued Wages and Benefits	1,137,856
Intergovernmental Payable	504,053
Matured Compensated Absences Payable	105,594
Accrued Interest Payable	29,123
Retainage Payable	371,713
Claims Payable	115,801
Unearned Revenue	2,038,646
Long-term Liabilities:	
Due within one year	2,029,885
Due in more than one year	4,742,037
Total Liabilities	<u>12,240,902</u>

NET ASSETS

Invested in Capital Assets, Net of Related Debt	63,019,962
Restricted for:	
Debt Services	541,282
Capital Projects	10,585,857
Economic Development	1,604,073
Street Paving and Repair	1,079,360
Other Purposes	272,025
Unrestricted	6,171,898
Total Net Assets	<u>\$ 83,274,457</u>

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

City of Brook Park, Ohio

Statement of Activities

For the Year Ended December 31, 2008

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		
Governmental activities:					Governmental Activities
Security of Persons and Property					
Police and Others	\$ 6,433,444	\$ 413,446	\$ 21,103	\$ 1,749	\$ (5,997,146)
Fire	4,891,759	587,041	-	-	(4,304,718)
Public Health and Welfare	483,130	6,375	-	-	(476,755)
Leisure Time Activities	2,866,895	551,417	-	-	(2,315,478)
Community Development	2,701,221	1,246,241	-	65,645	(1,389,335)
Public Works	4,351,316	-	-	-	(4,351,316)
Transportation	2,766,466	-	973,759	5,370,901	3,578,194
General Government	5,319,134	618,514	-	34,842	(4,665,778)
Interest and Fiscal Charges	54,951	-	-	-	(54,951)
Total Governmental activities	<u>\$29,868,316</u>	<u>\$ 3,423,034</u>	<u>\$ 994,862</u>	<u>\$ 5,473,137</u>	<u>(19,977,283)</u>
General Revenues:					
Property and Other Local Taxes levied for:					
General Purposes					1,947,504
Other Purposes					384,407
Income Taxes levied for:					
General Purposes					12,958,303
Capital Outlay					5,399,715
Grants & Entitlements not restricted to specific programs					2,087,153
Investment Income					686,197
All Other Revenues					30
Total General Revenues					<u>23,463,309</u>
Change in Net Assets					3,486,026
Net Assets - Beginning of Year					<u>79,788,431</u>
Net Assets - End of Year					<u><u>\$ 83,274,457</u></u>

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

City of Brook Park, Ohio

Balance Sheet - Governmental Funds

December 31, 2008

	<u>General Fund</u>	<u>Capital Improvements</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$ 4,458,992	\$ 9,076,228	\$ 4,552,926	\$ 18,088,146
Cash and Cash Equivalents:				
With Escrow Agents	-	259,925	-	259,925
Materials and Supplies Inventory	150,673	-	-	150,673
Accrued Interest Receivable	76,899	63,165	11,695	151,759
Accounts Receivable	168,733	-	3,885	172,618
Intergovernmental Receivable	909,860	2,011,238	503,637	3,424,735
Prepaid Items	125,915	404,196	-	530,111
Restricted Assets:				
Intergovernmental Receivable	-	371,713	-	371,713
Income Taxes Receivable	2,020,366	812,381	-	2,832,747
Property Taxes Receivable	1,863,552	-	396,756	2,260,308
Special Assessments Receivable	-	-	86,027	86,027
Total Assets	<u>\$ 9,774,990</u>	<u>\$ 12,998,846</u>	<u>\$ 5,554,926</u>	<u>\$ 28,328,762</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 229,983	\$ -	\$ 10,026	\$ 240,009
Accrued Wages and Benefits	631,723	-	506,133	1,137,856
Contracts Payable	-	926,185	-	926,185
Intergovernmental Payable	479,890	-	24,163	504,053
Matured Compensated Absences Payable	-	-	105,594	105,594
Retainage Payable	-	371,713	-	371,713
Deferred Revenue	2,965,770	556,565	847,005	4,369,340
Total Liabilities	<u>4,307,366</u>	<u>1,854,463</u>	<u>1,492,921</u>	<u>7,654,750</u>
Fund Balances:				
Reserved for:				
Encumbrances	285,138	2,377,098	24,876	2,687,112
Inventory	150,673	-	-	150,673
Prepaid Items	125,915	404,196	-	530,111
Intergovernmental Receivable	-	1,090,832	-	1,090,832
Unreserved:				
Designated for:				
Accrued Retiree Benefits	-	-	1,049,591	1,049,591
Undesignated, Reported in:				
General Fund	4,905,898	-	-	4,905,898
Special Revenue Funds	-	-	2,527,419	2,527,419
Debt Service Funds	-	-	460,119	460,119
Capital Projects Funds	-	7,272,257	-	7,272,257
Total Fund Balance	<u>5,467,624</u>	<u>11,144,383</u>	<u>4,062,005</u>	<u>20,674,012</u>
Total Liabilities and Fund Balance	<u>\$ 9,774,990</u>	<u>\$ 12,998,846</u>	<u>\$ 5,554,926</u>	<u>\$ 28,328,762</u>

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

City of Brook Park, Ohio

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

December 31, 2008

Total Governmental Funds Balance \$ 20,674,012

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

Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds 66,354,377

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

Property and other taxes	\$ 221,662	
Municipal income taxes	803,752	
Special assessments	86,027	
Intergovernmental	<u>1,219,253</u>	
Total		2,330,694

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in Governmental funds, an interest expenditure is reported when due. (29,123)

Internal Service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The assets and liabilities of the Internal Service funds are included in Governmental Activities in the Statement of Net Assets. 716,419

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

General obligation bonds	(1,605,000)	
OPWC loan	(1,678,203)	
Capital leases	(1,142,044)	
Compensated absences	<u>(2,346,675)</u>	
Total		<u>(6,771,922)</u>

Net Assets of Governmental Activities \$ 83,274,457

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, 2008

	<u>General Fund</u>	<u>Capital Improvements</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Property Taxes	\$ 1,953,167	\$ -	\$ 385,736	\$ 2,338,903
Income Taxes	13,718,190	4,281,579	-	17,999,769
Other Taxes	358,969	-	-	358,969
Intergovernmental	1,917,900	5,231,108	1,075,547	8,224,555
Interest	494,688	160,618	28,923	684,229
Licenses and Permits	465,318	-	-	465,318
Fines and Forfeitures	328,130	-	29,903	358,033
Rentals	2,775	-	-	2,775
Charges for Services	918,344	-	1,061,234	1,979,578
Contributions and Donations	10,782	7,525	-	18,307
Special Assessments	-	24,006	59,413	83,419
All Other Revenues	230,601	101,755	266,697	599,053
Total Revenues	<u>20,398,864</u>	<u>9,806,591</u>	<u>2,907,453</u>	<u>33,112,908</u>
EXPENDITURES				
Security of Persons and Property:				
Police	5,994,077	2,288	705,940	6,702,305
Fire	4,273,478	-	1,008,379	5,281,857
Public Health and Welfare	348,393	-	142,438	490,831
Leisure Time Activities	2,379,427	5,773	147,452	2,532,652
Community Development	1,085,131	1,504,440	121,034	2,710,605
Public Works	3,601,334	285,072	4,888	3,891,294
Transportation	891,721	243,273	879,487	2,014,481
General Government	5,048,469	214,613	826	5,263,908
Capital Outlay	-	10,833,340	-	10,833,340
Debt Service:				
Principal Retirement	-	-	170,000	170,000
Interest and Fiscal Charges	-	-	62,625	62,625
Total Expenditures	<u>23,622,030</u>	<u>13,088,799</u>	<u>3,243,069</u>	<u>39,953,898</u>
Excess of Revenues (Under) Expenditures	<u>(3,223,166)</u>	<u>(3,282,208)</u>	<u>(335,616)</u>	<u>(6,840,990)</u>
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	12,573	-	-	12,573
Inception of Capital Lease	-	650,985	-	650,985
OPWC Loans Issued	-	1,678,203	-	1,678,203
Transfer In	-	-	1,209,598	1,209,598
Transfer Out	(1,035,000)	(174,598)	-	(1,209,598)
Total Other Financing Sources (Uses)	<u>(1,022,427)</u>	<u>2,154,590</u>	<u>1,209,598</u>	<u>2,341,761</u>
Net Change in Fund Balances	<u>(4,245,593)</u>	<u>(1,127,618)</u>	<u>873,982</u>	<u>(4,499,229)</u>
Fund Balances - Beginning of Year	<u>9,713,217</u>	<u>12,272,001</u>	<u>3,188,023</u>	<u>25,173,241</u>
Fund Balances - End of Year	<u>\$ 5,467,624</u>	<u>\$ 11,144,383</u>	<u>\$ 4,062,005</u>	<u>\$ 20,674,012</u>

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

City of Brook Park, Ohio

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

For the Year Ended December 31, 2008

Net Change in Fund Balances-Total Governmental Funds \$ (4,499,229)

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	\$ 10,663,668	
Depreciation	<u>(2,399,526)</u>	
Total		8,264,142

In the Statement of Activities, only the loss on the disposal of capital assets is reported, whereas, in the Governmental Funds, the proceeds from the disposals increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets. (159,615)

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

Property and other taxes	(6,992)	
Municipal income taxes	(720)	
Special assessments	42,659	
Intergovernmental	<u>380,001</u>	
Total		414,948

Other financing sources in the Governmental funds that increase long-term liabilities in the Statement of Net Assets. These sources were attributed to inception of capital lease and OPWC loan proceeds. (2,329,188)

Repayment of bond principal and capital leases are expenditures in the Governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. 825,853

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

Compensated absences	417,146	
Accrued interest on bonds	<u>7,674</u>	
Total		424,820

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. 544,295

Change in Net Assets of Governmental Activities \$ 3,486,026

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

City of Brook Park, Ohio

Statement of Revenues, Expenditures and Changes in Fund Balance –
 Budget (Non-GAAP Budgetary Basis) and Actual
 General Fund
For the Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 1,992,175	\$ 1,953,167	\$ 1,953,167	\$ -
Income Taxes	13,826,000	13,826,000	13,793,813	(32,187)
Other Taxes	322,500	330,235	330,235	-
Intergovernmental	1,676,527	1,868,676	1,868,676	-
Interest	660,964	782,146	782,146	-
Licenses and Permits	454,060	464,274	464,274	-
Fines and Forfeitures	353,289	322,938	322,938	-
Rentals	10,270	2,775	2,775	-
Charges for Services	851,575	844,567	844,567	-
Contributions and Donations	5,000	10,782	10,782	-
All Other Revenues	198,767	167,484	166,284	(1,200)
Total Revenues	<u>20,351,127</u>	<u>20,573,044</u>	<u>20,539,657</u>	<u>(33,387)</u>
Expenditures:				
Current:				
Security of Persons and Property	10,452,602	10,661,185	10,229,121	432,064
Public Health and Welfare	351,886	358,263	345,615	12,648
Leisure Time Activates	2,543,451	2,580,622	2,401,158	179,464
Community Development	1,050,489	1,102,916	1,064,870	38,046
Public Works	3,838,104	3,812,047	3,549,274	262,773
Transportation	906,832	1,024,259	960,461	63,798
General Government	5,096,459	5,389,938	5,019,035	370,903
Total Expenditures	<u>24,239,823</u>	<u>24,929,230</u>	<u>23,569,534</u>	<u>1,359,696</u>
Excess of Revenues Over (Under) Expenditures	(3,888,696)	(4,356,186)	(3,029,877)	1,326,309
Other Financing Sources (Uses)				
Sale of Capital Assets	19,621	13,561	13,561	-
Transfers Out	(1,035,000)	(1,035,000)	(1,035,000)	-
Total Other Financing Sources (Uses)	<u>(1,015,379)</u>	<u>(1,021,439)</u>	<u>(1,021,439)</u>	<u>-</u>
Net Change in Fund Balance	(4,904,075)	(5,377,625)	(4,051,316)	1,326,309
Cash Fund Balance - Beginning of Year	8,148,161	8,148,161	8,148,161	-
Current Year Encumbrances	-	-	339,569	339,569
Cash Fund Balance - End of Year	<u>\$ 3,244,086</u>	<u>\$ 2,770,536</u>	<u>\$ 4,436,414</u>	<u>\$ 1,665,878</u>

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

City of Brook Park, Ohio

Statement of Fund Net Assets Proprietary Fund

December 31, 2008

	Governmental Activities - Internal Service Fund
ASSETS	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 799,806
Prepaid Items	32,414
Total Current Assets	<u>832,220</u>
LIABILITIES	
Current Liabilities:	
Claims Payable	115,801
Total Current Liabilities	<u>115,801</u>
NET ASSETS	
Unrestricted	716,419
Total Net Assets	<u>\$ 716,419</u>

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

City of Brook Park, Ohio

Statement of Revenues, Expenses and Changes in Fund Net Assets Proprietary Fund

For The Year Ended December 31, 2008

	Governmental Activities - Internal Service Fund
OPERATING REVENUES	
Reimbursements	\$ 3,032,374
OPERATING EXPENSES	
Fringe Benefits	<u>2,488,079</u>
Change in Net Assets	544,295
Net Assets - Beginning of Year	<u>172,124</u>
Net Assets - End of Year	<u><u>\$ 716,419</u></u>

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

City of Brook Park, Ohio

Statement of Cash Flows Proprietary Fund

For The Year Ended December 31, 2008

	Governmental Activities - Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Reimbursements	\$ 3,032,374
Cash Payments for Claims	(2,614,588)
Net Cash Provided by Operating Activities	<u>417,786</u>
 Net Increase in Cash and Cash Equivalents	 417,786
 Cash and Cash Equivalents - Beginning of Year	 <u>382,020</u>
Cash and Cash Equivalents - End of Year	<u>\$ 799,806</u>
 RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Income	\$ 544,295
 Adjustments:	
(Increase) Decrease in Assets:	
Prepaid Items	(32,414)
Increase (Decrease) in Liabilities:	
Claims Payable	(94,095)
Net Cash Provided by Operating Activities	<u>\$ 417,786</u>

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

City of Brook Park, Ohio

Statement of Fiduciary Net Assets Fiduciary Funds

December 31, 2008

	<u>Agency Funds</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 49,565
Cash and Cash Equivalents:	
in Segregated Accounts	<u>44,840</u>
Total Assets	<u>\$ 94,405</u>
Liabilities	
Deposits Held and Due to Others	\$ 63,779
Due to Others	<u>30,626</u>
Total Liabilities	<u>\$ 94,405</u>

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements

For The Year Ended December 31, 2008

Note 1: The Reporting Entity

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

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

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

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

Jointly Governed Organizations

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 1: The Reporting Entity (continued)

Jointly Governed Organizations (continued)

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

The Board exercises total control over the operations of the Health Center including budgeting, appropriating, contracting and designating management. Each City's control is limited to its representation on the Board. In 2008, the City of Brook Park contributed \$142,438 of property tax levies to the Health Center.

Note 2: Summary of Significant Accounting Policies

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

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid doubling up revenues and expenses.

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 2: Summary of Significant Accounting Policies (continued)

A. Basis of Presentation (continued)

Fund Financial Statements

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

B. Fund Accounting

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

Governmental Funds

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

General Fund

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

Capital Improvements Fund

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

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 2: Summary of Significant Accounting Policies (continued)

B. Fund Accounting (continued)

Proprietary Funds

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

Internal Service Fund

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

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's only fiduciary funds are agency funds. The City's agency funds account for: street opening fees, mayor's court activity, building code fees and employees' share of payroll deductions due to other agencies.

C. Measurement Focus

Government-Wide Financial Statements

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 2: Summary of Significant Accounting Policies (continued)

C. Measurement Focus (continued)

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting; proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

Revenues – Exchange and Non-Exchange Transactions

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 2: Summary of Significant Accounting Policies (continued)

D. Basis of Accounting (continued)

Revenues – Exchange and Non-Exchange Transactions (continued)

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

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

Unearned Revenue

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

Property taxes for which there is an enforceable legal claim as of December 31, 2008, but which were levied to finance year 2009 operations, have been recorded as unearned revenue. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as unearned revenue.

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

Expenses/Expenditures

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

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 2: Summary of Significant Accounting Policies (continued)

E. Budgetary Process

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

Tax Budget

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

Estimated Resources

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

On or about January 1 the certificate of estimated resources is amended to include unencumbered fund balances at December 31. Further amendments may be made during the year if the Finance Director determines that revenue to be collected will be greater than or less than the prior estimates and the budget commission finds the revised estimates to be reasonable. The amounts reported in the budgetary statements as original represent the amounts in the first official certificate of estimated resources issued during 2008. The amounts reported in the budgetary statements as final reflect the amounts in the final amended official certificate of estimated resources issued during 2008.

Annual Estimate

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 2: Summary of Significant Accounting Policies (continued)

E. Budgetary Process (continued)

Appropriations

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

Lapsing of Appropriations

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

Budgeted Level of Expenditure

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

Encumbrances

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 2: Summary of Significant Accounting Policies (continued)

F. Pooled Cash and Cash Equivalents

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

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

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

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

In applying GASB Statement No. 31, the City utilized the following methods and assumptions as of December 31, 2008:

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

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

Money market investments, including U.S. Treasury and agency obligations that had a remaining maturity of one year or less at the time of purchase by the City, are reported at amortized cost.

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

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

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 2: Summary of Significant Accounting Policies (continued)

F. Pooled Cash and Cash Equivalents (continued)

During the year, the City invested in STAROhio, an investment pool managed by the State Treasurer's office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2008.

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

G. Inventory

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

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2008, are recorded as prepaid items using the allocation method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

I. Receivables

Receivables at December 31, 2008 consist of taxes, amounts due from other governments, accounts (billings for user charged services), special assessments, and accrued interest on investments. All are deemed collectible in full.

J. Capital Assets

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 2: Summary of Significant Accounting Policies (continued)

J. Capital Assets (continued)

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

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

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

K. Interfund Balances

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

L. Compensated Absences

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

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 2: Summary of Significant Accounting Policies (continued)

L. Compensated Absences (continued)

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

M. Accrued Liabilities and Long-Term Obligations

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

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

N. Fund Balance Reserves

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

O. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. As of December 31, 2008, the City did not have net assets restricted by enabling legislation.

P. Operating Revenues and Expenses

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 2: Summary of Significant Accounting Policies (continued)

Q. Grants and Intergovernmental Revenues

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

R. Interfund Activity

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

S. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither extraordinary nor special items had occurred in 2008.

T. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 3: Change in Accounting Principles

For fiscal year 2008, the City implemented GASB Statements No. 45, “*Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*,” No. 49, “*Accounting and Financial Reporting for Pollution Remediation Obligations*” and No. 50 “*Pension Disclosures*”. GASB Statement No. 45 provides guidance on all aspects of other postemployment benefit (OPEB) reporting by employers. GASB Statement No. 49 provides guidance on how to calculate and report the costs and obligations associated with pollution cleanup efforts. GASB Statement No. 50 more closely aligns the financial reporting requirements for pensions with those for other postemployment benefits.

The implementation of GASB statement No. 45 did not affect the presentation of the financial statements of the City. See Note 13 for further disclosure on the implementation of this GASB Statement. The implementation of GASB Statements No. 49 and No. 50 did not affect the presentation of the financial statements of the City.

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

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 Basis) and Actual presented for the general is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

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

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

	<u>Net Change in Fund Balance</u>	
GAAP Basis		<u>General</u>
		\$ (4,245,593)
<u>Increase (Decrease) Due to:</u>		
Revenue Accruals		119,203
Fair Value Adjustments for Investments		22,578
Expenditure Accruals		392,065
Outstanding Encumbrances		<u>(339,569)</u>
Budget Basis		<u>\$ (4,051,316)</u>

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.

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 5: Deposits and Investments (continued)

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

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

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

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

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.

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 5: Deposits and Investments (continued)

Deposits

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

At year-end, the carrying amount of the City's deposits was \$17,340,583 (including \$4,030 of petty cash and \$44,840 of segregated accounts) and the bank balance was \$17,506,242. Of the bank balance \$1,250,000 was covered by Federal depository insurance and \$16,256,242 was uninsured and collateralized with securities held by the pledging institution's trust department, not in the City's name.

Investments

Investments are reported at fair value. As of December 31, 2008, the City had the following investments:

<u>Investment Type</u>	Fair- Value	Credit Rating (*)	Investment Maturities (in Years)	
			<1	1-3
Federal Home Loan Bank	\$ 338,561	AAA	\$ -	\$ 338,561
Federal National Mortgage Association	1,016,250	AAA	-	1,016,250
STAR Ohio	286,963	AAA	286,963	-
Money Market Mutual Funds:				
Victory Federal Money Market Mutual Funds	259,925	AAA	259,925	-
Total Investments	1,901,699		\$ 546,888	\$ 1,354,811
Carrying Amount of Deposits	17,336,553			
Petty Cash	4,030			
Total Cash and Investments	\$ 19,242,282			

* 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 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.

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 5: Deposits and Investments (continued)

Investments (continued)

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

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

Concentration of Credit Risk is defined by the Governmental Accounting Standards Board as five percent or more in the securities of a single issuer. The City's investment policy requires diversification of the portfolio but does not indicate specific percentage allocations. The following is the City's allocation as of December 31, 2008:

<u>Investment Issuer</u>	<u>Percentage of Investments</u>
Victory Federal Money Market Mutual Funds	13.67%
STAROhio	15.09
Federal Home Loan Bank	17.80
Federal National Mortgage Association	53.44

Note 6: Receivables

Receivables at December 31, 2008 consisted primarily of taxes, intergovernmental receivables arising from grants, entitlements or shared revenues, accounts, special assessments and interest on investments. All receivables are considered fully collectible.

A. Property Tax

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Taxes collected on real property (other than public utility) in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values are established by state statute at 35 percent of appraised market value. All property is required to be revalued every six years. The last revaluation was completed in 2006. Real property taxes are payable annually or semiannually. The first payment is due December 31, with the remainder payable by June 20.

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.

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 6: Receivables (continued)

A. Property Tax (continued)

Tangible personal property used in business (except for public utilities) is currently assessed for *ad valorem* taxation purposes at 25 percent of its true value. The tangible personal property tax is being phased out – the assessment percentage for all property including inventory for 2008 is 6.25 percent. This will be reduced to zero for 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30; with the remainder payable by September 20.

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

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

The full tax rate for all City operations for the year ended December 31, 2008, was \$4.75 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2008 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Estate	\$ 456,775,560
Public Utility	8,447,320
Tangible Personal	<u>58,744,121</u>
Total	\$ <u><u>523,967,001</u></u>

B. Income Tax

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 6: Receivables (continued)

B. Income Tax (continued)

The Capital Improvement Capital Projects Fund further allocates income taxes to other capital projects funds, as transfers, through the budgetary process. On a cash basis, income tax receipts for 2008 were \$18,107,802.

C. Intergovernmental Receivables

A summary of the principal items of intergovernmental receivables follows:

	<u>Amounts</u>
Local government funds	\$ 513,569
Auto registration fees	98,890
Estate tax	98,049
Homestead and rollback	132,648
CAT tax reimbursement	78,391
Gasoline and excise tax	362,595
Public utility reimbursement	12,429
Permissive tax	3,989
Ohio Department of Transportation reimbursement	291,906
OPWC	426,869
City of Cleveland (share of OPWC loan)	1,090,832
City of Cleveland (OPWC local share reimbursement)	136,662
Fines and forfeitures	26,798
Miscellaneous reimbursements	<u>151,108</u>
Total	<u>\$ 3,424,735</u>

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City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 7: Capital Assets

	Balances 12/31/2007	Additions	Disposals	Balances 12/31/2008
Governmental Activities				
Nondepreciable Assets:				
Land	\$ 4,861,009	\$ 8,700	\$ -	\$ 4,869,709
Construction in progress	3,966,473	9,845,215	(853,159)	12,958,529
Total Nondepreciable Assets	<u>8,827,482</u>	<u>9,853,915</u>	<u>(853,159)</u>	<u>17,828,238</u>
Depreciable Assets:				
Buildings and Improvements	17,605,509	61,131	-	17,666,640
Improvements Other than Buildings	2,761,997	231,795	-	2,993,792
Machinery and Equipment	3,315,377	362,027	(182,624)	3,494,780
Furniture and Fixtures	164,633	5,647	-	170,280
Vehicles	8,053,869	327,714	(212,081)	8,169,502
Infrastructure:				
Streets	23,943,256	666,994	-	24,610,250
Sewers	18,110,594	7,604	-	18,118,198
Water Lines	464,543	-	-	464,543
Total Depreciable Assets	<u>74,419,778</u>	<u>1,662,912</u>	<u>(394,705)</u>	<u>75,687,985</u>
Less Accumulated Depreciation				
Buildings and Improvements	(6,468,465)	(398,418)	-	(6,866,883)
Improvements Other than Buildings	(1,179,417)	(124,779)	-	(1,304,196)
Machinery and Equipment	(1,467,035)	(259,449)	143,933	(1,582,551)
Furniture and Fixtures	(110,588)	(11,172)	-	(121,760)
Vehicles	(4,180,577)	(431,636)	91,157	(4,521,056)
Infrastructure:				
Streets	(5,605,707)	(796,378)	-	(6,402,085)
Sewers	(5,757,097)	(362,212)	-	(6,119,309)
Water Lines	(228,524)	(15,482)	-	(244,006)
Total Accumulated Depreciation	<u>(24,997,410)</u>	<u>(2,399,526)</u>	<u>235,090</u>	<u>(27,161,846)</u>
Total Depreciable Assets, Net	<u>49,422,368</u>	<u>(736,614)</u>	<u>(159,615)</u>	<u>48,526,139</u>
Governmental Activities Capital Assets, Net	<u>\$ 58,249,850</u>	<u>\$ 9,117,301</u>	<u>\$ (1,012,774)</u>	<u>\$ 66,354,377</u>

Depreciation was charged to governmental activities as follows:

Security of Persons and Property:	
Police and Others	\$ 133,183
Fire	231,305
Public Health and Welfare	931
Leisure Time Activities	390,557
Community Development	18,531
Public Works	616,785
Transportation	908,810
General Government	99,424
Total Depreciation Expense	<u>\$ 2,399,526</u>

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 8: Long-Term Debt

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

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

Changes in long-term debt activity for the year ended December 31, 2008 was as follows:

	<u>Balances 12/31/2007</u>	<u>Issued</u>	<u>Retired</u>	<u>Balances 12/31/2008</u>	<u>Amounts Due in One Year</u>
General Obligation Bonds:					
Laich Street Improvements	\$ 695,000	\$ -	\$ 30,000	\$ 665,000	\$ 30,000
Aerospace Parkway Improvements	1,080,000	-	140,000	940,000	145,000
Total General Obligation Bonds	<u>1,775,000</u>	<u>-</u>	<u>170,000</u>	<u>1,605,000</u>	<u>175,000</u>
Capitalized Lease Agreements:					
Public Works and Public Service					
Vehicles	388,823	161,430	246,758	303,495	249,722
Police Sedans	61,835	210,342	133,457	138,720	68,965
Fire Trucks	553,641	-	129,564	424,077	135,291
Copiers	31,180	-	7,186	23,994	7,191
Radio Equipment	47,660	-	10,896	36,764	11,549
Telephone System	63,773	-	31,348	32,425	32,425
Senior Bus	-	279,213	96,644	182,569	89,542
Total Capital Leases	<u>1,146,912</u>	<u>650,985</u>	<u>655,853</u>	<u>1,142,044</u>	<u>594,685</u>
Other Long-term Obligations:					
OPWC Loan - W. 150th Project	-	1,678,203	-	1,678,203	-
Accrued Compensated Absences	<u>2,763,821</u>	<u>399,939</u>	<u>817,085</u>	<u>2,346,675</u>	<u>1,260,200</u>
Total Other Long-term Obligations	<u>2,763,821</u>	<u>2,078,142</u>	<u>817,085</u>	<u>4,024,878</u>	<u>1,260,200</u>
Total Governmental					
Long-term Liabilities	<u>\$5,685,733</u>	<u>\$2,729,127</u>	<u>\$1,642,938</u>	<u>\$6,771,922</u>	<u>\$2,029,885</u>

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 8: Long-Term Debt (continued)

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. The OPWC committed up to \$1,942,332 at a 0% interest rate for twenty years. The final payment schedule will be determined when the total loan is disbursed or the project is completed, whichever is earlier. As of December 31, 2008, the City has not completed the project but has received \$1,678,203 in loan proceeds from OPWC. The City and the City of Cleveland have an agreement to share the debt service requirements of the OPWC loan. The City will pay 100 percent of the annual debt service requirements and the City of Cleveland will reimburse the City 65 percent of the annual debt service requirement. The City has recorded an intergovernmental receivable in the amount of \$1,090,832 to recognize the City of Cleveland's share of the loan.

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

See Note 9 for additional information on capital leases.

The City's overall legal debt margin was \$53,871,654 at December 31, 2008. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2008 are as follows:

Year	General Obligation Bonds		
	Principal	Interest	Total
2009	\$ 175,000	\$ 58,376	\$ 233,376
2010	180,000	53,476	233,476
2011	190,000	48,076	238,076
2012	190,000	41,900	231,900
2013	200,000	35,440	235,440
2014-2108	370,000	100,660	470,660
2019-2023	245,000	47,453	292,453
2024	55,000	2,530	57,530
Total	<u>\$ 1,605,000</u>	<u>\$ 387,911</u>	<u>\$ 1,992,911</u>

Note 9: Capital Leases

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 9: Capital Leases (continued)

	<u>Governmental Activities</u>
Assets:	
Machinery and equipment	\$ 237,104
Less: accumulated depreciation	<u>(45,051)</u>
Total	<u>\$ 192,053</u>
Vehicles	\$ 2,626,862
Less: accumulated depreciation	<u>(567,168)</u>
Total	<u>\$ 2,059,694</u>

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

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2008, were as follows:

<u>Year</u>	<u>Payments</u>
2009	\$ 639,284
2010	400,170
2011	174,994
2012	<u>2,403</u>
Total Minimum Lease Payments	1,216,851
Less: Amount Representing Interest	<u>(74,807)</u>
Present Value of Minimum Lease Payment	<u>\$ 1,142,044</u>

Note 10: Compensated Absences

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

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 11: Pension Plans

A. *Ohio Public Employees Retirement System*

The City of Brook Park participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional pension plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of living adjustments to members of the traditional pension and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or 800-222-7377.

For the year ended December 31, 2008, the members of all three plans were required to contribute 10.00 percent of their annual covered salary to fund pension obligations. The City contributed 14.00 percent of covered payroll, of which 7.00 percent was used to fund health care coverage for retirees. The contribution rate is determined actuarially. The Ohio Revised Code provides statutory authority for member and employer contributions.

The City of Brook Park's required contributions for pension obligations to the all three plans for the years ended December 31, 2008, 2007, and 2006 were \$541,480, \$616,329, and \$658,348, respectively, equal to the required contributions for each year. The full amount has been contributed for all 2007 and 2006. 95.87 percent has been contributed for 2008.

B. *Ohio Police and Fire Pension Fund*

The City of Brook Park contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 E. Town St., Columbus, Ohio 43215-5164.

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 11: Pension Plans (continued)

B. Ohio Police and Fire Pension Fund (continued)

Plan members are required to contribute 10.00 percent of their annual covered salary, while employers are required to contribute 19.50 percent for police officers and 24.00 percent for firefighters. Contributions are authorized by state statute. The City of Brook Park's contributions to OP&F for police and firefighters were \$417,361 and \$559,327 for the year ended December 31, 2008, \$390,851 and \$543,814 for the year ended December 31, 2007, and \$355,707 and \$501,417 for the year ended December 31, 2006. The full amount has been contributed for 2007 and 2006. 72.90 percent for police and 71.86 percent for firefighters has been contributed for 2008 with the remainder being reported as a liability.

Note 12: Postemployment Benefits

A. Ohio Public Employees Retirement System

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

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

In order to qualify for post-retirement health care coverage, age and service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 45. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care. The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. The 2008 employer contribution rate was 14.00 percent of covered payroll. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. For 2008, the employer contribution allocated to the health care plan was 7.00 percent of covered payroll. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 12: Postemployment Benefits (continued)

A. Ohio Public Employees Retirement System (continued)

Benefits are advance-funded on an actuarially determined basis. The individual entry age actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2007, include a rate of return on investments of 6.50 percent. An annual increase of 4.00 percent, compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.00 percent base increase, were assumed to range from 0.50 percent to 6.30 percent. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from 0.50 percent to 5.00 percent for the next seven years. In subsequent years (8 and beyond) health care costs were assumed to increase at 4.00 percent (the projected wage inflation rate).

All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25.00 percent of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12.00 percent corridor.

At December 31, 2008, the number of active contributing participants in the Traditional Pension and Combined Plans totaled 363,503. The number of active contributing participants for both plans used in the December 31, 2007, actuarial valuation was 364,076. The City's actual contributions for 2008, which were used to fund postemployment benefits, were \$541,480. OPERS's net assets available for payment of benefits at December 31, 2007, (the latest information available) were \$12.8 billion. Based on the actuarial cost method used, the Actuarial Valuation as of December 31, 2007, reported the actuarially accrued liability and the unfunded actuarially accrued liability for OPEB at \$29.8 billion and \$17.0 billion, respectively.

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

B. Ohio Police and Fire Pension Fund

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

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 12: Postemployment Benefits (continued)

B. 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 are codified in Chapter 742 of the Ohio Revised Code.

OP&F maintains fund for health care in two separate accounts. One for health care benefits under 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 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 Ohio Revised Code provides the statutory authority allowing the OP&F's Board of Trustees to provide health care coverage to all eligible individuals. Health care funding and accounting is on a pay-as-you-go basis. A percentage of covered payroll, as defined by the Board, is used to pay retiree health care expenses. The total police employer contribution rate is 19.50 percent of covered payroll and the total firefighter employer contribution rate is 24.00 percent of covered payroll, of which 6.75 percent and 6.75 percent of covered payroll was applied to the postemployment health care program during 2007 and 2008, respectively. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Section 115 and 401(h). In addition, since July 1, 1992, most retirees and survivors were required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The number of participants eligible to receive health care benefits as of December 31, 2007, the date of the last actuarial valuation available, was 14,295 for police and 10,583 for firefighters. The City's actual contributions for 2008, 2007 and 2006 that were allocated to the healthcare plan were \$220,956 for police and \$218,867 for firefighters, 206,780 for police and 212,534 for firefighters, and \$234,189 for police and 239,228 for firefighters, respectively. OP&F's total health care expenses for the year ending December 31, 2007, the date of the last actuarial valuation available, was \$93,205,319, which was net of member contributions of \$56,031,875.

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 13: Other Postemployment Benefits

Plan Description

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

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, 2008, 89 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, 2008, the City contributed \$238,709 to the plan. The plan requires no matching contributions from the employees during their period of employment.

Annual OPEB Costs and Net OPEB Obligation

The City first had an actuarial valuation performed for the plan as of December 31, 2008 to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended December 31, 2009. The City's annual OPEB cost (expense) of \$238,709 was equal to the ARC for the fiscal year, as the transition liability was set at zero as of December 31, 2008. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2008 is as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Employer Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
December 31, 2008	\$238,709	\$ 238,709	100.00%	\$ -

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 13: Other Postemployment Benefits (continued)

Annual OPEB Costs and Net OPEB Obligation (continued)

Funded Status and Funding Progress

The funded status of the plan as of December 31, 2008, was as follows:

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

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

Actuarial Methods and Assumptions

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

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 14: Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During the year, the City contracted with Wichert Insurance Services, Inc. to manage its insurance coverage. The coverage limits, on December 31, 2008, per occurrence for all types of coverage are as follows:

<u>Type of Coverage</u>	<u>Carrier</u>	<u>Coverage</u>
Property:		
Blanket building and contents	St. Paul Travelers Insurance	\$ 44,475,248
Extra expense	St. Paul Travelers Insurance	1 million
General liability:		
Commercial general liability	St. Paul Travelers Insurance	5 million
Employee benefits	St. Paul Travelers Insurance	3 million
Employers liability	St. Paul Travelers Insurance	2 million
Automotive liability	St. Paul Travelers Insurance	1 million
Excess liability:		
Umbrella	St. Paul Travelers Insurance	10 million
Other coverage:		
Contractors equipment	St. Paul Travelers Insurance	1,194,286
EDP equipment	St. Paul Travelers Insurance	346,585
Employee dishonesty	St. Paul Travelers Insurance	100,000
Valuable papers	St. Paul Travelers Insurance	100,000
Accounts receivable	St. Paul Travelers Insurance	100,000
Law enforcement	St. Paul Travelers Insurance	1 million
Public officials	St. Paul Travelers Insurance	6 million

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

The City provides a medical plan for full time employees and their families. The plan is self-funded for fiscal year 2008 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 \$200,000 in the aggregate. In 2008, the City funded the self-insurance reserve \$603 per month for single coverage and \$1,657 per month for family coverage. These rates are paid by the fund from which the employee's compensation is paid and include medical, prescription, dental and vision coverage.

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 14: Risk Management (continued)

The claims liability of \$115,801 as estimated by the third party administrator and reported in the Self-Insurance Fund at December 31, 2008 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, 2008. Changes in the fund's claim liability amount for the years ended 2006, 2007, and 2008 are as follows:

	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Year End</u>
2006	\$ 3,409	\$ 1,955,154	\$ (1,835,757)	\$ 122,806
2007	122,806	1,946,684	(1,859,594)	209,896
2008	209,896	1,410,694	(1,504,789)	115,801

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, 2008, the City's significant contractual commitments consisted of:

<u>Project</u>	<u>Contract Amount</u>	<u>Amount Paid</u>	<u>Remaining on Contract</u>
West 150 th Street/Sewer project	\$ 2,125,507	\$ 2,051,400	\$ 74,107
Snow Road underpass	9,822,806	6,704,569	3,118,237
Quiet Zone	681,467	581,256	100,211
Roads program	1,434,077	1,220,785	213,292
West 150 th Sewer project	349,790	262,343	87,447
Snow Road ramp project	<u>703,900</u>	<u>610,924</u>	<u>92,976</u>
Total	<u>\$ 15,117,547</u>	<u>\$ 11,431,277</u>	<u>\$ 3,686,270</u>

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2008

Note 16: Interfund Transfers

Interfund transfers for the year ended December 31, 2008, consisted of the following:

<u>Transfer To</u>	<u>Transfer From</u>		<u>Total</u>
	<u>General Fund</u>	<u>Capital Improvement Fund</u>	
Non-Major Governmental Funds	\$ 1,035,000	\$ 174,598	\$ 1,209,598

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, 2008.

B. Litigation

Several claims and lawsuits are pending against the City. The amount of the liability, if any, cannot be reasonably estimated at this time. However, in the opinion of management, any such claims and lawsuits will not have a material adverse effect on the overall financial position of the City at December 31, 2008.

Note 18: Accountability

Fund Equity Deficit - Special Revenue Funds

There are deficits in the Police Pension and Fire Pension Special Revenue Funds of \$175,752 and \$226,087, respectively, caused by the application of accounting principles generally accepted in the United States of America to these funds. The General Fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

City of Brook Park, Ohio

Combining Statements and Individual Fund Schedules
Non-Major Governmental Funds

For The Year Ended December 31, 2008

Non-Major Special Revenue Funds

Street Maintenance Fund

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

State Highway Fund

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

Permissive Tax Fund

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

Economic Development Fund

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

Brook Park Road Corridor Fund

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

Special Recreation Fund

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

Law Enforcement Fund

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

DWI Enforcement and Education Fund

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

Federal Forfeiture Fund

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

Community Diversion Fund

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

City of Brook Park, Ohio

Combining Statements and Individual Fund Schedules
Non-Major Governmental Funds

For The Year Ended December 31, 2008

Non-Major Special Revenue Funds (continued)

Retiree Accrued Benefits Fund

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

Police Pension Fund

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

Fire Pension Fund

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

Southwest General Health Center Fund

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

Continuing Training Program

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

Non-Major Debt Service Fund

General Obligation Debt Service Fund

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

City of Brook Park, Ohio

Combining Balance Sheet Non-Major Governmental Funds

December 31, 2008

	Nonmajor Special Revenue Funds	Nonmajor General Obligation Fund	Total Nonmajor Governmental Funds
ASSETS			
Equity in Pooled Cash and Cash Equivalents	\$ 4,092,807	\$ 460,119	\$ 4,552,926
Accrued Interest Receivable	11,695	-	11,695
Accounts Receivable	3,885	-	3,885
Intergovernmental Receivable	503,637	-	503,637
Property Taxes Receivable	396,756	-	396,756
Special Assessments Receivable	-	86,027	86,027
Total Assets	<u>\$ 5,008,780</u>	<u>\$ 546,146</u>	<u>\$ 5,554,926</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 10,026	\$ -	\$ 10,026
Accrued Wages and Benefits	506,133	-	506,133
Intergovernmental Payable	24,163	-	24,163
Matured Compensated Absences Payable	105,594	-	105,594
Deferred Revenue	760,978	86,027	847,005
Total Liabilities	<u>1,406,894</u>	<u>86,027</u>	<u>1,492,921</u>
Fund Balances:			
Reserved for:			
Encumbrances	24,876	-	24,876
Unreserved:			
Designated for:			
Accrued Retiree Benefits	1,049,591	-	1,049,591
Undesignated, Reported in:			
Special Revenue Funds	2,527,419	-	2,527,419
Debt Service Funds	-	460,119	460,119
Total Fund Balance	<u>3,601,886</u>	<u>460,119</u>	<u>4,062,005</u>
Total Liabilities and Fund Balance	<u>\$ 5,008,780</u>	<u>\$ 546,146</u>	<u>\$ 5,554,926</u>

City of Brook Park, Ohio

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

For The Year Ended December 31, 2008

	Nonmajor Special Revenue Funds	Nonmajor General Obligation Fund	Total Nonmajor Governmental Funds
REVENUES			
Property Taxes	\$ 385,736	\$ -	\$ 385,736
Intergovernmental	1,075,547	-	1,075,547
Interest	28,923	-	28,923
Fines and Forfeitures	29,903	-	29,903
Charges for Services	1,061,234	-	1,061,234
Special Assessments	-	59,413	59,413
All Other Revenues	266,697	-	266,697
Total Revenues	<u>2,848,040</u>	<u>59,413</u>	<u>2,907,453</u>
EXPENDITURES			
Security of Persons and Property:			
Police	705,940	-	705,940
Fire	1,008,379	-	1,008,379
Public Health and Welfare	142,438	-	142,438
Leisure Time Activities	147,452	-	147,452
Community Development	121,034	-	121,034
Public Works	4,888	-	4,888
Transportation	879,487	-	879,487
General Government	-	826	826
Debt Service:			
Principal Retirement	-	170,000	170,000
Interest and Fiscal Charges	-	62,625	62,625
Total Expenditures	<u>3,009,618</u>	<u>233,451</u>	<u>3,243,069</u>
Excess of Revenues Over (Under) Expenditures	<u>(161,578)</u>	<u>(174,038)</u>	<u>(335,616)</u>
OTHER FINANCING SOURCES			
Transfer In	1,035,000	174,598	1,209,598
Total Other Financing Sources	<u>1,035,000</u>	<u>174,598</u>	<u>1,209,598</u>
Net Change in Fund Balances	873,422	560	873,982
Fund Balances - Beginning of Year	2,728,464	459,559	3,188,023
Fund Balances - End of Year	<u>\$ 3,601,886</u>	<u>\$ 460,119</u>	<u>\$ 4,062,005</u>

City of Brook Park, Ohio

Combining Balance Sheet Non-Major Special Revenue Funds

December 31, 2008

	<u>Street Maintenance</u>	<u>State Highway</u>	<u>Permissive Tax</u>	<u>Economic Development</u>	<u>Brook Park Road Corridor</u>
ASSETS					
Equity in Pooled Cash and Cash Equivalents	\$ 149,576	\$ 153,678	\$ 359,531	\$ 1,612,693	\$ 284,310
Accrued Interest Receivable	2,367	2,432	5,689	-	-
Accounts Receivable	-	-	-	-	-
Intergovernmental Receivable	427,699	33,785	3,989	-	-
Property Taxes Receivable	-	-	-	-	-
Total Assets	<u>\$ 579,642</u>	<u>\$ 189,895</u>	<u>\$ 369,209</u>	<u>\$ 1,612,693</u>	<u>\$ 284,310</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ 1,406	\$ 8,620	\$ -
Accrued Wages and Benefits	33,866	-	-	-	-
Intergovernmental Payable	24,114	-	-	-	-
Matured Compensated Absences Payable	-	-	-	-	-
Deferred Revenue	302,430	23,628	-	-	-
Total Liabilities	<u>360,410</u>	<u>23,628</u>	<u>1,406</u>	<u>8,620</u>	<u>-</u>
Fund Balances:					
Reserved for:					
Encumbrances	17,822	-	-	3,829	-
Unreserved:					
Designated for:					
Accrued Retiree Benefits	-	-	-	-	-
Undesignated (Deficit), Reported in:					
Special Revenue Funds	201,410	166,267	367,803	1,600,244	284,310
Total Fund Balances (Deficit)	<u>219,232</u>	<u>166,267</u>	<u>367,803</u>	<u>1,604,073</u>	<u>284,310</u>
Total Liabilities and Fund Balance	<u>\$ 579,642</u>	<u>\$ 189,895</u>	<u>\$ 369,209</u>	<u>\$ 1,612,693</u>	<u>\$ 284,310</u>

Special Recreation	Law Enforcement	DWI Enforcement & Education	Federal Forfeiture	Community Diversion	Retiree Accrued Benefits	Police Pension	Fire Pension
\$ 50,337	\$ 141,514	\$ 25,067	\$ 76,260	\$ 6,011	\$ 1,155,185	\$ 36,788	\$ 33,572
-	-	-	1,207	-	-	-	-
3,885	-	-	-	-	-	-	-
-	-	-	-	-	-	13,407	13,407
-	-	-	-	-	-	145,212	145,212
<u>\$ 54,222</u>	<u>\$ 141,514</u>	<u>\$ 25,067</u>	<u>\$ 77,467</u>	<u>\$ 6,011</u>	<u>\$ 1,155,185</u>	<u>\$ 195,407</u>	<u>\$ 192,191</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	68	-	212,540	259,659
-	-	-	-	49	-	-	-
-	-	-	-	-	105,594	-	-
-	-	-	-	-	-	158,619	158,619
-	-	-	-	117	105,594	371,159	418,278
975	2,250	-	-	-	-	-	-
-	-	-	-	-	1,049,591	-	-
53,247	139,264	25,067	77,467	5,894	-	(175,752)	(226,087)
54,222	141,514	25,067	77,467	5,894	1,049,591	(175,752)	(226,087)
<u>\$ 54,222</u>	<u>\$ 141,514</u>	<u>\$ 25,067</u>	<u>\$ 77,467</u>	<u>\$ 6,011</u>	<u>\$ 1,155,185</u>	<u>\$ 195,407</u>	<u>\$ 192,191</u>

(Continued)

City of Brook Park, Ohio

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

December 31, 2008

	Southwest General Health Center	Continuing Training Program	Nonmajor Special Revenue Funds
ASSETS			
Equity in Pooled Cash and Cash Equivalents	\$ 2,005	\$ 6,280	\$ 4,092,807
Accrued Interest Receivable	-	-	11,695
Accounts Receivable	-	-	3,885
Intergovernmental Receivable	11,350	-	503,637
Property Taxes Receivable	106,332	-	396,756
Total Assets	\$ 119,687	\$ 6,280	\$ 5,008,780
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ -	\$ -	\$ 10,026
Accrued Wages and Benefits	-	-	506,133
Intergovernmental Payable	-	-	24,163
Matured Compensated Absences Payable	-	-	105,594
Deferred Revenue	117,682	-	760,978
Total Liabilities	117,682	-	1,406,894
Fund Balances:			
Reserved for:			
Encumbrances	-	-	24,876
Unreserved:			
Designated for:			
Accrued Retiree Benefits	-	-	1,049,591
Undesignated (Deficit), Reported in:			
Special Revenue Funds	2,005	6,280	2,527,419
Total Fund Balances (Deficit)	2,005	6,280	3,601,886
Total Liabilities and Fund Balance	\$ 119,687	\$ 6,280	\$ 5,008,780

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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, 2008

	<u>Street Maintenance</u>	<u>State Highway</u>	<u>Permissive Tax</u>	<u>Economic Development</u>	<u>Brook Park Road Corridor</u>
REVENUES					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	830,378	65,542	51,506	-	-
Interest	6,290	5,617	13,753	-	-
Fines and Forfeitures	-	-	-	-	-
Charges for Services	-	-	-	1,061,234	-
All Other Revenues	-	-	-	64,153	-
Total Revenues	<u>836,668</u>	<u>71,159</u>	<u>65,259</u>	<u>1,125,387</u>	<u>-</u>
EXPENDITURES					
Security of Persons and Property:					
Police	-	-	-	-	-
Fire	-	-	-	-	-
Public Health	-	-	-	-	-
Leisure Time Activities	-	-	-	-	-
Community Development	-	-	-	110,747	10,287
Basic Utility Service	-	-	-	-	-
Transportation	871,126	300	8,061	-	-
Total Expenditures	<u>871,126</u>	<u>300</u>	<u>8,061</u>	<u>110,747</u>	<u>10,287</u>
Excess of Revenues Over (Under) Expenditures	<u>(34,458)</u>	<u>70,859</u>	<u>57,198</u>	<u>1,014,640</u>	<u>(10,287)</u>
OTHER FINANCING SOURCES					
Transfer In	-	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(34,458)</u>	<u>70,859</u>	<u>57,198</u>	<u>1,014,640</u>	<u>(10,287)</u>
Fund Balances (Deficit) - Beginning of Year	253,690	95,408	310,605	589,433	294,597
Fund Balances (Deficit) - End of Year	<u>\$ 219,232</u>	<u>\$ 166,267</u>	<u>\$ 367,803</u>	<u>\$ 1,604,073</u>	<u>\$ 284,310</u>

<u>Special Recreation</u>	<u>Law Enforcement</u>	<u>DWI Enforcement & Education</u>	<u>Federal Forfeiture</u>	<u>Community Diversion</u>	<u>Retiree Accrued Benefits</u>	<u>Police Pension</u>	<u>Fire Pension</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,629	\$ 140,629
-	-	-	-	-	-	44,078	44,078
-	-	-	3,263	-	-	-	-
-	28,393	1,510	-	-	-	-	-
-	-	-	-	-	-	-	-
153,503	16,091	-	23,670	2,400	-	-	-
<u>153,503</u>	<u>44,484</u>	<u>1,510</u>	<u>26,933</u>	<u>2,400</u>	<u>-</u>	<u>184,707</u>	<u>184,707</u>
-	23,601	1,374	46,375	4,917	-	629,073	-
-	-	-	-	-	257,047	-	751,332
-	-	-	-	-	-	-	-
143,816	-	-	-	-	3,636	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	4,888	-	-
-	-	-	-	-	-	-	-
<u>143,816</u>	<u>23,601</u>	<u>1,374</u>	<u>46,375</u>	<u>4,917</u>	<u>265,571</u>	<u>629,073</u>	<u>751,332</u>
<u>9,687</u>	<u>20,883</u>	<u>136</u>	<u>(19,442)</u>	<u>(2,517)</u>	<u>(265,571)</u>	<u>(444,366)</u>	<u>(566,625)</u>
-	-	-	-	-	-	445,000	590,000
-	-	-	-	-	-	445,000	590,000
9,687	20,883	136	(19,442)	(2,517)	(265,571)	634	23,375
44,535	120,631	24,931	96,909	8,411	1,315,162	(176,386)	(249,462)
<u>\$ 54,222</u>	<u>\$ 141,514</u>	<u>\$ 25,067</u>	<u>\$ 77,467</u>	<u>\$ 5,894</u>	<u>\$ 1,049,591</u>	<u>\$ (175,752)</u>	<u>\$ (226,087)</u>

(Continued)

City of Brook Park, Ohio

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

For The Year Ended December 31, 2008

	Southwest General Health Center	Continuing Training Program	Nonmajor Special Revenue Funds
REVENUES			
Property Taxes	\$ 104,478	\$ -	\$ 385,736
Intergovernmental	39,965	-	1,075,547
Interest	-	-	28,923
Fines and Forfeitures	-	-	29,903
Charges for Services	-	-	1,061,234
All Other Revenues	-	6,880	266,697
Total Revenues	<u>144,443</u>	<u>6,880</u>	<u>2,848,040</u>
EXPENDITURES			
Security of Persons and Property:			
Police	-	600	705,940
Fire	-	-	1,008,379
Public Health	142,438	-	142,438
Leisure Time Activities	-	-	147,452
Community Development	-	-	121,034
Basic Utility Service	-	-	4,888
Transportation	-	-	879,487
Total Expenditures	<u>142,438</u>	<u>600</u>	<u>3,009,618</u>
Excess of Revenues Over (Under) Expenditures	<u>2,005</u>	<u>6,280</u>	<u>(161,578)</u>
OTHER FINANCING SOURCES			
Transfer In	-	-	1,035,000
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>1,035,000</u>
Net Change in Fund Balances	2,005	6,280	873,422
Fund Balances (Deficit) - Beginning of Year	-	-	2,728,464
Fund Balances (Deficit) - End of Year	<u>\$ 2,005</u>	<u>\$ 6,280</u>	<u>\$ 3,601,886</u>

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**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, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 1,992,175	\$ 1,953,167	\$ 1,953,167	\$ -
Income Taxes	13,826,000	13,826,000	13,793,813	(32,187)
Other Taxes	322,500	330,235	330,235	-
Intergovernmental	1,676,527	1,868,676	1,868,676	-
Interest	660,964	782,146	782,146	-
Licenses and Permits	454,060	464,274	464,274	-
Fines and Forfeitures	353,289	322,938	322,938	-
Rentals	10,270	2,775	2,775	-
Charges for Services	851,575	844,567	844,567	-
Contributions and Donations	5,000	10,782	10,782	-
All Other Revenues	198,767	167,484	166,284	(1,200)
Total Revenues	20,351,127	20,573,044	20,539,657	(33,387)
Expenditures:				
Current:				
Security of Persons and Property				
Correctional Facility				
Personal Services	170,866	173,175	168,438	4,737
Travel and Education	250	250	110	140
Contractual Services	17,288	23,400	21,450	1,950
Supplies and Materials	838	838	474	364
Other Expenses	35,858	33,148	32,361	787
Total Correctional Facility	225,100	230,811	222,833	7,978
School Guards				
Personal Services	89,243	89,243	85,980	3,263
Other Expenses	-	454	454	-
Total School Guards	89,243	89,697	86,434	3,263
Fire Department				
Personal Services	4,017,199	4,080,101	3,927,671	152,430
Travel and Education	15,050	14,809	9,504	5,305
Contractual Services	104,189	139,425	137,456	1,969
Supplies and Materials	47,483	47,483	40,745	6,738
Other Expenses	49,969	70,469	62,288	8,181
Total Fire Department	4,233,890	4,352,287	4,177,664	174,623
Police Department				
Personal Services	4,160,151	4,135,154	4,042,198	92,956
Travel and Education	15,859	16,420	15,102	1,318
Contractual Services	109,864	110,315	95,485	14,830
Supplies and Materials	62,678	62,112	57,707	4,405
Other Expenses	143,191	184,753	163,983	20,770
Total Police Department	4,491,743	4,508,754	4,374,475	134,279

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, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Animal Control				
Personal Services	140,926	143,350	138,782	4,568
Travel and Education	500	367	150	217
Contractual Services	54,119	62,074	56,486	5,588
Supplies and Materials	5,159	5,193	4,519	674
Other Expenses	11,311	12,754	11,788	966
Total Animal Control	212,015	223,738	211,725	12,013
Safety Director				
Personal Services	122,281	122,685	122,238	447
Travel and Education	750	750	-	750
Contractual Services	1,269	1,077	579	498
Supplies and Materials	850	742	91	651
Other Expenses	566	866	483	383
Total Safety Director	125,716	126,120	123,391	2,729
Safety Building				
Personal Services	577,192	577,192	530,024	47,168
Travel and Education	1,809	1,359	-	1,359
Contractual Services	119,665	119,665	118,963	702
Supplies and Materials	1,675	1,875	382	1,493
Other Expenses	1,811	2,061	1,182	879
Total Safety Building	702,152	702,152	650,551	51,601
Safety Town				
Personal Services	4,635	4,635	4,635	-
Contractual Services	2,120	2,160	2,160	-
Supplies and Materials	150	413	413	-
Other Expenses	484	375	375	-
Total Safety Town	7,389	7,583	7,583	-
Street Lighting				
Contractual Services	286,829	318,829	290,696	28,133
Supplies and Materials	5,263	5,248	1,007	4,241
Other Expenses	-	15	15	-
Total Street Lighting	292,092	324,092	291,718	32,374
Traffic Lights				
Contractual Services	34,115	49,175	38,298	10,877
Supplies and Materials	4,272	2,920	1,820	1,100
Total Traffic Lights	38,387	52,095	40,118	11,977

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, 2008

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Disaster Services				
Personal Services	28,723	31,228	30,950	278
Travel and Education	100	100	44	56
Contractual Services	268	526	385	141
Supplies and Materials	667	4,134	4,134	-
Other Expenses	5,117	7,868	7,116	752
Total Disaster Services	34,875	43,856	42,629	1,227
Total Security of Persons and Property	10,452,602	10,661,185	10,229,121	432,064
Public Health & Welfare				
County Board of Health				
Contractual Services	81,385	81,385	79,685	1,700
Office of Aging				
Personal Services	240,771	243,080	234,545	8,535
Travel and Education	100	100	-	100
Contractual Services	1,433	1,433	1,390	43
Supplies and Materials	8,964	15,084	14,009	1,075
Other Expenses	19,233	17,181	15,986	1,195
Total Office of Aging	270,501	276,878	265,930	10,948
Total Public Health and Welfare	351,886	358,263	345,615	12,648
Leisure Time Activities				
Recreation Commission				
Personal Services	15,620	15,620	15,163	457
Recreation Center				
Personal Services	959,479	959,479	900,458	59,021
Travel and Education	750	917	917	-
Contractual Services	610,787	609,233	552,021	57,212
Supplies and Materials	50,036	50,957	47,617	3,340
Other Expenses	23,733	24,924	22,925	1,999
Total Recreation Center	1,644,785	1,645,510	1,523,938	121,572
Home Day Celebration				
Personal Services	17,895	28,123	27,444	679
Contractual Services	51,091	51,868	51,681	187
Supplies and Materials	1,895	2,320	2,320	-
Other Expenses	8,720	6,545	6,545	-
Total Home Day Celebration	79,601	88,856	87,990	866

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, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Parks and Play Grounds				
Personal Services	473,444	484,554	467,405	17,149
Travel and Education	250	207	43	164
Contractual Services	93,453	88,013	78,592	9,421
Supplies and Materials	46,701	59,164	54,597	4,567
Other Expenses	77,420	86,521	76,570	9,951
Total Parks and Play Grounds	691,268	718,459	677,207	41,252
Public Recreation				
Personal Services	1,154	1,154	-	1,154
Travel and Education	50	50	-	50
Contractual Services	77,003	76,267	73,450	2,817
Supplies and Materials	8,916	9,264	8,534	730
Other Expenses	25,054	25,442	14,876	10,566
Total Public Recreation	112,177	112,177	96,860	15,317
Total Leisure Time Activates	2,543,451	2,580,622	2,401,158	179,464
Community Development				
Planning Commission				
Personal Services	15,314	15,314	14,867	447
Community Development				
Personal Services	90,671	90,671	84,657	6,014
Travel and Education	1,000	1,000	980	20
Contractual Services	2,749	2,749	2,555	194
Supplies and Materials	1,056	976	552	424
Other Expenses	369	449	419	30
Total Community Development	95,845	95,845	89,163	6,682
Board of Zoning Appeals				
Personal Services	18,377	18,377	17,709	668
Building Department				
Personal Services	596,302	596,880	583,089	13,791
Travel and Education	2,617	2,658	2,658	-
Contractual Services	41,262	40,256	37,074	3,182
Supplies and Materials	4,714	5,470	4,470	1,000
Other Expenses	10,072	10,280	8,260	2,020
Total Building Department	654,967	655,544	635,551	19,993

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, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Tree and Tree Lawns				
Personal Services	248,853	293,894	287,508	6,386
Travel and Education	50	50	44	6
Contractual Services	8,816	9,584	8,159	1,425
Supplies and Materials	2,867	6,563	4,897	1,666
Other Expenses	5,400	7,745	6,972	773
Total Tree and Tree Lawns	265,986	317,836	307,580	10,256
Total Community Development	1,050,489	1,102,916	1,064,870	38,046
Public Works				
Service Director				
Personal Services	540,792	540,792	467,481	73,311
Travel and Education	250	200	-	200
Contractual Services	8,431	8,229	7,804	425
Supplies and Materials	4,547	9,276	8,700	576
Other Expenses	2,263	2,559	2,278	281
Total Service Director	556,283	561,056	486,263	74,793
Service Building				
Personal Services	74,866	76,944	73,482	3,462
Travel and Education	547	547	547	-
Contractual Services	225,811	222,149	215,641	6,508
Supplies and Materials	28,490	32,107	29,468	2,639
Other Expenses	106,900	106,945	59,654	47,291
Total Service Building	436,614	438,692	378,792	59,900
Sanitation Department				
Personal Services	1,219,982	1,221,629	1,178,351	43,278
Travel and Education	500	500	259	241
Contractual Services	2,875	5,372	5,055	317
Supplies and Materials	74,430	74,130	70,288	3,842
Other Expenses	584,144	581,947	536,991	44,956
Total Sanitation Department	1,881,931	1,883,578	1,790,944	92,634
Sewers, Drains, and Pump Stations				
Personal Services	804,199	749,320	727,031	22,289
Travel and Education	250	178	84	94
Contractual Services	75,675	80,746	77,563	3,183
Supplies and Materials	38,495	37,524	32,595	4,929
Other Expenses	44,657	60,953	56,002	4,951
Total Sewers, Drains, and Pump Stations	963,276	928,721	893,275	35,446
Total Public Works	3,838,104	3,812,047	3,549,274	262,773

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, 2008

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Transportation				
Street Cleaning				
Personal Services	70,956	70,956	69,300	1,656
Travel and Education	100	94	-	94
Contractual Services	35	35	-	35
Supplies and Materials	5,617	5,704	5,739	(35)
Other Expenses	7,075	6,994	4,096	2,898
Total Street Cleaning	83,783	83,783	79,135	4,648
Traffic Signs				
Personal Services	65,675	65,675	62,937	2,738
Travel and Education	50	25	-	25
Contractual Services	35	35	35	-
Supplies and Materials	1,719	2,538	2,375	163
Other Expenses	450	2,040	1,743	297
Total Traffic Signs	67,929	70,313	67,090	3,223
Snow Removal				
Personal Services	249,718	324,761	295,209	29,552
Contractual Services	500	900	312	588
Supplies and Materials	98,296	144,654	142,160	2,494
Other Expenses	406,606	399,848	376,555	23,293
Total Snow Removal	755,120	870,163	814,236	55,927
Total Transportation	906,832	1,024,259	960,461	63,798
General Government				
City Council				
Personal Services	134,912	134,918	134,912	6
Travel and Education	9,750	8,878	8,051	827
Contractual Services	16,874	20,118	19,270	848
Supplies and Materials	2,750	2,998	2,052	946
Other Expenses	1,802	2,153	1,178	975
Total City Council	166,088	169,065	165,463	3,602
Clerk of Council				
Personal Services	143,172	143,201	143,180	21
Travel and Education	1,488	1,488	913	575
Contractual Services	1,272	1,272	1,006	266
Supplies and Materials	300	300	166	134
Total Clerk of Council	146,232	146,261	145,265	996

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, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Mayor's Court				
Personal Services	115,248	115,248	106,294	8,954
Travel and Education	1,000	1,000	792	208
Contractual Services	9,904	10,104	7,497	2,607
Supplies and Materials	2,098	1,898	1,710	188
Other Expenses	100	100	16	84
Total Mayor's Court	128,350	128,350	116,309	12,041
Municipal Court				
Contractual Services	25,346	25,346	24,803	543
Civil Service Commission				
Personal Services	30,628	32,556	31,485	1,071
Travel and Education	200	200	154	46
Contractual Services	5,571	5,669	3,611	2,058
Supplies and Materials	250	360	359	1
Other Expenses	8,500	8,292	6,379	1,913
Total Civil Service Commission	45,149	47,077	41,988	5,089
Mayor's Office				
Personal Services	303,994	303,994	301,441	2,553
Travel and Education	4,259	4,259	3,583	676
Contractual Services	4,563	6,211	5,977	234
Supplies and Materials	4,245	3,991	3,446	545
Other Expenses	5,978	6,215	4,949	1,266
Total Mayor's Office	323,039	324,670	319,396	5,274
Human Resources				
Personal Services	104,238	104,243	104,220	23
Travel and Education	1,000	914	395	519
Contractual Services	17,160	17,160	13,667	3,493
Supplies and Materials	370	456	371	85
Other Expenses	317	317	-	317
Total Human Resources	123,085	123,090	118,653	4,437
Public Properties				
Personal Services	434,564	381,793	367,636	14,157
Travel and Education	250	207	185	22
Contractual Services	37,470	39,789	39,582	207
Supplies and Materials	3,269	2,764	2,378	386
Other Expenses	4,340	3,368	3,198	170
Total Public Properties	479,893	427,921	412,979	14,942

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, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Legal Department				
Personal Services	263,548	265,327	260,063	5,264
Travel and Education	6,162	3,669	1,149	2,520
Contractual Services	2,387	3,135	1,844	1,291
Supplies and Materials	1,654	1,620	584	1,036
Other Expenses	138	138	118	20
Total Legal Department	273,889	273,889	263,758	10,131
Finance Department				
Personal Services	427,245	427,245	402,248	24,997
Travel and Education	6,409	5,979	5,015	964
Contractual Services	77,639	78,940	72,453	6,487
Supplies and Materials	8,363	7,417	5,081	2,336
Other Expenses	324	399	187	212
Total Finance Department	519,980	519,980	484,984	34,996
Tax Department				
Personal Services	223,334	227,709	224,143	3,566
Travel and Education	2,423	1,989	1,058	931
Contractual Services	49,139	42,783	41,880	903
Supplies and Materials	13,792	18,491	17,872	619
Other Expenses	206,500	258,892	258,892	-
Total Tax Department	495,188	549,864	543,845	6,019
Tax Review Board				
Personal Services	6,466	6,466	4,184	2,282
Retirees				
Personal Services	272,202	272,202	238,358	33,844
Mechanics				
Personal Services	633,075	652,092	624,812	27,280
Travel and Education	1,080	1,995	1,995	-
Contractual Services	480	406	325	81
Supplies and Materials	4,214	6,248	5,465	783
Other Expenses	999	1,481	871	610
Total Mechanics	639,848	662,222	633,468	28,754
Engineering				
Contractual Services	48,000	48,000	48,000	-

Continued

City of Brook Park, Ohio

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

For The Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Lands and Buildings				
Personal Services	11,545	11,545	2,712	8,833
Contractual Services	152,418	155,180	150,945	4,235
Supplies and Materials	4,184	4,587	3,640	947
Other Expenses	18,596	23,559	20,266	3,293
Total Lands and Buildings	186,743	194,871	177,563	17,308
Other General Government				
Personal Services	479,949	481,391	480,298	1,093
Travel and Education	4,789	13,051	13,051	-
Contractual Services	401,042	610,089	450,624	159,465
Supplies and Materials	51,518	84,339	76,653	7,686
Other Expenses	279,663	281,794	259,393	22,401
Total Other General Government	1,216,961	1,470,664	1,280,019	190,645
Total General Government	5,096,459	5,389,938	5,019,035	370,903
Total Expenditures	24,239,823	24,929,230	23,569,534	1,359,696
Excess of Revenues Over (Under) Expenditures	(3,888,696)	(4,356,186)	(3,029,877)	1,326,309
Other Financing Sources (Uses)				
Sale of Capital Assets	19,621	13,561	13,561	-
Transfers Out	(1,035,000)	(1,035,000)	(1,035,000)	-
Total Other Financing Sources (Uses)	(1,015,379)	(1,021,439)	(1,021,439)	-
Net Change in Fund Balance	(4,904,075)	(5,377,625)	(4,051,316)	1,326,309
Cash Fund Balance - Beginning of Year	8,148,161	8,148,161	8,148,161	-
Current Year Encumbrances	-	-	339,569	339,569
Cash Fund Balance - End of Year	\$ 3,244,086	\$ 2,770,536	\$ 4,436,414	\$ 1,665,878

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, 2008**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Income Taxes	\$ 4,374,000	\$ 4,374,000	\$ 4,313,989	\$ (60,011)
Intergovernmental	7,469,471	7,470,640	6,171,310	(1,299,330)
Interest	138,067	95,787	95,787	-
Contributions and Donations	-	7,525	7,525	-
Special Assessments	23,474	24,006	24,006	-
All Other Revenues	738,842	677,954	484,046	(193,908)
Total Revenues	12,743,854	12,649,912	11,096,663	(1,553,249)
Expenditures:				
Current:				
Security of Persons and Property				
Police and Others				
Contractual Services	2,792	2,792	2,288	504
Leisure Time Activities				
Recreation Center				
Contractual Services	2,000	2,000	1,970	30
Parks and Playgrounds				
Contractual Services	9,161	9,161	3,497	5,664
Other	888	888	888	-
Total Parks and Playgrounds	10,049	10,049	4,385	5,664
Total Leisure Time Activities	12,049	12,049	6,355	5,694
Community Development				
Contractual Services	2,011,421	2,008,866	1,832,056	176,810
Other	2,500	2,500	958	1,542
Total Community Development	2,013,921	2,011,366	1,833,014	178,352
Public Works				
Sewers and Drains				
Contractual Services	410,673	414,673	389,663	25,010
Other	1,000	1,000	-	1,000
Total Public Works	411,673	415,673	389,663	26,010
Transportation				
Street Paving and Repair				
Contractual Services	466,236	486,236	314,816	171,420
Other	4,330	4,330	4,136	194
Total Transportation	470,566	490,566	318,952	171,614

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, 2008**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
General Government				
Income Tax Department				
Personal Services	84,314	86,185	84,947	1,238
Travel and Education	1,039	853	453	400
Contractual Services	20,802	18,078	15,831	2,247
Supplies and Materials	1,095	1,652	1,309	343
Other	88,500	110,953	110,953	-
Total Income Tax Department	195,750	217,721	213,493	4,228
Land and Buildings:				
Contractual Services	2,000	2,000	1,120	880
Total General Government	197,750	219,721	214,613	5,108
Capital Outlay				
Animal Warden	13,900	13,900	2,102	11,798
Building Department	1,000	1,000	657	343
Community Development	6,428,207	6,430,912	5,372,648	1,058,264
Council	4,312	4,312	3,956	356
Finance Department	7,500	7,500	309	7,191
Fire Department	763,632	709,040	704,498	4,542
Home Days Celebration	-	2,373	2,373	-
Human Resources	155	155	155	-
Lands and Buildings	438,375	438,375	222,040	216,335
Legal Department	15,728	15,728	6,728	9,000
Mayor's Office	6,359	6,359	4,419	1,940
Mechanics	5,000	5,146	5,146	-
Office of Aging	22,000	22,000	19,973	2,027
Parks and Playgrounds	252,420	222,421	195,219	27,202
Police Department	501,569	506,569	504,821	1,748
Public Properties	7,951	10,779	10,779	-
Recreation Center	109,904	109,904	109,053	851
Safety Building	39,145	39,145	38,755	390
Safety Director	3,637	3,137	3,112	25
Safety Town	20,898	23,848	5,945	17,903
Sanitation	65,000	105,999	99,619	6,380
Service Building	110,568	111,568	110,862	706
Sewers and Drains	701,479	722,879	573,581	149,298
Snow Removal	102,528	138,528	131,142	7,386
Street Lighting	30,951	30,951	21,962	8,989
Street Paving and Repair	6,886,626	6,937,256	6,146,880	790,376

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, 2008**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Capital Outlay (continued)				
Tax Department	58,894	58,984	36,462	22,522
Traffic Lights	2,000	2,000	-	2,000
Traffic Signs	17,000	17,000	14,894	2,106
Trees and Tree Lawns	39,139	39,139	16,997	22,142
Total Capital Outlay	16,655,877	16,736,907	14,365,087	2,371,820
Total Expenditures	19,764,628	19,889,074	17,129,972	2,759,102
Excess of Revenues Over (Under) Expenditures	(7,020,774)	(7,239,162)	(6,033,309)	1,205,853
Other Financing Sources (Uses)				
Sale of Capital Assets	9,050	-	-	-
Note Proceeds	5,000,000	-	-	-
OPWC Loans Issued	1,949,332	1,949,332	1,251,334	(697,998)
Transfers In	100,000	100,000	-	(100,000)
Transfers Out	(174,598)	(174,598)	(174,598)	-
Total Other Financing Sources (Uses)	6,883,784	1,874,734	1,076,736	(797,998)
Net Change in Fund Balance	(136,990)	(5,364,428)	(4,956,573)	407,855
Cash Fund Balance - Beginning of Year	10,892,345	10,892,345	10,892,345	-
Current Year Encumbrances	-	-	3,121,910	3,121,910
Cash Fund Balance - End of Year	<u>\$ 10,755,355</u>	<u>\$ 5,527,917</u>	<u>\$ 9,057,682</u>	<u>\$ 3,529,765</u>

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Budgetary Basis) and Actual
 Street Maintenance Fund
For The Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 933,870	\$ 855,398	\$ 855,398	\$ -
Interest	5,372	3,576	3,576	-
All Other Revenues	17,500	-	-	-
Total Revenues	<u>956,742</u>	<u>858,974</u>	<u>858,974</u>	<u>-</u>
Expenditures:				
Current:				
Transportation				
Street Paving and Repair				
Personal Services	618,864	750,732	729,859	20,873
Travel and Education	100	100	86	14
Contractual Services	5,885	2,335	1,102	1,233
Supplies and Materials	120,444	134,902	128,621	6,281
Total Expenditures	<u>745,293</u>	<u>888,069</u>	<u>859,668</u>	<u>28,401</u>
Net Change in Fund Balance	211,449	(29,095)	(694)	28,401
Cash Fund Balance - Beginning of Year	131,753	131,753	131,753	-
Current Year Encumbrances	-	-	17,822	17,822
Cash Fund Balance - End of Year	<u>\$ 343,202</u>	<u>\$ 102,658</u>	<u>\$ 148,881</u>	<u>\$ 46,223</u>

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Budgetary Basis) and Actual
 State Highway Fund
For The Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 72,712	\$ 67,570	\$ 67,570	\$ -
Interest	4,874	2,714	2,714	-
Total Revenues	<u>77,586</u>	<u>70,284</u>	<u>70,284</u>	<u>-</u>
Expenditures:				
Current:				
Transportation				
Street Paving and Repair				
Supplies and Materials	5,300	5,300	300	5,000
Total Expenditures	<u>5,300</u>	<u>5,300</u>	<u>300</u>	<u>5,000</u>
Net Change in Fund Balance	72,286	64,984	69,984	5,000
Cash Fund Balance - Beginning of Year	82,980	82,980	82,980	-
Cash Fund Balance - End of Year	<u>\$ 155,266</u>	<u>\$ 147,964</u>	<u>\$ 152,964</u>	<u>\$ 5,000</u>

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Budgetary Basis) and Actual
 Permissive Tax Fund
For The Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 48,670	\$ 47,517	\$ 47,517	\$ -
Interest	13,749	7,915	7,915	-
Total Revenues	62,419	55,432	55,432	-
Expenditures:				
Current:				
Transportation				
Street Paving and Repair				
Supplies and Materials	50,696	50,696	15,146	35,550
Total Expenditures	50,696	50,696	15,146	35,550
Net Change in Fund Balance	11,723	4,736	40,286	35,550
Cash Fund Balance - Beginning of Year	317,575	317,575	317,575	-
Cash Fund Balance - End of Year	\$ 329,298	\$ 322,311	\$ 357,861	\$ 35,550

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, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services	\$ 1,088,000	\$ 1,061,234	\$ 1,061,234	\$ -
All Other Revenues	68,000	64,153	64,153	-
Total Revenues	<u>1,156,000</u>	<u>1,125,387</u>	<u>1,125,387</u>	<u>-</u>
Expenditures:				
Current:				
Community Development				
Contractual Services	624,181	624,181	119,996	504,185
Total Expenditures	<u>624,181</u>	<u>624,181</u>	<u>119,996</u>	<u>504,185</u>
Excess of Revenues Over (Under) Expenditures	531,819	501,206	1,005,391	504,185
Other Financing Sources (Uses)				
Transfers Out	-	(100,000)	-	100,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>(100,000)</u>	<u>-</u>	<u>100,000</u>
Net Change in Fund Balance	531,819	401,206	1,005,391	604,185
Cash Fund Balance - Beginning of Year	600,306	600,306	600,306	-
Current Year Encumbrances	-	-	6,996	6,996
Cash Fund Balance - End of Year	<u>\$ 1,132,125</u>	<u>\$ 1,001,512</u>	<u>\$ 1,612,693</u>	<u>\$ 611,181</u>

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Budgetary Basis) and Actual
 Brook Park Road Corridor Fund
For The Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Community Development				
Contractual Services	\$ 702	\$ 10,702	\$ 10,287	\$ 415
Total Expenditures	<u>702</u>	<u>10,702</u>	<u>10,287</u>	<u>415</u>
Net Change in Fund Balance	(702)	(10,702)	(10,287)	415
Cash Fund Balance - Beginning of Year	<u>294,597</u>	<u>294,597</u>	<u>294,597</u>	<u>-</u>
Cash Fund Balance - End of Year	<u>\$ 293,895</u>	<u>\$ 283,895</u>	<u>\$ 284,310</u>	<u>\$ 415</u>

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Budgetary Basis) and Actual
 Special Recreation Fund
For The Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
All Other Revenues	\$ 94,000	\$ 150,318	\$ 150,318	\$ -
Total Revenues	<u>94,000</u>	<u>150,318</u>	<u>150,318</u>	<u>-</u>
Expenditures:				
Current:				
Leisure Time Activities				
Public Recreation				
Travel and Education	900	900	110	790
Contractual Services	10,027	52,190	51,240	950
Supplies and Materials	20,434	19,399	17,747	1,652
Other	87,363	86,435	75,694	10,741
Total Expenditures	<u>118,724</u>	<u>158,924</u>	<u>144,791</u>	<u>14,133</u>
Net Change in Fund Balance	(24,724)	(8,606)	5,527	14,133
Cash Fund Balance - Beginning of Year	43,835	43,835	43,835	-
Current Year Encumbrances	-	-	975	975
Cash Fund Balance - End of Year	<u>\$ 19,111</u>	<u>\$ 35,229</u>	<u>\$ 50,337</u>	<u>\$ 15,108</u>

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Budgetary Basis) and Actual
 Law Enforcement Fund
For The Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and Forfeitures	\$ 21,695	\$ 28,393	\$ 28,393	\$ -
All Other Revenues	2,305	16,091	16,091	-
Total Revenues	24,000	44,484	44,484	-
Expenditures:				
Current:				
Security of Persons and Property				
Police and Others				
Travel and Education	4,000	2,500	2,250	250
Contractual Services	5,000	11,500	11,102	398
Supplies and Materials	5,000	15,000	12,499	2,501
Total Expenditures	14,000	29,000	25,851	3,149
Net Change in Fund Balance	10,000	15,484	18,633	3,149
Cash Fund Balance - Beginning of Year	120,631	120,631	120,631	-
Current Year Encumbrances	-	-	2,250	2,250
Cash Fund Balance - End of Year	\$ 130,631	\$ 136,115	\$ 141,514	\$ 5,399

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, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and Forfeitures	\$ 2,370	\$ 1,510	\$ 1,510	\$ -
Total Revenues	<u>2,370</u>	<u>1,510</u>	<u>1,510</u>	<u>-</u>
Expenditures:				
Current:				
Security of Persons and Property				
Police and Others				
Travel and Education	1,110	1,110	367	743
Supplies and Materials	2,673	2,673	932	1,741
Total Expenditures	<u>3,783</u>	<u>3,783</u>	<u>1,299</u>	<u>2,484</u>
Net Change in Fund Balance	(1,413)	(2,273)	211	2,484
Cash Fund Balance - Beginning of Year	24,856	24,856	24,856	-
Cash Fund Balance - End of Year	<u>\$ 23,443</u>	<u>\$ 22,583</u>	<u>\$ 25,067</u>	<u>\$ 2,484</u>

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Budgetary Basis) and Actual
 Federal Forfeiture Fund
For The Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$ 3,219	\$ 2,100	\$ 2,100	\$ -
All Other Revenues	30,000	23,670	23,670	-
Total Revenues	<u>33,219</u>	<u>25,770</u>	<u>25,770</u>	<u>-</u>
Expenditures:				
Current:				
Security of Persons and Property				
Police and Others				
Supplies and Materials	8,000	58,000	46,375	11,625
Total Expenditures	<u>8,000</u>	<u>58,000</u>	<u>46,375</u>	<u>11,625</u>
Net Change in Fund Balance	25,219	(32,230)	(20,605)	11,625
Cash Fund Balance - Beginning of Year	96,511	96,511	96,511	-
Cash Fund Balance - End of Year	<u>\$ 121,730</u>	<u>\$ 64,281</u>	<u>\$ 75,906</u>	<u>\$ 11,625</u>

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Budgetary Basis) and Actual
 Community Diversion Fund
For The Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
All Other Revenues	\$ 1,500	\$ 2,400	\$ 2,400	\$ -
Total Revenues	<u>1,500</u>	<u>2,400</u>	<u>2,400</u>	<u>-</u>
Expenditures:				
Current:				
Security of Persons and Property				
Police and Others				
Personal Services	3,708	6,017	4,735	1,282
Travel and Education	500	500	-	500
Contractual Services	600	600	40	560
Supplies and Materials	1,025	1,025	25	1,000
Total Expenditures	<u>5,833</u>	<u>8,142</u>	<u>4,800</u>	<u>3,342</u>
Net Change in Fund Balance	(4,333)	(5,742)	(2,400)	3,342
Cash Fund Balance - Beginning of Year	8,411	8,411	8,411	-
Cash Fund Balance - End of Year	<u>\$ 4,078</u>	<u>\$ 2,669</u>	<u>\$ 6,011</u>	<u>\$ 3,342</u>

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Budgetary Basis) and Actual
 Retiree Accrued Benefits Fund
For The Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Security of Persons and Property				
Fire				
Personal Services	\$ 790,619	\$ 790,619	\$ 335,434	\$ 455,185
Leisure Time Activities				
Parks & Playgrounds				
Personal Services	3,530	3,530	3,530	-
Public Works				
Sanitation				
Personal Services	2,851	2,851	2,851	-
General Government				
Legal Department				
Personal Services	3,000	3,000	3,000	-
Total Expenditures	<u>800,000</u>	<u>800,000</u>	<u>344,815</u>	<u>455,185</u>
Net Change in Fund Balance	(800,000)	(800,000)	(344,815)	455,185
Cash Fund Balance - Beginning of Year	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,500,000</u>	-
Cash Fund Balance - End of Year	<u>\$ 700,000</u>	<u>\$ 700,000</u>	<u>\$ 1,155,185</u>	<u>\$ 455,185</u>

City of Brook Park, Ohio

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

For The Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 142,378	\$ 140,629	\$ 140,629	\$ -
Intergovernmental	39,561	44,078	44,078	-
Total Revenues	<u>181,939</u>	<u>184,707</u>	<u>184,707</u>	<u>-</u>
Expenditures:				
Current:				
Security of Persons and Property				
Police and Others				
Personal Services	630,223	630,223	604,219	26,004
Total Expenditures	<u>630,223</u>	<u>630,223</u>	<u>604,219</u>	<u>26,004</u>
Excess of Revenues Over (Under) Expenditures	(448,284)	(445,516)	(419,512)	26,004
Other Financing Sources (Uses)				
Transfers In	445,000	445,000	445,000	-
Total Other Financing Sources (Uses)	<u>445,000</u>	<u>445,000</u>	<u>445,000</u>	<u>-</u>
Net Change in Fund Balance	(3,284)	(516)	25,488	26,004
Cash Fund Balance - Beginning of Year	11,300	11,300	11,300	-
Cash Fund Balance - End of Year	<u>\$ 8,016</u>	<u>\$ 10,784</u>	<u>\$ 36,788</u>	<u>\$ 26,004</u>

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Budgetary Basis) and Actual
 Fire Pension Fund
For The Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 142,378	\$ 140,629	\$ 140,629	\$ -
Intergovernmental	39,560	44,078	44,078	-
Total Revenues	181,938	184,707	184,707	-
Expenditures:				
Current:				
Security of Persons and Property				
Fire				
Personal Services	774,753	774,753	751,685	23,068
Total Expenditures	774,753	774,753	751,685	23,068
Excess of Revenues Over (Under) Expenditures	(592,815)	(590,046)	(566,978)	23,068
Other Financing Sources (Uses)				
Transfers In	590,000	590,000	590,000	-
Total Other Financing Sources (Uses)	590,000	590,000	590,000	-
Net Change in Fund Balance	(2,815)	(46)	23,022	23,068
Cash Fund Balance - Beginning of Year	10,550	10,550	10,550	-
Cash Fund Balance - End of Year	\$ 7,735	\$ 10,504	\$ 33,572	\$ 23,068

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, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 105,966	\$ 104,478	\$ 104,478	\$ -
Intergovernmental	36,472	39,965	39,965	-
Total Revenues	<u>142,438</u>	<u>144,443</u>	<u>144,443</u>	<u>-</u>
Expenditures:				
Current:				
Public Health and Welfare				
Contractual Services	142,438	142,438	142,438	-
Total Expenditures	<u>142,438</u>	<u>142,438</u>	<u>142,438</u>	<u>-</u>
Net Change in Fund Balance	-	2,005	2,005	-
Cash Fund Balance - Beginning of Year	-	-	-	-
Cash Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 2,005</u>	<u>\$ 2,005</u>	<u>\$ -</u>

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Budgetary Basis) and Actual
 Continuing Training Program Fund
For The Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
All Other Revenues	\$ 6,880	\$ 6,880	\$ 6,880	\$ -
Total Revenues	<u>6,880</u>	<u>6,880</u>	<u>6,880</u>	<u>-</u>
Expenditures:				
Current:				
Security of Persons and Property				
Police and Others				
Travel and Education	2,000	2,000	600	1,400
Total Expenditures	<u>2,000</u>	<u>2,000</u>	<u>600</u>	<u>1,400</u>
Net Change in Fund Balance	4,880	4,880	6,280	1,400
Cash Fund Balance - Beginning of Year	-	-	-	-
Cash Fund Balance - End of Year	<u>\$ 4,880</u>	<u>\$ 4,880</u>	<u>\$ 6,280</u>	<u>\$ 1,400</u>

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Budgetary Basis) and Actual
 General Obligation Fund
For The Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Special Assessments	\$ 55,480	\$ 59,413	\$ 59,413	\$ -
Total Revenues	<u>55,480</u>	<u>59,413</u>	<u>59,413</u>	<u>-</u>
Expenditures:				
Current:				
General Government				
Other	750	826	826	-
Debt Service				
Principal	170,000	170,000	170,000	-
Interest & Fiscal Charges	62,625	62,625	62,625	-
Total Expenditures	<u>233,375</u>	<u>233,451</u>	<u>233,451</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	(177,895)	(174,038)	(174,038)	-
Other Financing Sources (Uses)				
Transfers In	174,598	174,598	174,598	-
Total Other Financing Sources (Uses)	<u>174,598</u>	<u>174,598</u>	<u>174,598</u>	<u>-</u>
Net Change in Fund Balance	(3,297)	560	560	-
Cash Fund Balance - Beginning of Year	459,559	459,559	459,559	-
Cash Fund Balance - End of Year	<u>\$ 456,262</u>	<u>\$ 460,119</u>	<u>\$ 460,119</u>	<u>\$ -</u>

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Equity-
 Budget (Non-GAAP Budgetary Basis) and Actual
 Self Insured Medical Benefits Fund
For The Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Reimbursements	\$ 3,062,920	\$ 3,032,374	\$ 3,032,374	\$ -
Total Revenues	<u>3,062,920</u>	<u>3,032,374</u>	<u>3,032,374</u>	<u>-</u>
Expenses				
Current:				
Fringe Benefits	3,062,920	3,062,920	2,615,248	447,672
Total Expenses	<u>3,062,920</u>	<u>3,062,920</u>	<u>2,615,248</u>	<u>447,672</u>
Net Change in Fund Equity	-	(30,546)	417,126	447,672
Cash Fund Equity - Beginning of Year	382,020	382,020	382,020	-
Current Year Encumbrances	-	-	660	660
Cash Fund Equity - End of Year	<u>\$ 382,020</u>	<u>\$ 351,474</u>	<u>\$ 799,806</u>	<u>\$ 448,332</u>

City of Brook Park, Ohio

Combining Statements

Agency Funds

Agency Funds

Cash Bonds Held Fund

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

Mayor's Court Fund

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

Board of Building Standards Fund

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

Payroll Deduction Employees' Share Fund

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

City of Brook Park

Combining Statement of Assets and Liabilities Agency Funds

December 31, 2008

	<u>Cash Bonds Held</u>	<u>Mayor's Court</u>	<u>Board of Building Standards</u>	<u>Payroll Deduction Employees' Share</u>	<u>Total</u>
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 45,438	\$ -	\$ 1,345	\$ 2,782	\$ 49,565
Cash and Cash Equivalents: in Segregated Accounts	<u>-</u>	<u>44,840</u>	<u>-</u>	<u>-</u>	<u>44,840</u>
Total Assets	<u>\$ 45,438</u>	<u>\$ 44,840</u>	<u>\$ 1,345</u>	<u>\$ 2,782</u>	<u>\$ 94,405</u>
Liabilities					
Deposits Held and Due to Others	\$ 45,438	\$ 14,214	\$ 1,345	\$ 2,782	\$ 63,779
Due to Others	<u>-</u>	<u>30,626</u>	<u>-</u>	<u>-</u>	<u>30,626</u>
Total Liabilities	<u>\$ 45,438</u>	<u>\$ 44,840</u>	<u>\$ 1,345</u>	<u>\$ 2,782</u>	<u>\$ 94,405</u>

City of Brook Park, Ohio

Combining Statement of Changes in Assets and Liabilities Agency Funds

For The Year Ended December 31, 2008

	Balance 12/31/2007	Additions	Deletions	Balance 12/31/2008
Cash Bonds Held				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 32,419	\$ 17,159	\$ 4,140	\$ 45,438
Liabilities				
Deposits Held	\$ 32,419	\$ 17,159	\$ 4,140	\$ 45,438
Mayor's Court				
Assets				
Cash and Cash Equivalents: in Segregated Accounts	\$ 38,179	431,207	424,546	44,840
Liabilities				
Intergovernmental	\$ 6,590	\$ -	\$ 6,590	\$ -
Deposits Held	11,633	32,842	30,261	14,214
Due to Others	19,956	404,956	394,286	30,626
Total Liabilities	\$ 38,179	\$ 437,798	\$ 431,137	\$ 44,840
Board of Building Standards				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 1,212	\$ 2,335	\$ 2,202	\$ 1,345
Liabilities				
Deposits Held	\$ 1,212	\$ 2,335	\$ 2,202	\$ 1,345
Payroll Deduction Employees' Share				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 1,058	\$ 40,173	\$ 38,449	\$ 2,782
Liabilities				
Deposits Held	\$ 1,058	\$ 40,173	\$ 38,449	\$ 2,782
Total - All Agency Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 34,689	\$ 59,667	\$ 44,791	\$ 49,565
Cash and Cash Equivalents: in Segregated Accounts	38,179	431,207	424,546	44,840
Total Assets	\$ 72,868	\$ 490,874	\$ 469,337	\$ 94,405
Liabilities				
Intergovernmental Payable	\$ 6,590	\$ -	\$ 6,590	\$ -
Deposits Held	46,322	92,509	75,052	63,779
Due to Others	19,956	404,956	394,286	30,626
Total Liabilities	\$ 72,868	\$ 497,465	\$ 475,928	\$ 94,405

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City of Brook Park, Ohio

Statistical Section

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

<u>Contents</u>	<u>Page(s)</u>
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.	105-110
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	111-116
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.	117-120
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.	121-122
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.	123-126

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

City of Brook Park, Ohio

Net Assets by Component Accrual Basis of Accounting

Last Six Fiscal Years

Table 1

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

City of Brook Park, Ohio

Changes in Net Assets
Accrual Basis of Accounting

Last Six Fiscal Years

Table 2

	2003	2004	2005	2006	2007	2008
Program revenues:						
Charges for services						
General government	\$ 3,042,445	\$ 1,265,925	\$ 833,257	\$ 615,951	\$ 539,909	\$ 618,514
Security of persons and property	867,879	1,036,569	954,234	1,020,166	949,365	1,000,487
Public health and welfare	1,274	1,292	1,342	6,971	6,996	6,375
Transportation						-
Leisure time activities	381,847	386,834	472,138	502,615	498,148	551,417
Community development	1,231,005	1,093,248	990,994	1,026,504	1,142,305	1,246,241
Total charges for services	<u>5,524,450</u>	<u>3,783,868</u>	<u>3,251,965</u>	<u>3,172,207</u>	<u>3,136,723</u>	<u>3,423,034</u>
Operating grants and contributions						
Security of persons and property	12,243	37,002	54,307	44,511	30,099	21,103
Public health and welfare	-	-	14,467	10,768	10,580	-
Transportation	-	-	-	23,287	23,474	973,759
Community development	11,978	-	-	-	-	-
Public works	-	-	-	142,135	182,117	-
Total operating grants and contributions	<u>24,221</u>	<u>37,002</u>	<u>68,774</u>	<u>220,701</u>	<u>246,270</u>	<u>994,862</u>
Capital grants and contributions						
General government	-	-	-	-	-	34,842
Security of persons and property	-	-	-	-	-	1,749
Transportation	-	-	453,674	98,188	1,396,638	5,370,901
Community development	-	660,991	109,546	141,101	665,925	65,645
Total capital grants and contributions	<u>-</u>	<u>660,991</u>	<u>563,220</u>	<u>239,289</u>	<u>2,062,563</u>	<u>5,473,137</u>
Total program revenues	<u>5,548,671</u>	<u>4,481,861</u>	<u>3,883,959</u>	<u>3,632,197</u>	<u>5,445,556</u>	<u>9,891,033</u>

Continued

City of Brook Park, Ohio

Changes in Net Assets (continued)
Accrual Basis of Accounting

Last Six Fiscal Years

Table 2

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

City of Brook Park, Ohio

Fund Balances, Governmental Funds Modified Accrual Basis of Accounting

Last Ten Fiscal Years

Table 3

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General fund:										
Reserved	\$ 296,045	\$ 277,702	\$ 274,381	\$ 323,115	\$ 425,788	\$ 495,738	\$ 489,431	\$ 509,811	\$ 654,598	\$ 561,726
Unreserved	5,516,969	6,174,192	11,675,657	9,806,732	11,730,682	11,023,224	11,521,684	11,018,809	9,058,619	4,905,898
Total general fund	<u>5,813,014</u>	<u>6,451,894</u>	<u>11,950,038</u>	<u>10,129,847</u>	<u>12,156,470</u>	<u>11,518,962</u>	<u>12,011,115</u>	<u>11,528,620</u>	<u>9,713,217</u>	<u>5,467,624</u>
All other governmental funds:										
Reserved	496,476	1,879,557	1,378,840	469,732	1,040,000	1,815,210	763,151	652,675	1,869,385	3,897,002
Unreserved:										
Designated:										
Accrued retiree benefits	-	-	-	-	-	-	-	-	1,315,162	1,049,591
Undesignated, reported in:										
Special revenue	5,199,477	993,310	1,770,579	2,970,745	1,385,264	3,007,938	3,049,015	1,560,280	1,374,871	2,527,419
Debt service	367,279	400,272	-	-	408,175	417,283	434,576	436,703	459,559	460,119
Capital project	2,283,505	2,477,849	2,241,266	5,840,404	4,653,507	6,119,652	4,037,983	9,223,506	10,441,047	7,272,257
Total all other governmental funds	<u>8,346,737</u>	<u>5,750,988</u>	<u>5,390,685</u>	<u>9,280,881</u>	<u>7,486,946</u>	<u>11,360,083</u>	<u>8,284,725</u>	<u>11,873,164</u>	<u>15,460,024</u>	<u>15,206,388</u>
Total governmental funds	<u>\$ 14,159,751</u>	<u>\$ 12,202,882</u>	<u>\$ 17,340,723</u>	<u>\$ 19,410,728</u>	<u>\$ 19,643,416</u>	<u>\$ 22,879,045</u>	<u>\$ 20,295,840</u>	<u>\$ 23,401,784</u>	<u>\$ 25,173,241</u>	<u>\$ 20,674,012</u>

City of Brook Park, Ohio

Changes in Fund Balances, Governmental Funds Modified Basis of Accounting

Last Ten Fiscal Years

Table 4

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenues:										
Property Taxes	\$ 2,419,819	\$ 2,449,696	\$ 2,502,658	\$ 2,446,419	\$ 2,381,452	\$ 2,493,335	\$ 2,601,395	\$ 3,360,471	\$ 2,759,724	\$ 2,338,903
Income Taxes	18,160,744	19,903,518	18,570,711	20,521,265	21,904,475	21,880,786	21,465,211	20,648,297	21,582,162	17,999,769
Other Taxes	471,405	485,140	447,917	346,705	281,358	349,222	349,022	260,397	359,472	358,969
Intergovernmental	2,508,214	2,477,455	2,800,180	2,261,918	8,905,015	3,867,885	2,784,225	2,871,206	4,938,245	8,224,555
Interest	846,565	881,096	615,732	298,621	257,922	289,315	778,295	1,112,436	1,135,195	684,229
Licenses and Permits	411,274	388,490	547,312	413,044	468,381	397,508	396,603	393,337	433,795	465,318
Fines and Forfeitures	263,719	319,222	357,076	311,830	364,412	444,678	398,155	384,660	395,605	358,033
Rentals	-	-	-	-	-	-	-	-	-	2,775
Charges for Services	792,883	1,554,955	1,659,130	2,121,999	1,714,850	1,689,473	1,726,212	1,733,112	1,833,367	1,979,578
Contributions and Donations	-	-	-	-	-	-	-	-	-	18,307
Special Assessments	5,273	3,618	4,317	4,282	4,282	4,280	19,637	119,767	105,473	83,419
All Other Revenues	2,569,900	485,082	325,499	609,329	845,019	1,252,209	690,124	694,520	499,629	599,053
Total Revenues	28,449,796	28,948,272	27,830,532	29,335,412	37,127,166	32,668,691	31,208,879	31,578,203	34,042,667	33,112,908
Expenditures:										
Current:										
Security of persons and property	7,400,094	7,852,209	8,148,858	9,059,154	9,402,099	9,672,735	10,289,356	10,793,884	11,703,939	11,984,162
Public health and welfare	87,907	249,197	230,450	236,480	226,005	239,884	314,991	324,927	559,409	490,831
Leisure time activities	1,864,092	2,083,257	2,278,621	2,383,237	2,483,022	2,519,902	2,536,300	2,628,688	2,634,424	2,532,652
Community development	5,338,407	9,086,412	2,907,431	1,669,826	2,141,842	1,474,557	1,535,699	1,657,861	1,127,745	2,710,605
Public works	2,151,915	2,347,347	2,441,957	2,673,386	2,747,140	2,915,119	2,929,810	3,068,509	4,048,769	3,891,294
Transportation	2,965,659	1,685,505	1,599,714	2,432,753	2,890,366	2,523,547	2,633,551	1,582,956	1,807,115	2,014,481
General government	4,680,187	4,186,348	6,178,149	3,979,782	4,223,424	4,382,641	6,231,592	4,740,737	4,848,012	5,263,908
Capital Outlay	1,180,151	2,647,853	4,817,482	3,340,489	11,736,127	7,738,958	5,690,763	3,660,098	5,964,107	10,833,340
Debt Service:										
Principal retirement	1,222,000	1,292,000	1,357,000	1,437,000	1,517,000	1,612,000	1,852,000	165,000	170,000	170,000
Interest and fiscal charges	549,841	467,338	396,862	328,300	289,995	200,920	177,807	69,496	66,196	62,625
Total expenditures	27,440,253	31,897,466	30,356,524	27,540,407	37,657,020	33,280,263	34,191,869	28,692,156	32,929,716	39,953,898
Excess of revenues over (under) expenditures	1,009,543	(2,949,194)	(2,525,992)	1,795,005	(529,854)	(611,572)	(2,982,990)	2,886,047	1,112,951	(6,840,990)

Continued

City of Brook Park, Ohio

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

Last Ten Fiscal Years

Table 4

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Other financing sources (uses):										
Notes issued	-	-	-	-	-	2,255,000	-	-	-	-
OPWC loans issued	-	-	-	-	-	-	-	-	-	1,678,203
Capital leases	357,581	365,965	1,317,372	-	668,230	354,053	373,287	185,639	631,381	650,985
Cleveland airport agreement	-	-	6,128,582	-	-	-	-	-	-	-
Sale of capital assets	10,384	626,360	34,703	275,000	94,312	15,004	26,498	34,258	27,125	12,573
Transfers in	8,245,840	9,447,473	6,760,137	6,667,075	3,811,180	4,753,525	4,737,090	4,666,838	3,949,538	1,209,598
Transfers out	(8,245,840)	(9,447,473)	(6,576,961)	(6,667,075)	(3,811,180)	(4,753,525)	(4,737,090)	(4,666,838)	(3,949,538)	(1,209,598)
Total other financing sources (uses)	367,965	992,325	7,663,833	275,000	762,542	2,624,057	399,785	219,897	658,506	2,341,761
Net change in fund balances	\$ 1,377,508	\$ (1,956,869)	\$ 5,137,841	\$ 2,070,005	\$ 232,688	\$ 2,012,485	\$ (2,583,205)	\$ 3,105,944	\$ 1,771,457	\$ (4,499,229)
Debt service as a percentage of noncapital expenditures	7.02%	6.55%	6.09%	7.41%	6.96%	6.01%	6.93%	0.89%	0.84%	0.78%

City of Brook Park, Ohio

Assessed Valuations and Estimated True Values

Last Ten Years

Table 5

<u>Collection Year</u>	<u>Residential/ Agricultural Real Property</u>	<u>Other Real Property</u>	<u>Public Utility Tangible</u>	<u>Tangible Personal Property</u>	<u>Total</u>	<u>Estimated True Value Real Property</u>
1999	\$ 237,845,240	\$ 119,285,820	\$ 19,966,380	\$ 175,936,785	\$ 553,034,225	\$ 1,020,374,457
2000	238,021,220	132,374,750	18,632,750	172,180,824	561,209,544	1,058,274,200
2001	266,452,600	167,037,360	18,890,960	159,067,518	611,448,438	1,238,542,743
2002	265,952,730	154,479,690	14,372,580	132,327,007	567,132,007	1,201,235,486
2003	265,876,430	154,084,030	14,367,430	122,445,643	556,773,533	1,199,887,029
2004	288,926,640	144,414,500	13,492,460	118,219,380	565,052,980	1,238,117,543
2005	289,201,130	151,477,000	13,754,000	125,239,739	579,671,869	1,259,080,371
2006	290,141,140	157,113,310	12,380,180	129,294,459	588,929,089	1,280,280,628
2007	313,620,240	159,071,900	11,951,610	84,910,572	569,554,322	1,238,161,570
2008	314,329,200	142,446,360	8,447,320	58,744,121	523,967,001	1,305,073,029

Sources: Cuyahoga County Auditor

City of Brook Park, Ohio

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

Last Ten Years

Table 6

Collection Year	City of Brook Park				Berea City School District	Southwest Vocational School	Cuyahoga County Commissioners	Special (2) Taxing Districts	Total Tax Levy
	General Fund	Special Funds (1)	Debt Service	Total Levy					
1999	\$ 3.69	\$ 0.65	\$ 0.16	\$ 4.50	\$ 58.00	\$ 2.40	\$ 10.82	\$ 5.88	\$ 81.60
2000	3.69	0.95	0.16	4.80	63.90	2.40	10.82	5.88	87.80
2001	3.85	0.95	-	4.80	63.80	2.40	11.72	5.88	88.60
2002	3.85	0.95	-	4.80	63.80	2.40	11.72	5.88	88.60
2003	3.85	0.95	-	4.80	69.80	2.40	11.72	5.88	94.60
2004	3.85	0.95	-	4.80	69.80	2.40	13.52	5.88	96.40
2005	3.85	0.95	-	4.80	69.80	2.40	13.52	6.78	97.30
2006	3.85	0.95	-	4.80	74.90	2.40	13.42	6.78	102.30
2007	3.85	0.90	-	4.75	74.90	2.40	13.42	6.78	102.25
2008	3.85	0.90	-	4.75	74.90	2.40	13.42	6.78	102.25

Source: Cuyahoga County Auditor

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

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

City of Brook Park, Ohio

Real Property Tax Levies And Collections

Last Ten Years

Table 7a

<u>Collection Year</u>	<u>Current Tax Levy</u>	<u>Current Collections</u>	<u>Percentage of Current Collections To Current Levy</u>	<u>Prior Year Collections</u>	<u>Total Collections (1)</u>	<u>Percentage of Total Collections To Current Levy</u>
1999	\$ 1,690,292	\$ 1,660,990	98%	\$ 97,942	\$ 1,758,932	104%
2000	1,859,481	1,828,985	98%	57,773	1,886,758	101%
2001	2,132,394	2,051,067	96%	49,844	2,100,911	99%
2002	2,054,015	1,985,572	97%	110,757	2,096,329	102%
2003	2,069,493	1,971,073	95%	44,834	2,015,907	97%
2004	2,103,008	2,002,323	95%	60,839	2,063,162	98%
2005	2,199,007	2,065,256	94%	61,074	2,126,330	97%
2006	2,169,941	2,111,420	97%	131,737	2,243,157	103%
2007	2,275,106	2,197,527	97%	57,903	2,255,430	99%
2008	2,293,775	2,222,011	97%	77,522	2,299,533	100%

Source: Cuyahoga County Auditor

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

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

City of Brook Park, Ohio

Tangible Personal Property Tax Levies And Collections

Last Ten Years

Table 7b

<u>Collection Year</u>	<u>Current Tax Levy</u>	<u>Current Collections</u>	<u>Percentage of Current Collections To Current Levy</u>	<u>Prior Year Collections</u>	<u>Total Collections</u>	<u>Percentage of Total Collections To Current Levy</u>
1999	\$ 774,814	\$ 765,819	99%	\$ 49,791	\$ 815,610	105%
2000	762,706	753,188	99%	8,763	761,951	100%
2001	635,316	630,494	99%	21,605	652,099	103%
2002	588,172	578,030	98%	5,691	583,721	99%
2003	566,213	556,638	98%	11,138	567,776	100%
2004	603,316	589,946	98%	14,775	604,721	100%
2005	622,546	617,509	99%	33,698	651,207	105%
2006	407,294	405,424	100%	14,359	419,783	103%
2007	291,696	284,344	97%	1,031,518	1,315,862	451%
2008	139,575	139,418	100%	16,815	156,233	112%

Source: Cuyahoga County Auditor

City of Brook Park, Ohio

Principal Taxpayers - Real Estate Tax (1)

2008 and 2002

Table 8

Name of Taxpayer	December 31, 2008	
	Assessed Value (1)	Percent of Total Assessed Value
Ford Motor Company	\$ 19,387,250	3.70%
MWP Company	9,857,350	1.88%
Cleveland Electric Illuminating	7,243,190	1.38%
Tech Park Limited Partnership	7,241,740	1.38%
Laich, Walter	6,475,000	1.24%
Albrecht Inc.	5,207,690	0.99%
CP-Snow Prop, LLC	4,683,210	0.89%
Brookgate Associates, LLC	4,200,020	0.80%
CP-Cleveland ADC, LLC	3,739,300	0.71%
Foseco Metallurgical Inc.	2,291,630	0.44%
Total	<u>\$ 70,326,380</u>	<u>13.41%</u>

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

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

City of Brook Park, Ohio

Municipal Income Tax Collections By Source Modified Accrual Basis of Accounting

Last Ten Years

Table 9

<u>Withheld Year</u>	<u>Individual Tax</u>	<u>Business Direct Tax</u>	<u>Municipal Direct Tax</u>	<u>Income Tax Collections</u>
1999	\$ 15,899,371	\$ 957,531	\$ 1,303,842	\$ 18,160,744
2000	17,549,260	985,249	1,369,009	19,903,518
2001	16,435,339	1,023,869	1,111,503	18,570,711
2002	18,655,101	830,330	1,035,834	20,521,265
2003	19,684,382	778,618	1,441,475	21,904,475
2004	19,904,248	686,738	1,289,800	21,880,786
2005	19,356,185	733,870	1,375,156	21,465,211
2006	18,530,174	726,347	1,391,776	20,648,297
2007	19,251,983	684,848	1,645,331	21,582,162
2008	16,200,253	655,380	1,144,136	17,999,769

Source: City Financial Records

City of Brook Park, Ohio

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

Last Ten Years

Table 10

Fiscal Year	Governmental Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Lease Purchase Agreements			
1999	\$ 8,922,000	\$ 480,767	\$ 9,402,767	N/A	\$ 412
2000	7,630,000	569,255	8,199,255	1.89%	386
2001	6,273,000	1,546,089	7,819,089	1.81%	369
2002	4,836,000	1,263,712	6,099,712	1.41%	287
2003	3,319,000	1,461,052	4,780,052	1.10%	225
2004	3,962,000	1,446,808	5,408,808	1.25%	255
2005	2,110,000	1,277,147	3,387,147	0.78%	160
2006	1,945,000	1,075,745	3,020,745	0.70%	142
2007	1,775,000	1,146,912	2,921,912	0.67%	138
2008	1,605,000	1,142,044	2,747,044	0.63%	129

Source: City Financial Records
 Population and Personal Income data are presented on Table 15
 N/A – Information not available.

City of Brook Park, Ohio

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

Last Ten Years

Table 11

<u>Year</u>	<u>Net General Bonded Debt (1)</u>	<u>Assessed Value</u>	<u>Population (2)</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Debt per Capita</u>
1999	\$ 8,302,721	\$ 553,034,225	22,821	1.50%	\$ 363.82
2000	7,019,728	561,209,544	21,218	1.25%	330.84
2001	5,700,453	611,448,438	21,218	0.93%	268.66
2002	4,427,214	567,132,007	21,218	0.78%	208.65
2003	5,425,825	556,773,533	21,218	0.97%	255.72
2004	3,544,717	565,052,980	21,218	0.63%	167.06
2005	1,675,424	579,671,869	21,218	0.29%	78.96
2006	1,508,297	588,929,089	21,218	0.26%	71.09
2007	1,315,441	569,554,322	21,218	0.23%	62.00
2008	1,144,881	523,967,001	21,218	0.22%	53.96

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

(2) Source: U.S. Census Bureau

City of Brook Park, Ohio

Computation of Direct and Overlapping Debt

December 31, 2008

Table 12

<u>Jurisdiction</u>	<u>Net Debt Outstanding (1)</u>	(2) <u>Percentage Applicable to City of Brook Park</u>	<u>Amount Applicable to City of Brook Park</u>
City of Brook Park	\$ 1,605,000	100.00%	\$ 1,605,000
Berea City School District	17,140,000	32.64%	5,594,496
Cuyahoga County	248,899,326	1.64%	4,081,949
Regional Transit Authority	<u>172,765,000</u>	1.64%	<u>2,833,346</u>
Total	<u>\$ 440,409,326</u>		<u>\$ 14,114,791</u>

Source: Cuyahoga County Auditor

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

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

City of Brook Park, Ohio

Legal Debt Margin

Last Ten Fiscal Years

Table 13

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Assessed Valuation	\$ 553,034,225	\$ 561,209,544	\$ 611,448,438	\$ 567,132,007	\$ 556,773,533	\$ 565,052,980	\$ 579,671,869	\$ 588,929,089	\$ 569,554,322	\$ 523,967,001
Overall debt limit - 10.5% of assessed value	58,068,594	58,927,002	64,202,086	59,548,861	58,461,221	59,330,563	60,865,546	61,837,554	59,803,204	55,016,535
Gross indebtedness	9,622,000	7,630,000	6,273,000	4,836,000	3,319,000	3,962,000	2,110,000	1,945,000	1,775,000	1,605,000
Less: debt outside limitation	(8,922,000)	(7,630,000)	(6,273,000)	(4,836,000)	(3,319,000)	-	-	-	-	-
Less: amount available in debt service fund	(367,279)	(400,272)	(404,547)	(408,786)	(408,175)	(417,283)	(434,576)	(436,703)	(459,559)	(460,119)
Net debt within 10.5% limit	332,721	-	-	-	-	3,544,717	1,675,424	1,508,297	1,315,441	1,144,881
Legal Debt Margin	\$ 57,735,873	\$ 58,927,002	\$ 64,202,086	\$ 59,548,861	\$ 58,461,221	\$ 55,785,846	\$ 59,190,122	\$ 60,329,257	\$ 58,487,763	\$ 53,871,654
Debt Limit - 5.5% of assessed unvoted value	\$ 30,416,882	\$ 30,866,525	\$ 33,629,664	\$ 31,192,260	\$ 30,622,544	\$ 31,077,914	\$ 31,881,953	\$ 32,391,100	\$ 31,325,488	\$ 28,818,185
Gross indebtedness authorized by council:	9,622,000	7,630,000	6,273,000	4,836,000	3,319,000	3,962,000	2,110,000	1,945,000	1,775,000	1,605,000
Less: debt outside limitation	(8,922,000)	(7,630,000)	(6,273,000)	(4,836,000)	(3,319,000)	-	-	-	-	-
Less: amount available in debt service fund	(367,279)	(400,272)	(404,547)	(408,786)	(408,175)	(417,283)	(434,576)	(436,703)	(459,559)	(460,119)
Net debt within 5.5% limit	332,721	-	-	-	-	3,544,717	1,675,424	1,508,297	1,315,441	1,144,881
Unvoted debt margin	\$ 30,084,161	\$ 30,866,525	\$ 33,629,664	\$ 31,192,260	\$ 30,622,544	\$ 27,533,197	\$ 30,206,529	\$ 30,882,803	\$ 30,010,047	\$ 27,673,304

Source: Cuyahoga County Auditor and City Financial Records

City of Brook Park, Ohio

Principal Employers

Current Year and Last Year

Table 14

<u>Employer</u>	2008	
	<u>Employees</u>	<u>Percentage of</u>
Ford Motor Company	1,651	7.65%
Department of the Interior	1,512	7.01%
Marc Glassman Inc.	633	2.93%
National City Corporation	499	2.31%
City of Brook Park	392	1.82%
Berea City School District	310	1.44%
Foseco Metallurgical Inc.	279	1.29%
SGT Inc.	192	0.89%
BGS Retail	133	0.62%
Sierra Lobo Inc.	108	0.50%
Total	<u>5,709</u>	<u>26.46%</u>
Total City Employment	<u>21,574</u>	<u>100.00%</u>

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

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

City of Brook Park, Ohio

Demographic and Economic Statistics

Last Ten Years

Table 15

Year	Population (1)	Total Personal Income (4)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)	School Enrollment (2)	Cuyahoga County Unemployment Rate (3)
1999	22,821	\$ N/A	\$ N/A	\$ N/A	N/A	7,980	4.5%
2000	21,218	433,080,598	20,411	46,333	39.8	7,891	4.4%
2001	21,218	433,080,598	20,411	46,333	39.8	7,820	4.6%
2002	21,218	433,080,598	20,411	46,333	39.8	7,653	6.5%
2003	21,218	433,080,598	20,411	46,333	39.8	7,505	6.7%
2004	21,218	433,080,598	20,411	46,333	39.8	7,801	6.5%
2005	21,218	433,080,598	20,411	46,333	39.8	7,511	6.5%
2006	21,218	433,080,598	20,411	46,333	39.8	7,526	5.4%
2007	21,218	433,080,598	20,411	46,333	39.8	7,713	6.1%
2008	21,218	433,080,598	20,411	46,333	39.8	7,157	7.1%

(1) Source: U. S. Census

(a) Years 2000 through 2008 - 2000 Federal Census

(b) Year 1999 - 1990 Federal Census

(2) Source: Ohio Department of Education Website

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

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

N/A – Information not available

City of Brook Park, Ohio

Full Time Employees by Function/Program (1)

Last Seven Years

Table 16

	2002	2003	2004	2005	2006	2007	2008
Function/program:							
General government:							
Council	2	2	2	2	2	2	2
Finance	5	5	5	5	5	5	5
Tax	6	6	5	5	5	5	6
Law	2	2	2	2	2	1	2
Mayor's office	3	3	3	3	3	3	3
Human resources	1	1	1	1	1	1	1
Civil service	1	1	1	1	1	1	1
Clerk of courts	1	1	1	1	1	1	1
Security of persons and property:							
Safety department	12	12	11	11	11	11	11
Animal warden	2	2	2	2	2	2	2
Police	42	45	45	45	44	44	44
Police administration	-	-	-	-	2	2	2
Property maintenance	4	5	5	5	4	5	5
Fire	40	40	40	40	40	36	40
Fire administration	-	-	-	-	1	1	1
Public health and welfare:							
Office of aging	-	1	-	1	1	1	3
Leisure time activities:							
Recreation	8	9	9	9	9	9	8
Community development:							
Building	6	6	6	6	6	6	6
Economic development	2	3	3	3	1	1	1
Transportation:							
Service	61	61	60	58	59	56	53
Public works:							
Service	6	6	6	5	5	5	5
Service dispatch	1	1	1	1	1	1	1
Totals	<u>205</u>	<u>212</u>	<u>208</u>	<u>206</u>	<u>206</u>	<u>199</u>	<u>203</u>

Source: City Payroll Records

(1) Information prior to 2002 is not available

City of Brook Park, Ohio

Operating Indicators by Function/Program (1)

Last Seven Years

Table 17

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

City of Brook Park, Ohio

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

Last Seven Years

Table 17

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

(1) Information prior to 2002 is not available

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

N/A- Information is not available

City of Brook Park, Ohio

Capital Assets Statistics by Function/Program (1)

Last Seven Years

Table 18

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

(1) Information prior to 2002 is not available