



Annual Report

City of Brook Park, Ohio

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2009

2009



City of Brook Park, Ohio

Comprehensive Annual Financial Report For the Year Ended December 31, 2009

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

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INTRODUCTORY SECTION

City of Brook Park, Ohio

Comprehensive Annual Financial Report For the Year Ended December 31, 2009

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City of Brook Park

Finance Department

Gregory M. Cingle
Finance Director

Martin S. Healy
Assistant Finance Director

June 11, 2010

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, 2009.

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, 2009, 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, 2009, 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 economic downturn which began in 2007 continued into 2009, creating one of the worst economic periods since the Great Depression. Dubbed the year of the “Great Recession”, 2009 brought unforeseen challenges to the country and to the vast majority of Ohio’s communities. Brook Park was not immune to these challenges. The 2009 recession has been extremely challenging for the city in numerous areas, including:

- There are currently 62 homes in foreclosure and 25 homes vacant. In 2008, there were 73 homes in foreclosure and 19 vacant homes.
- A decrease in tax revenue was due to the closure of twelve businesses and the reduction of operations by numerous other businesses within the City.
- The tightened credit markets have made it difficult for businesses to obtain financing for expansion, improvements and operations.

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

- The Federal Recovery Act (ARRA) was enacted in early 2009. The funding has been used to save and create jobs, provide tax relief and help protect essential state and local services. The federal funding has enabled Ohio to make targeted investments in critical sections of our economy.
- The city aggressively pursued federal funding from ARRA to improve deteriorating infrastructure, such as roadwork, water lines and sewer improvements. We were successful in receiving more than \$1.4 million in funding for the West 150th sewer project (Phase II). This project was one of six submitted for stimulus funding and was the only one selected to receive said funding.
- Oil prices had declined, which resulted in a reduced price at the pump to under \$3/gallon.
- GDP in the 4th quarter showed a surprising gain of 5.7%. This was the first gain seen in six consecutive quarters.
- To stem the fear of inflation, the Federal Reserve kept its federal funds rate at or near zero percent.

II. Local Economic Activity. The City continues to exert a considerable effort to maintain its current economic base in addition to aggressively pursuing new business opportunities.

- Ford Motor Company reopened Engine Plant No. 1 in the spring of 2009, making it the only Ohio plant to manufacture the new “EcoBoost” engine. The reopening of Engine Plant No. 1 resulted in the retention of 250 jobs.
- Construction of the new Boyland Infiniti auto dealership was completed in May. Capital investment for the project was in excess of \$5 million and resulted in the creation of 25 new jobs.
- M&S Auto Service moved into Brook Park, acquiring a building that had been vacant for several years. M&S created four new jobs.
- SuperCharger Inc. leased vacant property on Brookpark Road and has created four new jobs.
- Cozumel Mexican Restaurant and Amy Joy Donuts reopened after having been closed for nearly one year.
- Ares Corporation, a NASA contractor, is staying in the city of Brook park (20 existing jobs) and has committed to creating an additional 20 new jobs.

- Starlite Logistics moved into Brook Park and has created three new jobs.
- Quick State Beverage moved to a larger facility within the City and has retained four employees.

III. Major Economic Initiatives. The City continues to focus on business retention, redevelopment opportunities, infrastructure improvements and new business investment prospects.

Retention Activity:

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

- Ford Motor Company: In addition to the reopening of Engine Plant No. 1, a working group consisting of local, state, county, Ford, UAW and other officials have been strategizing ways to attract new investment to the Ford Campus. The continued improvement in economic conditions will be a major factor in Ford's success.
- NASA Glenn: Employment and subcontractor levels have remained stable at approximately 1,500 individuals each. Similar to the Huntsville Center, NASA Glenn continues to evolve toward a greater role in space exploration. NASA Glenn continued to play a significant role with responsibility for the Crew Exploration Vehicle (CEV) service module and the Crew Launch Vehicle upper stage rocket. Also in 2009, 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 of Brook Park continued to meet with building owners and developers to explore creative opportunities for new projects along this important corridor.
- The partnership with Cuyahoga County produced over \$100,000 in façade and signage improvements for two Brook Park businesses: Animal Emergency Vet Clinic and The Weston Company. Both businesses took advantage of the storefront renovation program that was targeted toward businesses located in the Brook Park corridor.

Infrastructure:

- The West 150th street/sanitary sewer improvement project (Phase I) was 95% completed in 2009 and should be finalized and closed in mid-2010. This is a joint project between the cities of Cleveland and Brook Park to widen and improve the roadway, and to bring much needed sanitary sewer relief to the area.
- The Snow Rd. underpass project was near completion at the end of 2009 and should be finalized in 2010. This project is designed to eliminate train traffic delays, improve safety and eradicate train whistle noise.
- The West 150th sanitary sewer improvement project (Phase II) began in late 2009. The completion date is set for late 2010.

Future Projects:

- The city of Brook park is working closely with the Greater Regional Transit Authority (GRTA) and the city of Cleveland on the redevelopment of the Brookpark Road Rapid Station. This station is one of the busiest in Northeast Ohio and has moved to the top of the list for state and federal funding.
- As a member of the First Suburbs Development Coalition (FSDC), Brook Park will continue to work toward finding meaningful programs that can be administered by the FSDC, i.e. the Solar (SID) Special Improvement District Project.

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

Cash Management Policies and Practices

Cash management is a vital component of the City's overall financial strategy. Under the direction of the finance director, the City maintains an aggressive cash management program. Major considerations are timing of cash flows necessary to pay City liabilities and available interest rates. As City funds become available, they are invested immediately in short-term certificates of deposit or other securities authorized by state statutes. Interest earnings are allocated to funds based on the requirements of the Ohio Constitution and state statutes. All deposits and investments are covered by pooled collateral, which have a face value equal to at least 105 percent of deposits. The City has been aggressively working with its management to plan for current and long term financial stability which includes reduced purchasing, changes to labor contracts, alternative management practices, stable long-term investments and grant funded infrastructure improvements.

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

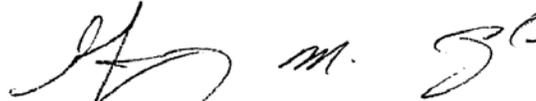
Certificate of Achievement. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended December 31, 2008. The Certificate of Achievement is a prestigious national award that recognizes 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 18 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,

A handwritten signature in black ink, appearing to read 'G. M. Cingle', written in a cursive style.

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, 2008

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.



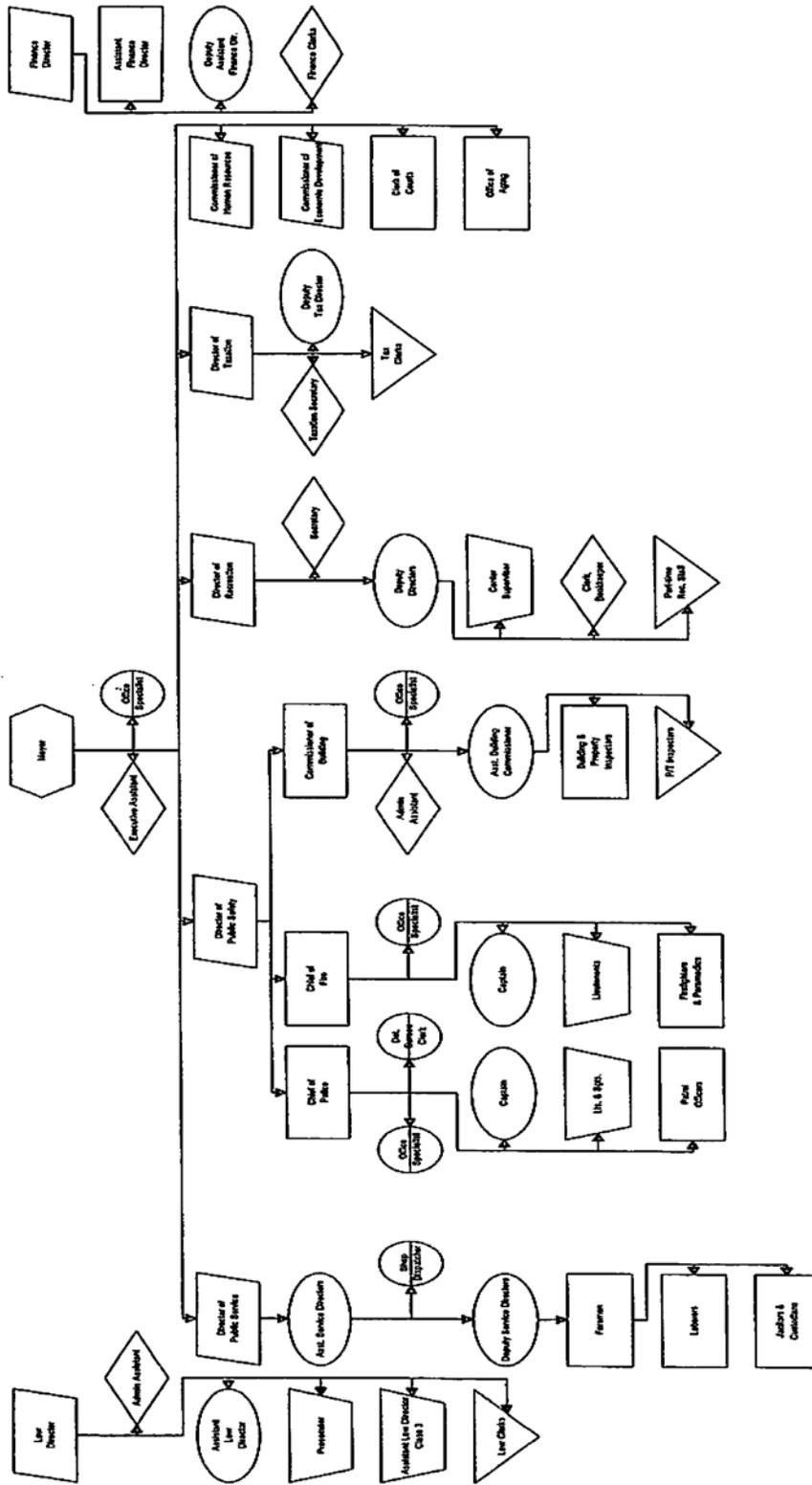
A stylized, handwritten signature in black ink.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

City of Brook Park Administration



City of Brook Park, Ohio

Elected Officials

December 31, 2009

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 1Michael J. Lane
Council Member – Ward 2 Patti Astorino
Council Member – Ward 3Berry Kirksey
Council Member – Ward 4 Brian Higgins
Finance Director..... Gregory M. Cingle
Law Director Neal M. Jamison

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FINANCIAL SECTION

Independent Auditors' Report

Members of the City Council
Brook Park, Ohio

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brook Park, Ohio (the "City") as of and for the year ended December 31, 2009, 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, 2009, 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, 2009, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, GASB Statement No. 55, *Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, and GASB Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in AICPA Statements on Auditing Standards*.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2010, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Members of the City Council
Brook Park, Ohio

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 14, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Ciuni & Parichi, Inc.

Cleveland, Ohio
June 11, 2010

City of Brook Park, Ohio

Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2009

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, 2009. 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 2009 are:

- City income and other taxes revenue totaled \$17,343,214.
- Total assets decreased by \$1,939,659, or a 2.03 percent decrease over 2008.
- Total net assets decreased by \$1,404,144 or a 1.69 percent decrease over 2008.
- Total capital assets increased by \$2,803,844, or a 4.23 percent increase over 2008.
- Total outstanding long-term liabilities increased by \$338,393. This was a 5.00 percent increase over 2008.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$16,730,716, a decrease of \$3,943,296 in comparison with the prior year. Approximately 82.45 percent of this total amount, \$13,794,234, is available for spending at the government's discretion (unreserved fund balance).
- At the end of the current fiscal year, the General Fund's unreserved fund balance was \$3,445,039, or 14.92 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, 2009

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 2009?" 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, 2009

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, 2009

Other information

In addition to the basic financial statements and the accompanying notes, this CAFR also presents certain other information that the City believes readers will find useful. After the notes to the basic financial statements, the combining statements, referred to earlier in connection with nonmajor governmental funds, are presented, along with individual detailed budgetary comparisons for all nonmajor funds. This information can be found starting on page 60.

The City as a Whole

As noted earlier, the *Statement of Net Assets* looks at the City as a whole and can prove to be a useful indicator of the City's financial position. Table 1 provides a summary of the City's net assets for 2009 as compared to 2008.

Table 1
Net Assets

	<u>2009</u>	<u>2008</u>
ASSETS		
Current and other assets	\$24,417,479	\$29,160,982
Capital assets, net	<u>69,158,221</u>	<u>66,354,377</u>
Total Assets	<u>93,575,700</u>	<u>95,515,359</u>
LIABILITIES		
Current and other liabilities	4,595,072	5,468,980
Long-term liabilities:		
Due within one year	1,904,173	2,029,885
Due in more than one year	<u>5,206,142</u>	<u>4,742,037</u>
Total Liabilities	<u>11,705,387</u>	<u>12,240,902</u>
NET ASSETS		
Invested in capital assets, net of related debt	66,056,261	63,019,962
Restricted	10,228,584	14,082,597
Unrestricted	<u>5,585,468</u>	<u>6,171,898</u>
Total Net Assets	<u>\$81,870,313</u>	<u>\$83,274,457</u>

An additional portion of the City's net assets, 12.49 percent, represents resources that are subject to external restrictions on how they are to be used. Unrestricted net assets, \$5,585,468, may be used to meet the City's ongoing obligations to citizens and creditors.

Total assets decreased by \$1,939,659 during the current year. This decrease is due primarily to decreases in cash and cash equivalents, intergovernmental receivable, prepaid items and property tax receivable, offset by a growth in capital assets.

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

- Investment in the infrastructure of the City continued in 2009. The Snow Road underpass project and West 150th street and sewer improvement project (Phase I) continued and are both near completion. Both of these projects are discussed in other areas of this report. The West

City of Brook Park, Ohio

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

For the Year Ended December 31, 2009

150th sewer improvement project (Phase II) was in the beginning stages. The completion date for the said project is set for late 2010.

- Capital projects that were finished in 2009 included Michael Drive Road reconstructions, tennis court improvement project and quiet zones project (Phase I).
- Capital improvements at the Police Station included the remodeling of the shift office. New desktop computers were purchased for the police and fire departments. Our sewer and drains department had many of the control panels updated at the storage chamber stations.
- Capital assets that were purchased in 2009 included:
 1. 2008 Ford E-450 ambulance (\$166,640)
 2. International used box truck for the sewer and drain department (\$12,000)
 3. Used box truck with a new sewer camera and equipment for sewer repairs (\$85,750)
 4. Police detective car (\$22,462)
- Infrastructure upgrades are as follows:
 1. Road repairs on Park Drive, Paulding Blvd, Snow Road and Brookpark Road
 2. Completion of the Ruple Parkway storm lateral project
- The Snow Road underpass project began in 2007 and continued through 2009. 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, 2009, the City has received reimbursements from ODOT which has resulted in a reduction of the prepaid balance. The current balance remaining on deposit with CSX Corporation, approximately \$300,000, will be refunded to the City in 2010. A change order in the amount of \$67,500 was processed in 2009 to add light poles to the center median area of the new underpass. This project is in its final stages and should be closed in 2010.
- The City obtained OPWC grant and loan funds for the West 150th street/sanitary sewer improvement project (Phase I). At year-end, the City received \$1,949,332 in OPWC loan proceeds and \$1,067,017 in grand funding. 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. The City has created an intergovernmental receivable in the amount of \$1,267,066 to account for the city of Cleveland's share. This project is also in its final stages and should be closed in 2010.

Total liabilities decreased by \$535,515. This decrease is primarily due to decreases in contracts payable, accrued wages and benefits and unearned revenue.

The largest portion of the City's net assets (80.68 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

City of Brook Park, Ohio

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

For the Year Ended December 31, 2009

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

The City continues to make concerted efforts to continue to maximize the return on investments of its cash and cash equivalents. Since the Federal Reserve Board kept the Fed Funds Rate low throughout 2009, the City continued to be proactive in its investment strategy. By utilizing short-term certificates of deposit and money market funds, the City achieves a balanced investment portfolio. The strategy is to maximize current returns and hedge against future declining market environments while protecting the principal of each investment.

Table 2 shows the changes in net assets for 2009 as compared with 2008.

Table 2
Changes in Net Assets

	<u>2009</u>	<u>2008</u>
REVENUES		
Program Revenues:		
Charges for services	\$ 3,933,203	\$ 3,423,034
Operating grants and contributions	952,513	994,862
Capital grants and contributions	1,443,689	5,473,137
Total Program Revenues	<u>6,329,405</u>	<u>9,891,033</u>
General Revenues:		
Property taxes	2,134,450	2,331,911
Municipal income and other taxes	17,343,214	18,358,018
Grants and entitlements	1,944,138	2,087,153
Investment income	150,111	686,197
All other revenues	-	30
Total General Revenues	<u>21,571,913</u>	<u>23,463,309</u>
Total Revenues	<u>27,901,318</u>	<u>33,354,342</u>
EXPENSES		
Program Expenses:		
Security of persons and property	12,524,620	11,325,203
General government	5,200,887	5,319,134
Public works	4,308,772	4,351,316
Leisure time activities	2,818,681	2,866,895
Transportation	2,504,805	2,766,466
Community development	1,507,000	2,701,221
Public health and welfare	393,134	483,130
Interest and fiscal charges	47,563	54,951
Total Expenses	<u>29,305,462</u>	<u>29,868,316</u>
Change in Net Assets	(1,404,144)	3,486,026
Net Assets - Beginning of Year	83,274,457	79,788,431
Net Assets - End of Year	<u>\$81,870,313</u>	<u>\$83,274,457</u>

City of Brook Park, Ohio

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

For the Year Ended December 31, 2009

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 2009, the revenues generated from municipal income tax and other miscellaneous taxes amounted to \$17,343,214. The 5.53 percent decrease in income tax collections from 2008 to 2009 can mostly be attributed to the contraction of withholding taxes.

City income tax revenue of 10 percent is earmarked for specific capital improvements. These revenues are allocated by an ordinance of City council, providing that a substantial portion of the City's income tax collections be set aside for roads, city facilities and capital needs. Of the \$27,901,318 in total revenue, income tax and other miscellaneous taxes account for 62.16 percent. Property tax of \$2,134,450 accounts for 7.65 percent of total revenue. Charges for services totaling \$3,933,203 account for 14.10 percent of total revenue, which constituted a 14.9 increase from the \$3,423,034 received during 2008. Capital grants and contributions decreased by \$4,029,448. This large decrease is due to the majority of the grant funded construction had occurred during 2008 and was reimbursed during that year.

The combination of income tax, property tax, charges for services and intergovernmental funding did not provide enough to fund all of the expenses in the governmental activities. The City monitors its sources of revenues very closely for fluctuations. For the most part, increases in functional 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 2009, security of persons and property accounted for 42.74 percent of program expenses and 17.75 percent of program expenses related to general government.

In 2009, the City had made concerted efforts to reduce expenditures which had contributed to the overall decrease in expenses, \$562,854. The reduction in expenses was achieved primarily through the implementation of a retirement incentive plan that resulted in eight employees retiring, the reduction of overtime and a decline in healthcare claims.

In the spring of 2008, the safety forces began an implementation process of the above referenced CAD system. This software application will bring advanced dispatching and incident reporting features to our safety forces. As of December 2009, the implementation of the said system was approximately 90 percent complete. The new system has an estimated total cost of \$603,000 and is scheduled to be fully operational in early 2010.

The fire department consists of 42 full-time firefighters. Again, training plays a crucial role in the day-to-day operation of the department. The department handled 2,524 calls for assistance, of which approximately 2,101 were for EMS, with the balance attributed to fire and fire-related incidents. This constituted an increase of about 7.00 percent over 2008. As already noted, the fire department also received new computers to keep our safety forces on par with current technology.

Throughout 2009, 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.

City of Brook Park, Ohio

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

For the Year Ended December 31, 2009

Program Expenses

As of December 31, 2009, the City's total cost of services was \$29,305,462, with a net cost of services totaling \$(22,976,057).

Table 3 itemizes fiscal year 2009 program expenses by specific function.

Table 3
Program Expenses

	Total Cost of Services 2009	Net Cost of Services 2009
Security of persons and property	\$12,524,620	\$ (11,067,139)
General government	5,200,887	(4,717,416)
Public works	4,308,772	(4,016,452)
Leisure time activities	2,818,681	(2,215,138)
Transportation	2,504,805	(352,108)
Community development	1,507,000	(193,063)
Public health and welfare	393,134	(367,178)
Interest and fiscal charges	47,563	(47,563)
Total cost of service	<u>\$29,305,462</u>	<u>\$ (22,976,057)</u>

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

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

The City's Funds

Governmental Funds

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$16,730,716. Of that amount, \$13,794,234 constitutes unreserved fund balances that are available for spending at the government's discretion. The remaining balance is reserved to indicate that it is not available for new spending because it has already been committed: (1) to liquidate contracts and purchases of the prior period, \$1,421,564; (2) to reflect year end inventory, \$122,273; (3) to indicate expenses prepaid at year end, \$125,579; and (4) to reveal the reserve for the intergovernmental receivable from the City of Cleveland, \$1,267,066.

City of Brook Park, Ohio

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

For the Year Ended December 31, 2009

General Fund

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the total fund balance for the General Fund was \$4,026,702, of which \$3,445,039 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 14.92 percent of total General Fund expenditures, while total fund balance represents 17.44 percent of that same amount.

The said fund balance decreased by \$1,440,922 during 2009. The significant decrease in income tax revenues and increases in general expenditures, i.e. utility costs, maintenance and repairs, fuel costs, unemployment compensation and part-time employment, as well as retroactive payroll payments for contract employees were the foremost reasons for the decrease of the fund balance.

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 \$8,105,218, of which \$5,770,241 was unreserved. The said fund balance decreased by \$3,039,165 during 2009. 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 2009, the City amended its General Fund budget three times. The finance department watches all department expenditures closely to monitor compliance with allocated budgets and provides monthly reports to City council that depicts monthly and year-to-date activity.

For the General Fund, the final budget basis revenue was \$23.4 million as compared to the original budget estimate of \$23.3 million. Final budget was slightly higher than the original budget due to higher than expected charges for services. The final appropriations of \$27.0 million were sufficient to meet the actual expenditures for the year, \$25.4 million. Final appropriations exceeded original appropriations mainly due to increases in utility costs, maintenance and repairs, fuel costs, unemployment compensation, part-time employees and a transfer to the Retiree Accrued Benefits nonmajor special revenue fund. The City's ending unencumbered budgetary fund balance was \$1,991,698 higher than the final budgeted amount primarily due to conservative revenue and expenditure budgetary practices.

City of Brook Park, Ohio

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

For the Year Ended December 31, 2009

Capital Assets and Debt Administration

Capital Assets

As of December 31, 2009, the City had \$69.2 million invested in land, buildings and improvements, improvements other than buildings, machinery and equipment, furniture and fixtures, vehicles, and infrastructure. Table 4 shows fiscal year 2009 balances of capital assets, net of depreciation, as compared to 2008.

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

	<u>2009</u>	<u>2008</u>
Land	\$ 4,866,522	\$ 4,869,709
Construction in progress	14,970,491	12,958,529
Buildings and improvements	10,408,474	10,799,757
Improvements other than buildings	1,568,636	1,689,596
Machinery and equipment	1,837,914	1,912,229
Furniture and fixtures	52,015	48,520
Vehicles	3,652,840	3,648,446
Infrastructure:		
Streets	19,939,195	18,208,165
Sewers	11,657,082	11,998,889
Water Lines	205,052	220,537
Total Capital Assets	<u>\$ 69,158,221</u>	<u>\$66,354,377</u>

Net of depreciation, the balances for the above capital assets remained practically unchanged, except for construction in progress and streets. The 2009 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 2009. These projects were transferred from construction in progress to streets.

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, 2009, the City had \$4,369,026 in outstanding debt, with \$607,951 of that debt due within one year.

City of Brook Park, Ohio

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

For the Year Ended December 31, 2009

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

	<u>2009</u>	<u>2008</u>
General obligation bonds	\$ 1,430,000	\$ 1,605,000
Capital leases	650,507	1,142,044
OPWC Loan	1,949,332	1,678,203
OWDA Loan	339,187	-
Total outstanding debt	<u>\$ 4,369,026</u>	<u>\$ 4,425,247</u>

As of December 31, 2009, the City's overall legal debt margin was \$54,009,604, with an unvoted debt margin of \$27,844,857. The City has an aggressive debt reduction approach, paying off most long-term debt within 10 years. In 2009, the City received \$271,129 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. In addition, the City entered into a loan agreement with Ohio Water Development Authority (OWDA). In 2009, the City received \$339,187 in OWDA loan proceeds for the construction of a sanitary relief sewer. 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 in addition to 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. 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 frequently meet 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 within the City. Also, the change from National City to PNC Bank may lead to a reduction in employment at their current facility located within the City. Additionally, multiple small businesses have closed while other businesses have decreased in size due to current economic conditions. All of the referenced state of affairs has had a negative impact on the City's economic environment, creating a monumental challenge to balance the City's budget and protect the financial stability of the community long into the future.

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

City of Brook Park, Ohio

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

For the Year Ended December 31, 2009

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, 2009

ASSETS

Equity in Pooled Cash and Cash Equivalents	\$ 15,262,791
Materials and Supplies Inventory	122,273
Accounts Receivable	389,357
Accrued Interest Receivable	19,918
Intergovernmental Receivable	3,045,178
Prepaid Items	171,652
Income Taxes Receivable	2,963,145
Property Taxes Receivable	1,989,502
Special Assessments Receivable	85,441
Restricted Assets:	
Intergovernmental Receivable	368,222
Nondepreciable Capital Assets	19,837,013
Depreciable Capital Assets	49,321,208
Total Assets	<u>93,575,700</u>

LIABILITIES

Accounts Payable	217,569
Contracts Payable	475,330
Accrued Wages and Benefits	934,880
Intergovernmental Payable	502,630
Matured Compensated Absences Payable	58,524
Accrued Interest Payable	18,311
Retainage Payable	404,808
Claims Payable	126,287
Unearned Revenue	1,856,733
Long-term Liabilities:	
Due within one year	1,904,173
Due in more than one year	5,206,142
Total Liabilities	<u>11,705,387</u>

NET ASSETS

Invested in Capital Assets, Net of Related Debt	66,056,261
Restricted for:	
Debt Services	574,620
Capital Projects	6,705,275
Economic Development	1,341,950
Street Paving and Repair	1,240,057
Other Purposes	366,682
Unrestricted	5,585,468
Total Net Assets	<u>\$ 81,870,313</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, 2009

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Assets</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		<u>Capital Grants and Contributions</u>
Governmental activities:					
Security of Persons and Property:					
Police and Others	\$ 7,203,552	\$ 801,844	\$ 3,004	\$ 103,500	\$ (6,295,204)
Fire	5,321,068	549,133	-	-	(4,771,935)
Public Health and Welfare	393,134	25,956	-	-	(367,178)
Leisure Time Activities	2,818,681	603,543	-	-	(2,215,138)
Community Development	1,507,000	1,313,937	-	-	(193,063)
Public Works	4,308,772	109,097	-	183,223	(4,016,452)
Transportation	2,504,805	46,222	949,509	1,156,966	(352,108)
General Government	5,200,887	483,471	-	-	(4,717,416)
Interest and Fiscal Charges	47,563	-	-	-	(47,563)
Total Governmental activities	<u>\$29,305,462</u>	<u>\$ 3,933,203</u>	<u>\$ 952,513</u>	<u>\$ 1,443,689</u>	<u>(22,976,057)</u>
General Revenues:					
Property Taxes levied for:					
General Purposes					1,790,666
Other Purposes					343,784
Income and Other Taxes levied for:					
General Purposes					16,578,316
Capital Outlay					764,898
Grants & Entitlements not restricted to specific programs					1,944,138
Investment Income					150,111
Total General Revenues					<u>21,571,913</u>
Change in Net Assets					(1,404,144)
Net Assets - Beginning of Year					<u>83,274,457</u>
Net Assets - End of Year					<u><u>\$ 81,870,313</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, 2009

	<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	\$ 2,731,185	\$ 6,775,796	\$ 5,031,439	\$ 14,538,420
Materials and Supplies Inventory	122,273	-	-	122,273
Accrued Interest Receivable	15,382	-	4,536	19,918
Accounts Receivable	377,882	-	11,475	389,357
Intergovernmental Receivable	806,364	1,744,511	494,303	3,045,178
Prepaid Items	125,579	-	-	125,579
Restricted Assets:				
Intergovernmental Receivable	-	368,222	-	368,222
Income Taxes Receivable	2,679,726	283,419	-	2,963,145
Property Taxes Receivable	1,636,894	-	352,608	1,989,502
Special Assessments Receivable	-	-	85,441	85,441
Total Assets	<u>\$ 8,495,285</u>	<u>\$ 9,171,948</u>	<u>\$ 5,979,802</u>	<u>\$ 23,647,035</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 192,316	\$ 15,614	\$ 9,639	\$ 217,569
Accrued Wages and Benefits	432,570	-	502,310	934,880
Contracts Payable	-	475,330	-	475,330
Intergovernmental Payable	484,384	-	18,246	502,630
Matured Compensated Absences Payable	-	-	58,524	58,524
Retainage Payable	-	404,808	-	404,808
Deferred Revenue	3,359,313	170,978	792,287	4,322,578
Total Liabilities	<u>4,468,583</u>	<u>1,066,730</u>	<u>1,381,006</u>	<u>6,916,319</u>
Fund Balances:				
Reserved for:				
Encumbrances	333,811	1,067,911	19,842	1,421,564
Inventory	122,273	-	-	122,273
Prepaid Items	125,579	-	-	125,579
Intergovernmental Receivable	-	1,267,066	-	1,267,066
Unreserved:				
Designated for:				
Accrued Retiree Benefits	-	-	1,534,236	1,534,236
Undesignated, Reported in:				
General Fund	3,445,039	-	-	3,445,039
Special Revenue Funds	-	-	2,551,083	2,551,083
Debt Service Funds	-	-	493,635	493,635
Capital Projects Funds	-	5,770,241	-	5,770,241
Total Fund Balance	<u>4,026,702</u>	<u>8,105,218</u>	<u>4,598,796</u>	<u>16,730,716</u>
Total Liabilities and Fund Balance	<u>\$ 8,495,285</u>	<u>\$ 9,171,948</u>	<u>\$ 5,979,802</u>	<u>\$ 23,647,035</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, 2009

Total Governmental Funds Balance \$ 16,730,716

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 69,158,221

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

Property taxes	\$ 132,769	
Municipal income and other taxes	1,008,161	
Special assessments	85,441	
Intergovernmental	924,474	
Charges for services	315,000	
Total	<u>2,465,845</u>	2,465,845

The prepayment of the City's net OPEB amount is a result of the City's annual OPEB expenses exceeding the annual OPEB cost. 14,121

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in Governmental funds, an interest expenditure is reported when due. (18,311)

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. 630,036

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	(1,430,000)	
OPWC loan	(1,949,332)	
OWDA Loan	(339,187)	
Capital leases	(650,507)	
Compensated absences	(2,441,289)	
Claims and judgments payable	(300,000)	
Total	<u>(7,110,315)</u>	(7,110,315)

Net Assets of Governmental Activities \$ 81,870,313

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, 2009

	<u>General Fund</u>	<u>Capital Improvements</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Property Taxes	\$ 1,864,144	\$ -	\$ 359,199	\$ 2,223,343
Income Taxes	15,958,675	905,208	-	16,863,883
Other Taxes	274,922	-	-	274,922
Intergovernmental	1,879,997	1,597,887	1,075,310	4,553,194
Interest	240,545	-	-	240,545
Licenses and Permits	411,410	-	-	411,410
Fines and Forfeitures	264,470	-	30,112	294,582
Rentals	3,000	-	-	3,000
Charges for Services	2,268,175	-	5,000	2,273,175
Contributions and Donations	18,615	-	3,561	22,176
Special Assessments	-	25,344	59,311	84,655
All Other Revenues	215,413	48,254	257,615	521,282
Total Revenues	<u>23,399,366</u>	<u>2,576,693</u>	<u>1,790,108</u>	<u>27,766,167</u>
EXPENDITURES				
Security of Persons and Property:				
Police	6,234,097	-	705,799	6,939,896
Fire	4,195,149	-	846,029	5,041,178
Public Health and Welfare	236,665	-	167,418	404,083
Leisure Time Activities	2,265,639	168	153,155	2,418,962
Community Development	1,094,449	491,540	172,474	1,758,463
Public Works	3,412,089	145,189	43,682	3,600,960
Transportation	631,484	173,359	788,188	1,593,031
General Government	5,016,078	67,164	16,966	5,100,208
Capital Outlay	-	5,437,258	-	5,437,258
Debt Service:				
Principal Retirement	-	-	175,000	175,000
Interest and Fiscal Charges	-	-	58,375	58,375
Total Expenditures	<u>23,085,650</u>	<u>6,314,678</u>	<u>3,127,086</u>	<u>32,527,414</u>
Excess of Revenues (Under) Expenditures	<u>313,716</u>	<u>(3,737,985)</u>	<u>(1,336,978)</u>	<u>(4,761,247)</u>
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	5,362	34,698	10,130	50,190
Inception of Capital Lease	-	157,445	-	157,445
OWDA Loans Issued	-	339,187	-	339,187
OPWC Loans Issued	-	271,129	-	271,129
Transfer In	-	225,000	2,088,639	2,313,639
Transfer Out	(1,760,000)	(328,639)	(225,000)	(2,313,639)
Total Other Financing Sources (Uses)	<u>(1,754,638)</u>	<u>698,820</u>	<u>1,873,769</u>	<u>817,951</u>
Net Change in Fund Balances	<u>(1,440,922)</u>	<u>(3,039,165)</u>	<u>536,791</u>	<u>(3,943,296)</u>
Fund Balances - Beginning of Year	<u>5,467,624</u>	<u>11,144,383</u>	<u>4,062,005</u>	<u>20,674,012</u>
Fund Balances - End of Year	<u>\$ 4,026,702</u>	<u>\$ 8,105,218</u>	<u>\$ 4,598,796</u>	<u>\$ 16,730,716</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, 2009

Net Change in Fund Balances-Total Governmental Funds \$ (3,943,296)

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

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

Capital Outlay	\$ 5,362,433	
Depreciation	<u>(2,520,042)</u>	
Total		2,842,391

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. (38,547)

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

Property taxes	(88,893)	
Municipal income and other taxes	204,409	
Special assessments	(586)	
Intergovernmental	(294,779)	
Charges for services	<u>315,000</u>	
Total		135,151

Other financing sources in the Governmental funds increase long-term liabilities in the Statement of Net Assets. These sources were attributed to the inception of a capital lease, OPWC loan and OWDA loan proceeds. (767,761)

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. 823,982

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	(94,614)	
Claims and judgments payable	(300,000)	
Accrued interest on bonds	10,812	
Annual OPEB cost	<u>14,121</u>	
Total		(369,681)

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. (86,383)

Change in Net Assets of Governmental Activities \$ (1,404,144)

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 1,879,185	\$ 1,864,144	\$ 1,864,144	\$ -
Income Taxes	15,956,640	15,655,344	15,648,179	(7,165)
Other Taxes	317,000	270,777	270,777	-
Intergovernmental	1,851,899	1,864,894	1,864,894	-
Interest	290,816	324,640	324,640	-
Licenses and Permits	547,061	463,832	463,832	-
Fines and Forfeitures	305,355	254,845	254,845	-
Rentals	-	3,000	3,000	-
Charges for Services	856,355	2,327,354	2,327,354	-
Contributions and Donations	-	18,615	18,615	-
All Other Revenues	304,017	298,369	298,369	-
Total Revenues	<u>22,308,328</u>	<u>23,345,814</u>	<u>23,338,649</u>	<u>(7,165)</u>
Expenditures:				
Current:				
Security of Persons and Property	10,956,309	10,978,723	10,506,118	472,605
Public Health and Welfare	349,868	357,868	327,492	30,376
Leisure Time Activates	2,428,503	2,481,613	2,391,656	89,957
Community Development	1,099,840	1,156,820	1,112,903	43,917
Public Works	3,660,959	3,922,801	3,601,985	320,816
Transportation	942,877	944,587	662,454	282,133
General Government	5,293,849	5,445,691	5,035,154	410,537
Total Expenditures	<u>24,732,205</u>	<u>25,288,103</u>	<u>23,637,762</u>	<u>1,650,341</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,423,877)</u>	<u>(1,942,289)</u>	<u>(299,113)</u>	<u>1,643,176</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	-	5,362	5,362	-
Transfer In	1,000,000	-	-	-
Transfers Out	<u>(1,060,000)</u>	<u>(1,760,000)</u>	<u>(1,760,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(60,000)</u>	<u>(1,754,638)</u>	<u>(1,754,638)</u>	<u>-</u>
Net Change in Fund Balance	(2,483,877)	(3,696,927)	(2,053,751)	1,643,176
Cash Fund Balance - Beginning of Year	4,436,414	4,436,414	4,436,414	-
Current Year Encumbrances	-	-	348,522	348,522
Cash Fund Balance - End of Year	<u>\$ 1,952,537</u>	<u>\$ 739,487</u>	<u>\$ 2,731,185</u>	<u>\$ 1,991,698</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, 2009

	Governmental Activities - Internal Service Fund
ASSETS	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 724,371
Prepaid Items	31,952
Total Current Assets	<u>756,323</u>
LIABILITIES	
Current Liabilities:	
Claims Payable	126,287
Total Current Liabilities	<u>126,287</u>
NET ASSETS	
Unrestricted	630,036
Total Net Assets	<u>\$ 630,036</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, 2009

	Governmental Activities - Internal Service Fund
OPERATING REVENUES	
Reimbursements	\$ 1,915,837
OPERATING EXPENSES	
Fringe Benefits	<u>2,002,220</u>
Change in Net Assets	(86,383)
Net Assets - Beginning of Year	<u>716,419</u>
Net Assets - End of Year	<u><u>\$ 630,036</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, 2009

	Governmental Activities - Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Reimbursements	\$ 1,915,837
Cash Payments for Claims	(1,991,272)
Net Cash Used for Operating Activities	<u>(75,435)</u>
 Net Decrease in Cash and Cash Equivalents	 (75,435)
 Cash and Cash Equivalents - Beginning of Year	 <u>799,806</u>
Cash and Cash Equivalents - End of Year	<u>\$ 724,371</u>
 RECONCILIATION OF OPERATING LOSS TO NET CASH USED FOR OPERATING ACTIVITIES	
Operating Loss	\$ (86,383)
Adjustments:	
(Increase) Decrease in Assets:	
Prepaid Items	462
Increase (Decrease) in Liabilities:	
Claims Payable	10,486
Net Cash Used for Operating Activities	<u>\$ (75,435)</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, 2009

	<u>Agency Funds</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 50,789
Cash and Cash Equivalents: in Segregated Accounts	<u>64,944</u>
Total Assets	<u><u>\$ 115,733</u></u>
Liabilities	
Deposits Held and Due to Others	\$ 63,459
Due to Others	<u>52,274</u>
Total Liabilities	<u><u>\$ 115,733</u></u>

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements

For The Year Ended December 31, 2009

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, 2009

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 2009, the City of Brook Park contributed \$145,366 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, 2009

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, 2009

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, 2009

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, 2009

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, 2009, but which were levied to finance year 2010 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, 2009

Note 2: Summary of Significant Accounting Policies (continued)

E. Budgetary Process

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

Tax Budget

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

Estimated Resources

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

On or about January 1 the certificate of estimated resources is amended to include unencumbered fund balances at December 31. Further amendments may be made during the year if the Finance Director determines that revenue to be collected will be greater than or less than the prior estimates and the budget commission d the revised estimates to be reasonable. The amounts reported in the budgetary statements as original represent the amounts in the first official certificate of estimated resources issued during 2009. The amounts reported in the budgetary statements as final reflect the amounts in the final amended official certificate of estimated resources issued during 2009.

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, 2009

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, 2009

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, 2009:

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

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

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

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

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

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

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, 2009.

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, 2009, 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, 2009 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, 2009

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, 2009

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, 2009, 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, 2009

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 2009.

T. Estimates

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

Note 3: Changes in Accounting Principles

For fiscal year 2009, the City implemented GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, and GASB Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements of on Auditing Standards*.

GASB Statement No. 52 improves the quality of financial reporting by requiring endowments to report their land and other real estate investments at fair value, creating consistency in reporting among similar entities that exist to invest resources for the purpose of generating income.

GASB Statement No. 55 incorporates the hierarchy of generally accepted accounting principles for state and local governments into the GASB's authoritative literature.

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

Note 3: Changes in Accounting Principles (continued)

GASB Statement No. 56 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance presented in the AICPA's Statements on Auditing Standards.

The implementation of GASB Statements No. 52, 55 and 56 did not affect the presentation of the financial statements of the City.

Note 4: Budgetary Basis of Accounting

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

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

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
- (d) Investment are reaped 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>General</u>
GAAP Basis	\$ (1,440,922)
<u>Increase (Decrease) Due to:</u>	
Revenue Accruals	(60,717)
Expenditure Accruals	(203,590)
Outstanding Encumbrances	<u>(348,522)</u>
Budget Basis	<u><u>\$ (2,053,751)</u></u>

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

Note 5: Deposits and Investments

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

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

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

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

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

Note 5: Deposits and Investments (continued)

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

Deposits

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

At year-end, the carrying amount of the City's deposits was \$9,835,781 (including \$4,030 of petty cash and \$64,944 of segregated accounts) and the bank balance was \$9,985,018. Of the bank balance \$1,675,793 was covered by Federal depository insurance and \$8,309,225 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, 2009, the City had the following investments:

<u>Investment Type</u>	<u>Fair- Value</u>	<u>Credit Rating (*)</u>	<u>Investment Maturities (in Years)</u>
STAR Ohio	\$ 5,542,743	AAA	<1
Carrying Amount of Deposits	9,831,751		
Petty Cash	4,030		
Total Cash and Investments	<u>\$ 15,378,524</u>		

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

Note 5: Deposits and Investments (continued)

Investments (continued)

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

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

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

Concentration of Credit Risk is defined by the Governmental Accounting Standards Board as five percent or more in the securities of a single issuer. The City's investment policy requires diversification of the portfolio but does not indicate specific percentage allocations. The following is the City's allocation as of December 31, 2009:

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

Note 6: Receivables

Receivables at December 31, 2009 consisted primarily of taxes, intergovernmental receivables arising from grants, entitlements or shared revenues, accounts, special assessments and interest on investments. All receivables are considered fully collectible.

A. Property Tax

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

Note 6: Receivables (continued)

A. Property Tax (continued)

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

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

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

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

The full tax rate for all City operations for the year ended December 31, 2009, was \$4.75 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2009 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Estate	\$ 484,728,840
Public Utility	8,664,680
Tangible Personal	<u>29,901,423</u>
Total	<u>\$ 523,294,943</u>

B. Income Tax

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

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 2009 were \$16,942,039.

C. Intergovernmental Receivables

A summary of the principal items of intergovernmental receivables follows:

	<u>Amounts</u>
Local government funds	\$ 465,831
Auto registration fees	94,842
Estate tax	76,955
Homestead and rollback	133,414
CAT tax reimbursement	78,955
Gasoline and excise tax	350,131
Public utility reimbursement	11,985
Permissive tax	3,638
OWDA	339,187
City of Cleveland (share of OPWC loan)	1,267,066
City of Cleveland (OPWC local share reimbursement)	70,162
Fines and forfeitures	37,955
Miscellaneous reimbursements	<u>115,057</u>
Total	<u>\$ 3,045,178</u>

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City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

Note 7: Capital Assets

	Balances 12/31/2008	Additions	Disposals	Balances 12/31/2009
Governmental Activities				
Nondepreciable Assets:				
Land	\$ 4,869,709	\$ -	\$ (3,187)	\$ 4,866,522
Construction in progress	12,958,529	4,668,240	(2,656,278)	14,970,491
Total Nondepreciable Assets	<u>17,828,238</u>	<u>4,668,240</u>	<u>(2,659,465)</u>	<u>19,837,013</u>
Depreciable Assets:				
Buildings and Improvements	17,666,640	-	-	17,666,640
Improvements Other than Buildings	2,993,792	7,956	-	3,001,748
Machinery and Equipment	3,494,780	194,831	(43,716)	3,645,895
Furniture and Fixtures	170,280	15,352	-	185,632
Vehicles	8,169,502	536,976	(372,595)	8,333,883
Infrastructure:				
Streets	24,610,250	2,574,556	-	27,184,806
Sewers	18,118,198	20,800	-	18,138,998
Water Lines	464,543	-	-	464,543
Total Depreciable Assets	<u>75,687,985</u>	<u>3,350,471</u>	<u>(416,311)</u>	<u>78,622,145</u>
Less Accumulated Depreciation				
Buildings and Improvements	(6,866,883)	(391,283)	-	(7,258,166)
Improvements Other than Buildings	(1,304,196)	(128,916)	-	(1,433,112)
Machinery and Equipment	(1,582,551)	(265,981)	40,551	(1,807,981)
Furniture and Fixtures	(121,760)	(11,857)	-	(133,617)
Vehicles	(4,521,056)	(500,387)	340,400	(4,681,043)
Infrastructure:				
Streets	(6,402,085)	(843,526)	-	(7,245,611)
Sewers	(6,119,309)	(362,607)	-	(6,481,916)
Water Lines	(244,006)	(15,485)	-	(259,491)
Total Accumulated Depreciation	<u>(27,161,846)</u>	<u>(2,520,042)</u>	<u>380,951</u>	<u>(29,300,937)</u>
Total Depreciable Assets, Net	<u>48,526,139</u>	<u>830,429</u>	<u>(35,360)</u>	<u>49,321,208</u>
Governmental Activities Capital Assets, Net	<u>\$ 66,354,377</u>	<u>\$ 5,498,669</u>	<u>\$ (2,694,825)</u>	<u>\$ 69,158,221</u>

Depreciation was charged to governmental activities as follows:

Security of Persons and Property:	
Police and Others	\$ 142,637
Fire	244,025
Public Health and Welfare	5,664
Leisure Time Activities	391,765
Community Development	19,766
Public Works	638,059
Transportation	972,486
General Government	105,640
Total Depreciation Expense	<u>\$ 2,520,042</u>

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

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, 2009 was as follows:

	<u>Balances 12/31/2008</u>	<u>Issued</u>	<u>Retired</u>	<u>Balances 12/31/2009</u>	<u>Amounts Due in One Year</u>
General Obligation Bonds:					
Laich Street Improvements	\$ 665,000	\$ -	\$ 30,000	\$ 635,000	\$ 30,000
Aerospace Parkway Improvements	940,000	-	145,000	795,000	150,000
Total General Obligation Bonds	<u>1,605,000</u>	<u>-</u>	<u>175,000</u>	<u>1,430,000</u>	<u>180,000</u>
Capitalized Lease Agreements:					
Public Works and Public Service					
Vehicles	303,495	-	249,722	53,773	53,773
Police Sedans	138,720	-	68,965	69,755	69,755
Fire Trucks	424,077	-	135,291	288,786	141,271
Copiers	23,994	-	7,191	16,803	7,197
Radio Equipment	36,764	-	11,549	25,215	12,241
Telephone System	32,425	-	32,425	-	-
Senior Bus	182,569	-	89,542	93,027	93,027
Ambulance	-	157,445	54,297	103,148	50,687
Total Capital Leases	<u>1,142,044</u>	<u>157,445</u>	<u>648,982</u>	<u>650,507</u>	<u>427,951</u>
Other Long-term Obligations:					
OPWC Loan - W. 150th Project	1,678,203	271,129	-	1,949,332	-
OWDA Loan	-	339,187	-	339,187	-
Claims and Judgments Payable	-	300,000	-	300,000	-
Accrued Compensated Absences	2,346,675	897,850	803,236	2,441,289	1,296,222
Total Other Long-term Obligations	<u>4,024,878</u>	<u>1,808,166</u>	<u>803,236</u>	<u>5,029,808</u>	<u>1,296,222</u>
Total Governmental Long-term Liabilities	<u>\$6,771,922</u>	<u>\$1,965,611</u>	<u>\$1,627,218</u>	<u>\$7,110,315</u>	<u>\$1,904,173</u>

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

Note 8: Long-Term Debt (continued)

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

During 2005, the Ohio Public Works Commission (OPWC) approved a loan to the City to finance a portion of the West 150th Street Improvement project. The OPWC committed up to \$1,949,332 at a zero percent interest rate for twenty years. The final payment schedule has not been determined as of December 31, 2009. As of December 31, 2009, the City has not completed the project but has received \$1,949,332 in loan proceeds from OPWC. The City and the City of Cleveland have an agreement to share the debt service requirements of the OPWC loan. The City will pay 100 percent of the annual debt service requirements and the City of Cleveland will reimburse the City 65 percent of the annual debt service requirement. The City has recorded an intergovernmental receivable in the amount of \$1,267,066 to recognize the City of Cleveland's share of the loan.

During 2009, the City entered in a loan agreement with the Ohio Water Development Authority (OWDA) to provide partial funding for the Smith/Hummel Sewer Improvement Project Phase II. The total amount financed through OWDA is \$1,576,135 with a portion of the loan at a zero percent interest rate and the other portion of the loan at a 3.25 percent interest rate. 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, 2009, the City has not completed the project but has received \$339,187 in loan proceeds from OWDA.

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

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

The City's overall legal debt margin was \$54,009,604 at December 31, 2009.

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

Note 8: Long-Term Debt (continued)

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2009 are as follows:

Year	General Obligation Bonds		
	Principal	Interest	Total
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	205,000	28,240	233,240
2015-2109	210,000	86,063	296,063
2020-2024	255,000	36,340	291,340
Total	<u>\$ 1,430,000</u>	<u>\$ 329,535</u>	<u>\$ 1,759,535</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.

	Governmental Activities
Assets:	
Machinery and equipment	\$ 226,785
Less: accumulated depreciation	(54,238)
Total	<u>\$ 172,547</u>
Vehicles	\$ 3,112,325
Less: accumulated depreciation	(783,435)
Total	<u>\$ 2,328,890</u>

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

Note 9: Capital Leases (continued)

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2009, were as follows:

<u>Year</u>	<u>Payments</u>
2010	\$ 454,467
2011	229,290
2012	2,403
Total Minimum Lease Payments	686,160
Less: Amount Representing Interest	(35,653)
Present Value of Minimum Lease Payment	<u>\$ 650,507</u>

Note 10: Compensated Absences

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

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

Note 11: Pension Plans

A. Ohio Public Employees Retirement System

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

Note 11: Pension Plans

A. Ohio Public Employees Retirement System (continued)

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

For the year ended December 31, 2009, the members of all three plans were required to contribute 10.00 percent of their annual covered salaries. The City's contribution rate of 14.00 percent was allocated to fund pension benefits was 7.00 percent from January 1 through March 31, 2009 and 8.50 percent from April 1 through December 31, 2009. The Ohio Revised Code provides statutory authority for member and employer contributions. The City's required contributions for pension obligations to all three plans for the years ended December 31, 2009, 2008, and 2007 were \$618,535, \$541,480, and \$616,329, respectively; 97.15 percent has been contributed for 2009 and 100 percent has been contributed for 2008 and 2007.

B. Ohio Police and Fire Pension Fund

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

Plan members are required to contribute 10.00 percent of their annual covered salary, while the City is required to contribute 19.50 percent and 24.0 percent for police officers and firefighters, respectively. The portion of the City's contributions to fund pension obligations was 12.75 percent for police officers and 17.25 percent for firefighters. The City's contributions for pension obligations to OP&F for police and firefighters were \$440,584 and \$561,992 for the year ended December 31, 2009, \$417,361 and \$559,327 for the year ended December 31, 2008, \$390,851 and \$543,814 for the year ended December 31, 2007, respectively; 73.67 percent for police and 71.76 for firefighters has been contributed for 2009 and 100 percent for 2008 and 2007.

Note 12: Postemployment Benefits

A. Ohio Public Employees Retirement System

Plan Description - The Ohio Public Employees Retirement System (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.

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

Note 12: Postemployment Benefits (continued)

A. Ohio Public Employees Retirement System (continued)

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

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

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits. The 2009 local government employer contribution rate was 14.00 percent of covered payroll.

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. The portion of employer contributions allocated to health care was 7.00 percent from January 1 through March 31, 2009 and 5.50 percent from April 1 through December 31, 2009. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care coverage by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. The City's actual employer contributions for 2009, 2008, 2007 which were used to fund post-employment benefits were \$429,963, \$541,480 and \$405,924, respectively. 97.15 percent has been contributed for 2009 and 100 percent has been contributed for 2008 and 2007.

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

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

Note 12: Postemployment Benefits (continued)

B. Ohio Police and Fire Pension Fund (continued)

OP&F provides access to post-employment health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school full-time or on a 2/3 basis. The health care coverage provided by OP&F meets the definition of an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 45.

OP&F maintains funds for health care in two separate accounts. One account is for health care benefits under IRS Code Section 115 trust and one account is 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 Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2009, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of the Sections 115 and 401(h).

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

Note 12: Postemployment Benefits (continued)

B. Ohio Police and Fire Pension Fund (continued)

The City's contributions for 2009, 2008, and 2007 that were used to fund post-employment benefits were \$233,250 for police and \$219,910 for firefighters, \$220,956 for police and \$218,867 for firefighters, and \$206,780 for police and \$212,534 for firefighters, respectively. 73.67 percent for police and 71.76 for firefighters has been contributed for 2009 and 100 percent for 2008 and 2007.

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, 2009, 144 retirees and dependents are currently receiving the post-employment benefits mentioned above.

Funding Policy

The City's annual contributions to the plan are negotiated through the union contracts of the City. For the fiscal year ended December 31, 2009, the City contributed \$252,830 to the plan. The plan requires no matching contributions from the employees during their period of employment.

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

Note 13: Other Postemployment Benefits (continued)

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. For 2008, the City's annual OPEB cost (expense) of \$238,709 was equal to the ARC for the fiscal year and the transition liability was set at zero. For 2009, the City's annual OPEB cost (expense) of \$238,709 was less than the ARC for the fiscal year and the net OPEB amount has been recorded as a prepayment on the government-wide financial statements. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2009 and 2008 are as follows:

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

Annual OPEB Costs and Net OPEB Obligation (continued)

Funded Status and Funding Progress

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

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

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

Note 13: Other Postemployment Benefits (continued)

term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with long-term perspective of the calculations.

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

Note 14: Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During the year, the City contracted with Wichert Insurance Services, Inc. to manage its insurance coverage. The coverage limits, on December 31, 2009, 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	\$ 45,587,129
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.

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

Note 14: Risk Management (continued)

The City provides a medical plan for full time employees and their families. The plan is self-funded for fiscal year 2009 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 2009, 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.

The claims liability of \$126,287 as estimated by the third party administrator and reported in the Self-Insurance Fund at December 31, 2009 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, 2009. Changes in the fund's claim liability amount for the years ended 2007, 2008, and 2009 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>
2007	\$ 122,806	\$ 1,946,684	\$ (1,859,594)	\$ 209,896
2008	209,896	1,410,694	(1,504,789)	115,801
2009	115,801	2,002,220	(1,991,734)	126,287

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, 2009, the City's significant contractual commitments consisted of:

<u>Project</u>	<u>Contract Amount</u>	<u>Amount Accrued</u>	<u>Remaining on Contract</u>
West 150 th Street/Sewer project	\$ 2,260,014	\$ 2,260,014	\$ 0
Snow Road underpass	9,943,806	9,722,385	221,421
2009 Roads Program	863,771	689,116	174,655
2008 Roads program	1,048,118	982,207	65,911
West 150 th Sewer project	<u>4,787,994</u>	<u>712,808</u>	<u>4,075,186</u>
Total	<u>\$ 18,903,703</u>	<u>\$ 14,366,530</u>	<u>\$ 4,537,173</u>

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

Note 16: Interfund Transfers

Interfund transfers for the year ended December 31, 2009, consisted of the following:

Transfer To	Transfer From			Total
	General Fund	Capital Improvements Fund	Nonmajor Governmental Funds	
Capital Improvements Fund	\$ -	\$ -	\$ 225,000	\$ 225,000
Non-Major Governmental Funds	1,760,000	328,639	-	2,088,639
Total	<u>\$ 1,760,000</u>	<u>\$ 328,639</u>	<u>\$ 225,000</u>	<u>\$ 2,313,639</u>

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

Note 17: Contingencies/Pending Litigation

A. Grants

The City received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2009.

B. Litigation

As of December 31, 2009, there are two lawsuits pending in which the probable rulings are unfavorable for the City. In accordance with GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, the City has estimated a claims and judgments liability in the combined amount of \$300,000. While this liability is an estimate, the City's potential exposure in both lawsuits combined has been estimated at an additional \$720,000.

There are additional claims and lawsuits that are pending against the City. The amount of the liability from these claims and lawsuits, if any, cannot be reasonably estimated at this time. However, in the opinion of management, any such claims and lawsuits will not have a material adverse effect on the overall financial position of the City at December 31, 2009.

City of Brook Park, Ohio

Notes to the Basic Financial Statements (continued)

For The Year Ended December 31, 2009

Note 18: Accountability

Fund Equity Deficit - Special Revenue Funds

There are deficits in the Police Pension and Fire Pension Special Revenue Funds of \$180,339 and \$192,154, 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, 2009

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, 2009

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, 2009

	Nonmajor Special Revenue Funds	Nonmajor General Obligation Fund	Total Nonmajor Governmental Funds
ASSETS			
Equity in Pooled Cash and Cash Equivalents	\$ 4,537,804	\$ 493,635	\$ 5,031,439
Accrued Interest Receivable	4,536	-	4,536
Accounts Receivable	11,475	-	11,475
Intergovernmental Receivable	494,303	-	494,303
Property Taxes Receivable	352,608	-	352,608
Special Assessments Receivable	-	85,441	85,441
Total Assets	\$ 5,400,726	\$ 579,076	\$ 5,979,802
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 9,639	\$ -	\$ 9,639
Accrued Wages and Benefits	502,310	-	502,310
Intergovernmental Payable	18,246	-	18,246
Matured Compensated Absences Payable	58,524	-	58,524
Deferred Revenue	706,846	85,441	792,287
Total Liabilities	1,295,565	85,441	1,381,006
Fund Balances:			
Reserved for:			
Encumbrances	19,842	-	19,842
Unreserved:			
Designated for:			
Accrued Retiree Benefits	1,534,236	-	1,534,236
Undesignated, Reported in:			
Special Revenue Funds	2,551,083	-	2,551,083
Debt Service Funds	-	493,635	493,635
Total Fund Balance	4,105,161	493,635	4,598,796
Total Liabilities and Fund Balance	\$ 5,400,726	\$ 579,076	\$ 5,979,802

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, 2009

	Nonmajor Special Revenue Funds	Nonmajor General Obligation Fund	Total Nonmajor Governmental Funds
REVENUES			
Property Taxes	\$ 359,199	\$ -	\$ 359,199
Intergovernmental	1,075,310	-	1,075,310
Fines and Forfeitures	30,112	-	30,112
Charges for Services	5,000	-	5,000
Contributions and Donations	3,561	-	3,561
Special Assessments	-	59,311	59,311
All Other Revenues	257,615	-	257,615
Total Revenues	<u>1,730,797</u>	<u>59,311</u>	<u>1,790,108</u>
EXPENDITURES			
Security of Persons and Property:			
Police	705,799	-	705,799
Fire	846,029	-	846,029
Public Health and Welfare	167,418	-	167,418
Leisure Time Activities	153,155	-	153,155
Community Development	172,474	-	172,474
Public Works	43,682	-	43,682
Transportation	788,188	-	788,188
General Government	16,128	838	16,966
Debt Service:			
Principal Retirement	-	175,000	175,000
Interest and Fiscal Charges	-	58,375	58,375
Total Expenditures	<u>2,892,873</u>	<u>234,213</u>	<u>3,127,086</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,162,076)</u>	<u>(174,902)</u>	<u>(1,336,978)</u>
OTHER FINANCING SOURCES			
Sale of Capital Assets	10,130	-	10,130
Transfer In	1,880,221	208,418	2,088,639
Transfer Out	(225,000)	-	(225,000)
Total Other Financing Sources	<u>1,665,351</u>	<u>208,418</u>	<u>1,873,769</u>
Net Change in Fund Balances	503,275	33,516	536,791
Fund Balances - Beginning of Year	3,601,886	460,119	4,062,005
Fund Balances - End of Year	<u>\$ 4,105,161</u>	<u>\$ 493,635</u>	<u>\$ 4,598,796</u>

City of Brook Park, Ohio

Combining Balance Sheet Non-Major Special Revenue Funds

December 31, 2009

	<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	\$ 222,019	\$ 219,888	\$ 381,169	\$ 1,341,950	\$ 284,310
Accrued Interest Receivable	1,079	1,068	1,852	-	-
Accounts Receivable	-	-	-	-	-
Intergovernmental Receivable	411,600	33,373	3,638	-	-
Property Taxes Receivable	-	-	-	-	-
Total Assets	<u>\$ 634,698</u>	<u>\$ 254,329</u>	<u>\$ 386,659</u>	<u>\$ 1,341,950</u>	<u>\$ 284,310</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Wages and Benefits	17,383	-	-	-	-
Intergovernmental Payable	18,246	-	-	-	-
Matured Compensated Absences Payable	-	-	-	-	-
Deferred Revenue	292,141	23,687	-	-	-
Total Liabilities	<u>327,770</u>	<u>23,687</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Reserved for:					
Encumbrances	15,268	239	-	3,598	-
Unreserved:					
Designated for:					
Accrued Retiree Benefits	-	-	-	-	-
Undesignated (Deficit), Reported in:					
Special Revenue Funds	291,660	230,403	386,659	1,338,352	284,310
Total Fund Balances (Deficit)	<u>306,928</u>	<u>230,642</u>	<u>386,659</u>	<u>1,341,950</u>	<u>284,310</u>
Total Liabilities and Fund Balance	<u>\$ 634,698</u>	<u>\$ 254,329</u>	<u>\$ 386,659</u>	<u>\$ 1,341,950</u>	<u>\$ 284,310</u>

(Continued)

City of Brook Park, Ohio

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

December 31, 2009

	<u>Special Recreation</u>	<u>Law Enforcement</u>	<u>DWI Enforcement & Education</u>	<u>Federal Forfeiture</u>	<u>Community Diversion</u>
ASSETS					
Equity in Pooled Cash and Cash Equivalents	\$ 91,298	\$ 141,217	\$ 26,748	\$ 110,540	\$ 5,806
Accrued Interest Receivable	-	-	-	537	-
Accounts Receivable	-	11,475	-	-	-
Intergovernmental Receivable	-	-	82	7,200	-
Property Taxes Receivable	-	-	-	-	-
Total Assets	<u>\$ 91,298</u>	<u>\$ 152,692</u>	<u>\$ 26,830</u>	<u>\$ 118,277</u>	<u>\$ 5,806</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ 9,639	\$ -	\$ -	\$ -
Accrued Wages and Benefits	-	-	-	-	-
Intergovernmental Payable	-	-	-	-	-
Matured Compensated Absences Payable	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>9,639</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Reserved for:					
Encumbrances	191	-	546	-	-
Unreserved:					
Designated for:					
Accrued Retiree Benefits	-	-	-	-	-
Undesignated (Deficit), Reported in:					
Special Revenue Funds	91,107	143,053	26,284	118,277	5,806
Total Fund Balances (Deficit)	<u>91,298</u>	<u>143,053</u>	<u>26,830</u>	<u>118,277</u>	<u>5,806</u>
Total Liabilities and Fund Balance	<u>\$ 91,298</u>	<u>\$ 152,692</u>	<u>\$ 26,830</u>	<u>\$ 118,277</u>	<u>\$ 5,806</u>

Retiree Accrued Benefits	Police Pension	Fire Pension	Southwest General Health Center	Continuing Training Program	Nonmajor Special Revenue Funds
\$ 1,592,760	\$ 38,037	\$ 74,397	\$ 80	\$ 7,585	\$ 4,537,804
-	-	-	-	-	4,536
-	-	-	-	-	11,475
-	13,492	13,492	11,426	-	494,303
-	127,550	127,550	97,508	-	352,608
<u>\$ 1,592,760</u>	<u>\$ 179,079</u>	<u>\$ 215,439</u>	<u>\$ 109,014</u>	<u>\$ 7,585</u>	<u>\$ 5,400,726</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,639
-	218,376	266,551	-	-	502,310
-	-	-	-	-	18,246
58,524	-	-	-	-	58,524
-	141,042	141,042	108,934	-	706,846
<u>58,524</u>	<u>359,418</u>	<u>407,593</u>	<u>108,934</u>	<u>-</u>	<u>1,295,565</u>
-	-	-	-	-	19,842
1,534,236	-	-	-	-	1,534,236
-	(180,339)	(192,154)	80	7,585	2,551,083
<u>1,534,236</u>	<u>(180,339)</u>	<u>(192,154)</u>	<u>80</u>	<u>7,585</u>	<u>4,105,161</u>
<u>\$ 1,592,760</u>	<u>\$ 179,079</u>	<u>\$ 215,439</u>	<u>\$ 109,014</u>	<u>\$ 7,585</u>	<u>\$ 5,400,726</u>

City of Brook Park, Ohio

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

For The Year Ended December 31, 2009

	<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	817,389	64,624	42,119	-	-
Fines and Forfeitures	-	-	-	-	-
Charges for Services	-	-	-	5,000	-
Contributions and Donations	-	-	-	-	-
All Other Revenues	12,928	-	-	-	-
Total Revenues	<u>830,317</u>	<u>64,624</u>	<u>42,119</u>	<u>5,000</u>	<u>-</u>
EXPENDITURES					
Security of Persons and Property:					
Police	-	-	-	-	-
Fire	-	-	-	-	-
Public Health	-	-	-	-	-
Leisure Time Activities	-	-	-	-	-
Community Development	-	-	-	172,474	-
Basic Utility Service	-	-	-	-	-
Transportation	742,621	249	23,263	-	-
General Government	-	-	-	-	-
Total Expenditures	<u>742,621</u>	<u>249</u>	<u>23,263</u>	<u>172,474</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>87,696</u>	<u>64,375</u>	<u>18,856</u>	<u>(167,474)</u>	<u>-</u>
OTHER FINANCING SOURCES					
Sale of Capital Assets	-	-	-	10,130	-
Transfer In	-	-	-	120,221	-
Transfer Out	-	-	-	(225,000)	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>(94,649)</u>	<u>-</u>
Net Change in Fund Balances	87,696	64,375	18,856	(262,123)	-
Fund Balances (Deficit) - Beginning of Year	219,232	166,267	367,803	1,604,073	284,310
Fund Balances (Deficit) - End of Year	<u>\$ 306,928</u>	<u>\$ 230,642</u>	<u>\$ 386,659</u>	<u>\$ 1,341,950</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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 131,698	\$ 131,698
-	-	-	-	-	-	51,770	51,770
-	21,095	1,817	7,200	-	-	-	-
-	-	-	-	-	-	-	-
-	3,561	-	-	-	-	-	-
<u>170,287</u>	<u>8,367</u>	<u>-</u>	<u>59,073</u>	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>170,287</u>	<u>33,023</u>	<u>1,817</u>	<u>66,273</u>	<u>1,800</u>	<u>-</u>	<u>183,468</u>	<u>183,468</u>
-	31,484	54	25,463	1,888	-	643,055	-
-	-	-	-	-	91,494	-	754,535
-	-	-	-	-	22,052	-	-
133,211	-	-	-	-	19,944	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	43,682	-	-
-	-	-	-	-	22,055	-	-
-	-	-	-	-	16,128	-	-
<u>133,211</u>	<u>31,484</u>	<u>54</u>	<u>25,463</u>	<u>1,888</u>	<u>215,355</u>	<u>643,055</u>	<u>754,535</u>
<u>37,076</u>	<u>1,539</u>	<u>1,763</u>	<u>40,810</u>	<u>(88)</u>	<u>(215,355)</u>	<u>(459,587)</u>	<u>(571,067)</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	700,000	455,000	605,000
-	-	-	-	-	-	-	-
-	-	-	-	-	700,000	455,000	605,000
<u>37,076</u>	<u>1,539</u>	<u>1,763</u>	<u>40,810</u>	<u>(88)</u>	<u>484,645</u>	<u>(4,587)</u>	<u>33,933</u>
<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>
<u>\$ 91,298</u>	<u>\$ 143,053</u>	<u>\$ 26,830</u>	<u>\$ 118,277</u>	<u>\$ 5,806</u>	<u>\$ 1,534,236</u>	<u>\$ (180,339)</u>	<u>\$ (192,154)</u>

(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, 2009

	Southwest General Health Center	Continuing Training Program	Nonmajor Special Revenue Funds
REVENUES			
Property Taxes	\$ 95,803	\$ -	\$ 359,199
Intergovernmental	47,638	-	1,075,310
Fines and Forfeitures	-	-	30,112
Charges for Services	-	-	5,000
Contributions and Donations	-	-	3,561
All Other Revenues	-	5,160	257,615
Total Revenues	<u>143,441</u>	<u>5,160</u>	<u>1,730,797</u>
EXPENDITURES			
Security of Persons and Property:			
Police	-	3,855	705,799
Fire	-	-	846,029
Public Health	145,366	-	167,418
Leisure Time Activities	-	-	153,155
Community Development	-	-	172,474
Basic Utility Service	-	-	43,682
Transportation	-	-	788,188
General Government	-	-	16,128
Total Expenditures	<u>145,366</u>	<u>3,855</u>	<u>2,892,873</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,925)</u>	<u>1,305</u>	<u>(1,162,076)</u>
OTHER FINANCING SOURCES			
Sale of Capital Assets	-	-	10,130
Transfer In	-	-	1,880,221
Transfer Out	-	-	(225,000)
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>1,665,351</u>
Net Change in Fund Balances	<u>(1,925)</u>	<u>1,305</u>	<u>503,275</u>
Fund Balances (Deficit) - Beginning of Year	2,005	6,280	3,601,886
Fund Balances (Deficit) - End of Year	<u>\$ 80</u>	<u>\$ 7,585</u>	<u>\$ 4,105,161</u>

**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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 1,879,185	\$ 1,864,144	\$ 1,864,144	\$ -
Income Taxes	15,956,640	15,655,344	15,648,179	(7,165)
Other Taxes	317,000	270,777	270,777	-
Intergovernmental	1,851,899	1,864,894	1,864,894	-
Interest	290,816	324,640	324,640	-
Licenses and Permits	547,061	463,832	463,832	-
Fines and Forfeitures	305,355	254,845	254,845	-
Rentals	-	3,000	3,000	-
Charges for Services	856,355	2,327,354	2,327,354	-
Contributions and Donations	-	18,615	18,615	-
All Other Revenues	304,017	298,369	298,369	-
Total Revenues	22,308,328	23,345,814	23,338,649	(7,165)
Expenditures:				
Current:				
Security of Persons and Property				
Correctional Facility				
Personal Services	174,330	168,330	160,091	8,239
Travel and Education	150	150	35	115
Contractual Services	20,816	21,472	19,922	1,550
Supplies and Materials	22,683	1,682	71	1,611
Other Expenses	23,382	35,727	34,056	1,671
Total Correctional Facility	241,361	227,361	214,175	13,186
School Guards				
Personal Services	88,954	91,263	90,552	711
Fire Department				
Personal Services	4,248,447	4,248,447	3,996,920	251,527
Travel and Education	6,000	6,000	5,134	866
Contractual Services	165,907	166,003	158,917	7,086
Supplies and Materials	40,999	43,172	42,393	779
Other Expenses	52,600	50,331	40,521	9,810
Total Fire Department	4,513,953	4,513,953	4,243,885	270,068
Police Department				
Personal Services	4,333,656	4,333,656	4,257,822	75,834
Travel and Education	5,119	5,669	5,224	445
Contractual Services	97,530	123,781	112,499	11,282
Supplies and Materials	56,481	56,256	53,813	2,443
Other Expenses	153,323	126,916	88,115	38,801
Total Police Department	4,646,109	4,646,278	4,517,473	128,805

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Animal Control				
Personal Services	145,733	146,079	145,006	1,073
Travel and Education	434	434	150	284
Contractual Services	58,738	58,739	47,209	11,530
Supplies and Materials	4,258	4,258	1,684	2,574
Other Expenses	11,750	11,750	9,985	1,765
Total Animal Control	220,913	221,260	204,034	17,226
Safety Director				
Personal Services	123,583	123,583	118,307	5,276
Travel and Education	250	150	-	150
Contractual Services	660	810	665	145
Supplies and Materials	550	350	119	231
Other Expenses	410	1,260	1,201	59
Total Safety Director	125,453	126,153	120,292	5,861
Safety Building				
Personal Services	582,863	582,863	571,219	11,644
Travel and Education	550	550	550	-
Contractual Services	115,456	115,456	105,173	10,283
Supplies and Materials	1,152	1,575	937	638
Other Expenses	867	444	153	291
Total Safety Building	700,888	700,888	678,032	22,856
Safety Town				
Personal Services	4,775	4,775	4,775	-
Contractual Services	2,250	2,250	2,162	88
Supplies and Materials	300	231	-	231
Other Expenses	400	469	469	-
Total Safety Town	7,725	7,725	7,406	319
Street Lighting				
Contractual Services	320,015	337,154	337,090	64
Supplies and Materials	3,435	3,185	1,790	1,395
Other Expenses	25	25	-	25
Total Street Lighting	323,475	340,364	338,880	1,484
Traffic Lights				
Contractual Services	39,286	55,286	52,800	2,486
Supplies and Materials	4,675	4,675	4,675	-
Total Traffic Lights	43,961	59,961	57,475	2,486

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Disaster Services				
Personal Services	32,731	32,731	25,673	7,058
Contractual Services	388	888	871	17
Supplies and Materials	3,991	2,137	316	1,821
Other Expenses	6,407	7,761	7,054	707
Total Disaster Services	43,517	43,517	33,914	9,603
Total Security of Persons and Property	10,956,309	10,978,723	10,506,118	472,605
Public Health & Welfare				
County Board of Health				
Contractual Services	78,507	82,007	82,007	-
Office of Aging				
Personal Services	244,661	244,661	220,464	24,197
Travel and Education	100	100	-	100
Contractual Services	1,602	5,312	4,523	789
Supplies and Materials	13,650	12,150	7,569	4,581
Other Expenses	11,348	13,638	12,929	709
Total Office of Aging	271,361	275,861	245,485	30,376
Total Public Health and Welfare	349,868	357,868	327,492	30,376
Leisure Time Activities				
Recreation Commission				
Personal Services	15,164	15,164	15,163	1
Recreation Center				
Personal Services	853,486	870,128	857,203	12,925
Travel and Education	500	500	434	66
Contractual Services	595,583	644,017	639,353	4,664
Supplies and Materials	48,053	47,635	38,338	9,297
Other Expenses	23,039	22,850	17,206	5,644
Total Recreation Center	1,520,661	1,585,130	1,552,534	32,596
Home Day Celebration				
Personal Services	28,970	16,728	16,728	-
Contractual Services	39,350	41,310	38,548	2,762
Supplies and Materials	2,600	2,300	1,011	1,289
Other Expenses	6,675	5,015	2,860	2,155
Total Home Day Celebration	77,595	65,353	59,147	6,206

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Parks and Play Grounds				
Personal Services	489,135	467,921	456,485	11,436
Travel and Education	100	100	86	14
Contractual Services	86,429	83,486	78,807	4,679
Supplies and Materials	53,822	74,046	63,124	10,922
Other Expenses	79,180	83,996	72,249	11,747
Total Parks and Play Grounds	<u>708,666</u>	<u>709,549</u>	<u>670,751</u>	<u>38,798</u>
Public Recreation				
Contractual Services	75,135	75,170	71,343	3,827
Supplies and Materials	11,459	10,596	8,786	1,810
Other Expenses	19,823	20,651	13,932	6,719
Total Public Recreation	<u>106,417</u>	<u>106,417</u>	<u>94,061</u>	<u>12,356</u>
Total Leisure Time Activates	<u>2,428,503</u>	<u>2,481,613</u>	<u>2,391,656</u>	<u>89,957</u>
Community Development				
Planning Commission				
Personal Services	14,870	14,870	14,867	3
Community Development				
Personal Services	98,445	89,445	87,154	2,291
Travel and Education	500	739	739	-
Contractual Services	2,750	2,576	2,373	203
Supplies and Materials	500	249	249	-
Other Expenses	381	567	525	42
Total Community Development	<u>102,576</u>	<u>93,576</u>	<u>91,040</u>	<u>2,536</u>
Board of Zoning Appeals				
Personal Services	17,844	17,844	15,889	1,955
Building Department				
Personal Services	596,906	615,183	613,357	1,826
Travel and Education	1,130	1,345	1,345	-
Contractual Services	39,671	39,558	32,223	7,335
Supplies and Materials	6,006	7,241	6,293	948
Other Expenses	8,558	8,552	6,626	1,926
Total Building Department	<u>652,271</u>	<u>671,879</u>	<u>659,844</u>	<u>12,035</u>

Continued

City of Brook Park, Ohio

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

For The Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Tree and Tree Lawns				
Personal Services	294,050	338,823	319,770	19,053
Travel and Education	100	127	127	-
Contractual Services	7,437	7,056	1,274	5,782
Supplies and Materials	5,028	5,980	4,094	1,886
Other Expenses	5,664	6,665	5,998	667
Total Tree and Tree Lawns	312,279	358,651	331,263	27,388
Total Community Development	1,099,840	1,156,820	1,112,903	43,917
Public Works				
Service Director				
Personal Services	535,542	535,542	530,663	4,879
Travel and Education	375	375	375	-
Contractual Services	8,358	9,108	8,488	620
Supplies and Materials	5,730	9,957	8,797	1,160
Other Expenses	1,792	3,289	2,429	860
Total Service Director	551,797	558,271	550,752	7,519
Service Building				
Personal Services	76,756	76,756	75,586	1,170
Travel and Education	250	129	-	129
Contractual Services	232,514	229,131	214,506	14,625
Supplies and Materials	29,940	56,173	55,549	624
Other Expenses	58,935	98,326	34,769	63,557
Total Service Building	398,395	460,515	380,410	80,105
Sanitation Department				
Personal Services	1,183,112	1,329,883	1,237,377	92,506
Travel and Education	250	981	976	5
Contractual Services	5,274	5,640	4,250	1,390
Supplies and Materials	74,571	98,622	94,768	3,854
Other Expenses	544,437	540,035	498,829	41,206
Total Sanitation Department	1,807,644	1,975,161	1,836,200	138,961
Sewers, Drains, and Pump Stations				
Personal Services	738,029	738,029	682,275	55,754
Travel and Education	100	100	43	57
Contractual Services	83,439	81,577	60,877	20,700
Supplies and Materials	32,843	60,824	59,694	1,130
Other Expenses	48,712	48,324	31,734	16,590
Total Sewers, Drains, and Pump Stations	903,123	928,854	834,623	94,231
Total Public Works	3,660,959	3,922,801	3,601,985	320,816

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Transportation				
Street Cleaning				
Personal Services	72,607	72,607	63,811	8,796
Travel and Education	100	100	-	100
Contractual Services	50	50	37	13
Supplies and Materials	6,651	6,651	4,158	2,493
Other Expenses	5,570	5,570	4,124	1,446
Total Street Cleaning	84,978	84,978	72,130	12,848
Traffic Signs				
Personal Services	66,864	68,574	68,065	509
Contractual Services	100	100	37	63
Supplies and Materials	2,001	2,001	178	1,823
Other Expenses	1,675	1,675	-	1,675
Total Traffic Signs	70,640	72,350	68,280	4,070
Snow Removal				
Personal Services	297,340	297,340	143,500	153,840
Contractual Services	488	488	475	13
Supplies and Materials	114,704	114,704	68,993	45,711
Other Expenses	374,727	374,727	309,076	65,651
Total Snow Removal	787,259	787,259	522,044	265,215
Total Transportation	942,877	944,587	662,454	282,133
General Government				
City Council				
Personal Services	134,911	134,913	134,912	1
Travel and Education	4,200	4,200	2,678	1,522
Contractual Services	19,697	19,697	17,449	2,248
Supplies and Materials	1,920	1,898	958	940
Other Expenses	1,436	2,041	1,395	646
Total City Council	162,164	162,749	157,392	5,357
Clerk of Council				
Personal Services	145,152	145,152	145,067	85
Travel and Education	1,048	1,048	-	1,048
Contractual Services	1,137	1,137	1,001	136
Supplies and Materials	393	393	210	183
Total Clerk of Council	147,730	147,730	146,278	1,452

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Mayor's Court				
Personal Services	115,163	108,355	103,573	4,782
Travel and Education	500	4,002	4,002	-
Contractual Services	7,513	12,546	11,261	1,285
Supplies and Materials	1,126	1,024	905	119
Other Expenses	50	50	28	22
Total Mayor's Court	124,352	125,977	119,769	6,208
Municipal Court				
Contractual Services	32,156	32,156	10,311	21,845
Civil Service Commission				
Personal Services	32,358	32,358	28,602	3,756
Travel and Education	250	250	-	250
Contractual Services	4,015	4,014	1,011	3,003
Supplies and Materials	301	302	70	232
Other Expenses	1,000	1,000	-	1,000
Total Civil Service Commission	37,924	37,924	29,683	8,241
Mayor's Office				
Personal Services	306,720	306,720	303,878	2,842
Travel and Education	4,000	3,910	3,457	453
Contractual Services	6,524	7,511	6,939	572
Supplies and Materials	3,438	3,958	3,791	167
Other Expenses	4,431	4,022	3,186	836
Total Mayor's Office	325,113	326,121	321,251	4,870
Human Resources				
Personal Services	104,914	104,914	104,835	79
Travel and Education	459	346	210	136
Contractual Services	9,689	10,402	8,727	1,675
Supplies and Materials	296	296	162	134
Other Expenses	100	100	-	100
Total Human Resources	115,458	116,058	113,934	2,124
Public Properties				
Personal Services	374,816	374,816	358,147	16,669
Travel and Education	250	271	271	-
Contractual Services	43,032	43,022	34,166	8,856
Supplies and Materials	2,594	2,583	1,963	620
Other Expenses	2,895	2,895	1,591	1,304
Total Public Properties	423,587	423,587	396,138	27,449

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Legal Department				
Personal Services	276,918	276,918	261,731	15,187
Travel and Education	1,539	1,539	150	1,389
Contractual Services	2,004	2,004	1,218	786
Supplies and Materials	642	642	323	319
Other Expenses	73	73	-	73
Total Legal Department	281,176	281,176	263,422	17,754
Finance Department				
Personal Services	407,715	407,715	403,769	3,946
Travel and Education	3,000	3,350	3,320	30
Contractual Services	80,947	81,337	78,806	2,531
Supplies and Materials	7,462	7,869	7,659	210
Other Expenses	350	303	187	116
Total Finance Department	499,474	500,574	493,741	6,833
Tax Department				
Personal Services	312,022	312,022	285,502	26,520
Travel and Education	1,350	1,997	1,662	335
Contractual Services	54,388	54,003	49,561	4,442
Supplies and Materials	17,573	17,987	17,691	296
Other Expenses	262,458	302,697	300,232	2,465
Total Tax Department	647,791	688,706	654,648	34,058
Tax Review Board				
Personal Services	4,186	4,186	4,184	2
Retirees				
Personal Services	272,202	307,202	252,830	54,372
Mechanics				
Personal Services	658,791	658,791	651,467	7,324
Travel and Education	490	1,682	1,682	-
Contractual Services	347	496	483	13
Supplies and Materials	5,784	5,534	3,195	2,339
Other Expenses	869	969	783	186
Total Mechanics	666,281	667,472	657,610	9,862
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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Lands and Buildings				
Personal Services	11,627	11,627	2,512	9,115
Contractual Services	160,846	159,141	151,748	7,393
Supplies and Materials	4,096	4,122	3,043	1,079
Other Expenses	17,088	18,767	17,011	1,756
Total Lands and Buildings	193,657	193,657	174,314	19,343
Other General Government				
Personal Services	529,226	547,226	544,425	2,801
Travel and Education	5,000	7,564	7,564	-
Contractual Services	430,745	477,065	339,971	137,094
Supplies and Materials	61,300	59,766	36,624	23,142
Other Expenses	286,327	290,795	263,065	27,730
Total Other General Government	1,312,598	1,382,416	1,191,649	190,767
Total General Government	5,293,849	5,445,691	5,035,154	410,537
Total Expenditures	24,732,205	25,288,103	23,637,762	1,650,341
Excess of Revenues Over (Under) Expenditures	(2,423,877)	(1,942,289)	(299,113)	1,643,176
Other Financing Sources (Uses)				
Sale of Capital Assets	-	5,362	5,362	-
Transfer In	1,000,000	-	-	-
Transfers Out	(1,060,000)	(1,760,000)	(1,760,000)	-
Total Other Financing Sources (Uses)	(60,000)	(1,754,638)	(1,754,638)	-
Net Change in Fund Balance	(2,483,877)	(3,696,927)	(2,053,751)	1,643,176
Cash Fund Balance - Beginning of Year	4,436,414	4,436,414	4,436,414	-
Current Year Encumbrances	-	-	348,522	348,522
Cash Fund Balance - End of Year	\$ 1,952,537	\$ 739,487	\$ 2,731,185	\$ 1,991,698

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, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Income Taxes	\$ 1,343,360	\$ 1,294,656	\$ 1,293,860	\$ (796)
Intergovernmental	3,798,387	5,639,228	1,930,997	(3,708,231)
Special Assessments	21,590	25,344	25,344	-
All Other Revenues	139,940	94,484	94,484	-
Total Revenues	5,303,277	7,053,712	3,344,685	(3,709,027)
Expenditures:				
Current:				
Leisure Time Activities				
Recreation Center				
Contractual Services	582	168	168	-
Community Development				
Contractual Services	619,334	619,334	596,604	22,730
Other	992	992	-	992
Total Community Development	620,326	620,326	596,604	23,722
Public Works				
Sewers and Drains				
Contractual Services	132,920	352,002	182,283	169,719
Other	-	1,557	1,557	-
Total Public Works	132,920	353,559	183,840	169,719
Transportation				
Street Paving and Repair				
Contractual Services	287,982	289,682	286,157	3,525
Other	1,221	1,222	1,222	-
Total Transportation	289,203	290,904	287,379	3,525

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, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
General Government				
Income Tax Department				
Personal Services	31,536	31,536	28,594	2,942
Travel and Education	150	222	185	37
Contractual Services	6,032	5,989	4,817	1,172
Supplies and Materials	348	348	209	139
Other	29,162	33,633	33,359	274
Total General Government	67,228	71,728	67,164	4,564
Capital Outlay				
Animal Warden	1,407	1,407	1,188	219
Building Department	1,019	26,019	21,009	5,010
Civil Service	844	844	844	-
Community Development	2,527,011	2,594,511	2,540,682	53,829
Council	6,062	6,062	6,062	-
Finance Department	-	3,000	-	3,000
Fire Department	285,019	405,144	402,693	2,451
Home Days Celebration	-	2,669	2,083	586
Lands and Buildings	61,552	77,223	72,683	4,540
Legal Department	6,897	6,897	6,625	272
Mayor's Office	2,737	5,786	5,786	-
Mechanics	100	3,000	2,226	774
Office of Aging	19,329	19,329	19,329	-
Parks and Playgrounds	1,929	15,856	9,717	6,139
Police Department	150,810	234,503	221,020	13,483
Public Recreation	719	719	719	-
Recreation Center	5,408	20,383	19,371	1,012
Safety Building	14,475	36,735	36,735	-
Safety Town	-	5,346	5,346	-
Sanitation	69,584	69,584	69,584	-
Service Building	49,938	68,792	68,545	247
Sewers and Drains	207,192	4,774,332	392,189	4,382,143
Snow Removal	64,028	86,028	80,627	5,401
Street Lighting	14,695	14,695	14,695	-
Street Paving and Repair	1,784,449	2,367,951	2,273,503	94,448
Tax Department	4,062	17,199	17,199	-
Traffic Signs	-	13,500	12,968	532
Trees and Tree Lawns	840	43,554	37,615	5,939
Total Capital Outlay	5,280,106	10,921,068	6,341,043	4,580,025
Total Expenditures	6,390,365	12,257,753	7,476,198	4,781,555
Excess of Revenues Over (Under) Expenditures	(1,087,088)	(5,204,041)	(4,131,513)	1,072,528

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other Financing Sources (Uses)				
Sale of Capital Assets	3,200	34,698	34,698	-
OPWC Loans Issued	1,271,138	2,703,988	697,998	(2,005,990)
Transfers In	1,294,570	225,000	225,000	-
Transfers Out	(659,417)	(328,639)	(328,639)	-
Total Other Financing Sources (Uses)	<u>1,909,491</u>	<u>2,635,047</u>	<u>629,057</u>	<u>(2,005,990)</u>
Net Change in Fund Balance	822,403	(2,568,994)	(3,502,456)	(933,462)
Cash Fund Balance - Beginning of Year	9,057,682	9,057,682	9,057,682	-
Current Year Encumbrances	-	-	1,220,570	1,220,570
Cash Fund Balance - End of Year	<u>\$ 9,880,085</u>	<u>\$ 6,488,688</u>	<u>\$ 6,775,796</u>	<u>\$ 287,108</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 853,650	\$ 823,199	\$ 823,199	\$ -
Interest	3,220	349	349	-
All Other Revenues	-	14,562	14,562	-
Total Revenues	856,870	838,110	838,110	-
Expenditures:				
Current:				
Transportation				
Street Paving and Repair				
Personal Services	707,376	707,376	667,094	40,282
Travel and Education	100	218	218	-
Contractual Services	1,491	5,615	5,580	35
Supplies and Materials	54,612	53,993	43,615	10,378
Other	77,402	73,779	63,733	10,046
Total Expenditures	840,981	840,981	780,240	60,741
Net Change in Fund Balance	15,889	(2,871)	57,870	60,741
Cash Fund Balance - Beginning of Year	148,881	148,881	148,881	-
Current Year Encumbrances	-	-	15,268	15,268
Cash Fund Balance - End of Year	\$ 164,770	\$ 146,010	\$ 222,019	\$ 76,009

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 69,214	\$ 66,746	\$ 66,746	\$ -
Interest	4,005	427	427	-
Total Revenues	73,219	67,173	67,173	-
Expenditures:				
Current:				
Transportation				
Street Paving and Repair				
Supplies and Materials	25,000	25,000	488	24,512
Total Expenditures	25,000	25,000	488	24,512
Net Change in Fund Balance	48,219	42,173	66,685	24,512
Cash Fund Balance - Beginning of Year	152,964	152,964	152,964	-
Current Year Encumbrances	-	-	239	239
Cash Fund Balance - End of Year	\$ 201,183	\$ 195,137	\$ 219,888	\$ 24,751

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 47,515	\$ 47,093	\$ 47,093	\$ -
Interest	6,908	884	884	-
Total Revenues	<u>54,423</u>	<u>47,977</u>	<u>47,977</u>	<u>-</u>
Expenditures:				
Current:				
Transportation				
Street Paving and Repair				
Supplies and Materials	50,000	40,138	-	40,138
Other	15,311	25,173	24,669	504
Total Expenditures	<u>65,311</u>	<u>65,311</u>	<u>24,669</u>	<u>40,642</u>
Net Change in Fund Balance	(10,888)	(17,334)	23,308	40,642
Cash Fund Balance - Beginning of Year	357,861	357,861	357,861	-
Cash Fund Balance - End of Year	<u>\$ 346,973</u>	<u>\$ 340,527</u>	<u>\$ 381,169</u>	<u>\$ 40,642</u>

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual Economic Development Fund **For The Year Ended December 31, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services	\$ 1,040,000	\$ -	\$ -	\$ -
All Other Revenues	1,000	5,000	5,000	-
Total Revenues	1,041,000	5,000	5,000	-
Expenditures:				
Current:				
Community Development				
Contractual Services	131,996	200,256	184,559	15,697
Other	-	133	133	-
Total Expenditures	131,996	200,389	184,692	15,697
Excess of Revenues Over (Under) Expenditures	909,004	(195,389)	(179,692)	15,697
Other Financing Sources (Uses)				
Sale of Capital Assets	-	10,130	10,130	-
Transfers In	115,430	120,221	120,221	-
Transfers Out	(1,000,000)	(225,000)	(225,000)	-
Total Other Financing Sources (Uses)	(884,570)	(94,649)	(94,649)	-
Net Change in Fund Balance	24,434	(290,038)	(274,341)	15,697
Cash Fund Balance - Beginning of Year	1,612,693	1,612,693	1,612,693	-
Current Year Encumbrances	-	-	3,598	3,598
Cash Fund Balance - End of Year	\$ 1,637,127	\$ 1,322,655	\$ 1,341,950	\$ 19,295

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, 2009

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

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Budgetary Basis) and Actual
 Special Recreation Fund
For The Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
All Other Revenues	\$ 150,000	\$ 174,172	\$ 174,172	\$ -
Total Revenues	150,000	174,172	174,172	-
Expenditures:				
Current:				
Leisure Time Activities				
Public Recreation				
Travel and Education	800	668	668	-
Contractual Services	68,499	69,499	63,402	6,097
Supplies and Materials	3,100	2,874	62	2,812
Other	79,171	78,529	69,270	9,259
Total Expenditures	151,570	151,570	133,402	18,168
Net Change in Fund Balance	(1,570)	22,602	40,770	18,168
Cash Fund Balance - Beginning of Year	50,337	50,337	50,337	-
Current Year Encumbrances	-	-	191	191
Cash Fund Balance - End of Year	\$ 48,767	\$ 72,939	\$ 91,298	\$ 18,359

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and Forfeitures	\$ 10,000	\$ 9,620	\$ 9,620	\$ -
Contributions and Donations	-	3,561	3,561	-
All Other Revenues	17,000	8,367	8,367	-
Total Revenues	27,000	21,548	21,548	-
Expenditures:				
Current:				
Security of Persons and Property				
Police and Others				
Travel and Education	7,250	8,435	8,435	-
Contractual Services	10,000	18,815	5,210	13,605
Supplies and Materials	15,000	15,000	8,200	6,800
Total Expenditures	32,250	42,250	21,845	20,405
Net Change in Fund Balance	(5,250)	(20,702)	(297)	20,405
Cash Fund Balance - Beginning of Year	141,514	141,514	141,514	-
Cash Fund Balance - End of Year	\$ 136,264	\$ 120,812	\$ 141,217	\$ 20,405

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and Forfeitures	\$ 1,500	\$ 1,735	\$ 1,735	\$ -
Total Revenues	<u>1,500</u>	<u>1,735</u>	<u>1,735</u>	<u>-</u>
Expenditures:				
Current:				
Security of Persons and Property				
Police and Others				
Travel and Education	-	600	600	-
Other	333	-	-	-
Total Expenditures	<u>333</u>	<u>600</u>	<u>600</u>	<u>-</u>
Net Change in Fund Balance	1,167	1,135	1,135	-
Cash Fund Balance - Beginning of Year	25,067	25,067	25,067	-
Current Year Encumbrances	-	-	546	546
Cash Fund Balance - End of Year	<u>\$ 26,234</u>	<u>\$ 26,202</u>	<u>\$ 26,748</u>	<u>\$ 546</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$ 1,414	\$ 209	\$ 209	\$ -
All Other Revenues	23,700	59,888	59,888	-
Total Revenues	<u>25,114</u>	<u>60,097</u>	<u>60,097</u>	<u>-</u>
Expenditures:				
Current:				
Security of Persons and Property				
Police and Others				
Contractual Services	-	3,000	3,000	-
Supplies and Materials	51,600	51,600	22,463	29,137
Total Expenditures	<u>51,600</u>	<u>54,600</u>	<u>25,463</u>	<u>29,137</u>
Net Change in Fund Balance	(26,486)	5,497	34,634	29,137
Cash Fund Balance - Beginning of Year	75,906	75,906	75,906	-
Cash Fund Balance - End of Year	<u>\$ 49,420</u>	<u>\$ 81,403</u>	<u>\$ 110,540</u>	<u>\$ 29,137</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
All Other Revenues	\$ 2,400	\$ 1,800	\$ 1,800	\$ -
Total Revenues	<u>2,400</u>	<u>1,800</u>	<u>1,800</u>	<u>-</u>
Expenditures:				
Current:				
Security of Persons and Property				
Police and Others				
Personal Services	7,620	7,020	1,989	5,031
Travel and Education	200	200	-	200
Contractual Services	200	200	16	184
Supplies and Materials	100	100	-	100
Other	250	250	-	250
Total Expenditures	<u>8,370</u>	<u>7,770</u>	<u>2,005</u>	<u>5,765</u>
Net Change in Fund Balance	(5,970)	(5,970)	(205)	5,765
Cash Fund Balance - Beginning of Year	6,011	6,011	6,011	-
Cash Fund Balance - End of Year	<u>\$ 41</u>	<u>\$ 41</u>	<u>\$ 5,806</u>	<u>\$ 5,765</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, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Security of Persons and Property				
Fire				
Personal Services	\$ 259,923	\$ 259,923	\$ 136,421	\$ 123,502
Public Health and Welfare				
Office of Aging				
Personal Services	42,016	42,016	22,052	19,964
Leisure Time Activities				
Recreation Center				
Personal Services	35,547	35,547	18,657	16,890
Parks & Playgrounds				
Personal Services	2,654	2,654	1,393	1,261
Total Leisure Time Activities	<u>38,201</u>	<u>38,201</u>	<u>20,050</u>	<u>18,151</u>
Public Works				
Sanitation				
Personal Services	29,984	29,984	15,737	14,247
Sewers and Drains				
Personal Services	57,125	57,125	29,982	27,143
Total Public Works	<u>87,109</u>	<u>87,109</u>	<u>45,719</u>	<u>41,390</u>
Transportation				
Street Cleaning				
Personal Services	42,022	42,022	22,055	19,967
General Government				
Mayor's Office				
Personal Services	30,024	30,024	15,758	14,266
Public Properties				
Personal Services	705	705	370	335
Total General Government	<u>30,729</u>	<u>30,729</u>	<u>16,128</u>	<u>14,601</u>
Total Expenditures	<u>500,000</u>	<u>500,000</u>	<u>262,425</u>	<u>237,575</u>
Excess of Revenues Over (Under) Expenditures	(500,000)	(500,000)	(262,425)	237,575

Continued

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 (continued)
For The Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other Financing Sources				
Transfers In	-	700,000	700,000	-
Total Other Financings Sources	-	700,000	700,000	-
Net Change in Fund Balance	(500,000)	200,000	437,575	237,575
Cash Fund Balance - Beginning of Year	1,155,185	1,155,185	1,155,185	-
Cash Fund Balance - End of Year	\$ 655,185	\$ 1,355,185	\$ 1,592,760	\$ 237,575

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 136,742	\$ 131,698	\$ 131,698	\$ -
Intergovernmental	51,311	51,770	51,770	-
Total Revenues	<u>188,053</u>	<u>183,468</u>	<u>183,468</u>	<u>-</u>
Expenditures:				
Current:				
Security of Persons and Property				
Police and Others				
Personal Services	674,150	674,150	637,219	36,931
Total Expenditures	<u>674,150</u>	<u>674,150</u>	<u>637,219</u>	<u>36,931</u>
Excess of Revenues Over (Under) Expenditures	(486,097)	(490,682)	(453,751)	36,931
Other Financing Sources				
Transfers In	455,000	455,000	455,000	-
Total Other Financing Sources	<u>455,000</u>	<u>455,000</u>	<u>455,000</u>	<u>-</u>
Net Change in Fund Balance	(31,097)	(35,682)	1,249	36,931
Cash Fund Balance - Beginning of Year	36,788	36,788	36,788	-
Cash Fund Balance - End of Year	<u>\$ 5,691</u>	<u>\$ 1,106</u>	<u>\$ 38,037</u>	<u>\$ 36,931</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, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Property Taxes	\$ 136,742	\$ 131,698	\$ 131,698	\$ -
Intergovernmental	51,311	51,770	51,770	-
Total Revenues	<u>188,053</u>	<u>183,468</u>	<u>183,468</u>	<u>-</u>
Expenditures:				
Current:				
Security of Persons and Property				
Fire				
Personal Services	821,214	821,214	747,643	73,571
Total Expenditures	<u>821,214</u>	<u>821,214</u>	<u>747,643</u>	<u>73,571</u>
Excess of Revenues Over (Under) Expenditures	(633,161)	(637,746)	(564,175)	73,571
Other Financing Sources				
Transfers In	605,000	605,000	605,000	-
Total Other Financing Sources	<u>605,000</u>	<u>605,000</u>	<u>605,000</u>	<u>-</u>
Net Change in Fund Balance	(28,161)	(32,746)	40,825	73,571
Cash Fund Balance - Beginning of Year	33,572	33,572	33,572	-
Cash Fund Balance - End of Year	<u>\$ 5,411</u>	<u>\$ 826</u>	<u>\$ 74,397</u>	<u>\$ 73,571</u>

City of Brook Park, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Budgetary Basis) and Actual
 Southwest General Health Center Fund
For The Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 100,503	\$ 95,803	\$ 95,803	\$ -
Intergovernmental	47,197	47,638	47,638	-
Total Revenues	<u>147,700</u>	<u>143,441</u>	<u>143,441</u>	<u>-</u>
Expenditures:				
Current:				
Public Health and Welfare				
Contractual Services	149,705	145,366	145,366	-
Total Expenditures	<u>149,705</u>	<u>145,366</u>	<u>145,366</u>	<u>-</u>
Net Change in Fund Balance	(2,005)	(1,925)	(1,925)	-
Cash Fund Balance - Beginning of Year	2,005	2,005	2,005	-
Cash Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 80</u>	<u>\$ 80</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
All Other Revenues	\$ 7,000	\$ 5,160	\$ 5,160	\$ -
Total Revenues	<u>7,000</u>	<u>5,160</u>	<u>5,160</u>	<u>-</u>
Expenditures:				
Current:				
Security of Persons and Property				
Police and Others				
Travel and Education	8,000	8,000	3,855	4,145
Total Expenditures	<u>8,000</u>	<u>8,000</u>	<u>3,855</u>	<u>4,145</u>
Net Change in Fund Balance	(1,000)	(2,840)	1,305	4,145
Cash Fund Balance - Beginning of Year	6,280	6,280	6,280	-
Cash Fund Balance - End of Year	<u>\$ 5,280</u>	<u>\$ 3,440</u>	<u>\$ 7,585</u>	<u>\$ 4,145</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Special Assessments	\$ 58,400	\$ 59,311	\$ 59,311	\$ -
Total Revenues	<u>58,400</u>	<u>59,311</u>	<u>59,311</u>	<u>-</u>
Expenditures:				
Current:				
General Government				
Other	1,000	1,000	838	162
Debt Service				
Principal	175,000	175,000	175,000	-
Interest & Fiscal Charges	58,375	58,375	58,375	-
Total Expenditures	<u>234,375</u>	<u>234,375</u>	<u>234,213</u>	<u>162</u>
Excess of Revenues Over (Under) Expenditures	(175,975)	(175,064)	(174,902)	162
Other Financing Sources				
Transfers In	176,098	208,418	208,418	-
Total Other Financing Sources	<u>176,098</u>	<u>208,418</u>	<u>208,418</u>	<u>-</u>
Net Change in Fund Balance	123	33,354	33,516	162
Cash Fund Balance - Beginning of Year	460,119	460,119	460,119	-
Cash Fund Balance - End of Year	<u>\$ 460,242</u>	<u>\$ 493,473</u>	<u>\$ 493,635</u>	<u>\$ 162</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Reimbursements	\$ 2,977,770	\$ 2,277,770	\$ 1,915,837	\$ (361,933)
Total Revenues	<u>2,977,770</u>	<u>2,277,770</u>	<u>1,915,837</u>	<u>(361,933)</u>
Expenses				
Current:				
Fringe Benefits	<u>2,977,770</u>	<u>2,977,770</u>	<u>1,992,025</u>	<u>985,745</u>
Total Expenses	<u>2,977,770</u>	<u>2,977,770</u>	<u>1,992,025</u>	<u>985,745</u>
Net Change in Fund Equity	-	(700,000)	(76,188)	623,812
Cash Fund Equity - Beginning of Year	799,806	799,806	799,806	-
Current Year Encumbrances	-	-	753	753
Cash Fund Equity - End of Year	<u>\$ 799,806</u>	<u>\$ 99,806</u>	<u>\$ 724,371</u>	<u>\$ 624,565</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, 2009

	Cash Bonds Held	Mayor's Court	Board of Building Standards	Payroll Deduction Employees' Share	Total
Assets					
Equity in Pooled Cash and Cash Equivalents	\$47,629	\$ -	\$ 725	\$ 2,435	\$ 50,789
Cash and Cash Equivalents: in Segregated Accounts	-	64,944	-	-	64,944
Total Assets	<u>\$47,629</u>	<u>\$64,944</u>	<u>\$ 725</u>	<u>\$ 2,435</u>	<u>\$115,733</u>
Liabilities					
Deposits Held and Due to Others	\$47,629	\$12,670	\$ 725	\$ 2,435	\$ 63,459
Due to Others	-	52,274	-	-	52,274
Total Liabilities	<u>\$47,629</u>	<u>\$64,944</u>	<u>\$ 725</u>	<u>\$ 2,435</u>	<u>\$115,733</u>

City of Brook Park, Ohio

Combining Statement of Changes in Assets and Liabilities Agency Funds

For The Year Ended December 31, 2009

	Balance 12/31/2008	Additions	Deletions	Balance 12/31/2009
Cash Bonds Held				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 45,438	\$ 28,273	\$ 26,082	\$ 47,629
Liabilities				
Deposits Held	\$ 45,438	\$ 28,273	\$ 26,082	\$ 47,629
Mayor's Court				
Assets				
Cash and Cash Equivalents: in Segregated Accounts	\$ 44,840	368,714	348,610	64,944
Liabilities				
Deposits Held	\$ 14,214	\$ 23,322	\$ 24,866	\$ 12,670
Due to Others	30,626	345,392	323,744	52,274
Total Liabilities	\$ 44,840	\$368,714	\$348,610	\$ 64,944
Board of Building Standards				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 1,345	\$ 1,642	\$ 2,262	\$ 725
Liabilities				
Deposits Held	\$ 1,345	\$ 1,642	\$ 2,262	\$ 725
Payroll Deduction Employees' Share				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 2,782	\$ 69,281	\$ 69,628	\$ 2,435
Liabilities				
Deposits Held	\$ 2,782	\$ 69,281	\$ 69,628	\$ 2,435
Total - All Agency Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 49,565	\$ 99,196	\$ 97,972	\$ 50,789
Cash and Cash Equivalents: in Segregated Accounts	44,840	368,714	348,610	64,944
Total Assets	\$ 94,405	\$467,910	\$446,582	\$ 115,733
Liabilities				
Deposits Held	\$ 63,779	\$122,518	\$122,838	\$ 63,459
Due to Others	30,626	345,392	323,744	52,274
Total Liabilities	\$ 94,405	\$467,910	\$446,582	\$ 115,733

STATISTICAL SECTION

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.	104-109
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	110-115
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.	116-119
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.	120-121
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.	122-125

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 Seven Fiscal Years

Table 1

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

City of Brook Park, Ohio

Changes in Net Assets
Accrual Basis of Accounting

Last Seven Fiscal Years

Table 2

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

Continued

City of Brook Park, Ohio

Changes in Net Assets (continued)
Accrual Basis of Accounting

Last Seven Fiscal Years

Table 2

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

City of Brook Park, Ohio

Fund Balances, Governmental Funds Modified Accrual Basis of Accounting

Last Ten Fiscal Years

Table 3

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General fund:										
Reserved	\$ 277,702	\$ 274,381	\$ 323,115	\$ 425,788	\$ 495,738	\$ 489,431	\$ 509,811	\$ 654,598	\$ 561,726	\$ 581,663
Unreserved	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	3,445,039
Total general fund	<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>	<u>4,026,702</u>
All other governmental funds:										
Reserved	1,879,557	1,378,840	469,732	1,040,000	1,815,210	763,151	652,675	1,869,385	3,897,002	2,354,819
Unreserved:										
Designated:										
Accrued retiree benefits	-	-	-	-	-	-	-	1,315,162	1,049,591	1,534,236
Undesignated, reported in:										
Special revenue	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	2,551,083
Debt service	400,272	-	-	408,175	417,283	434,576	436,703	459,559	460,119	493,635
Capital project	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	5,770,241
Total all other governmental funds	<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>	<u>12,704,014</u>
Total governmental funds	<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>	<u>\$16,730,716</u>

City of Brook Park, Ohio

Changes in Fund Balances, Governmental Funds Modified Basis of Accounting

Last Ten Fiscal Years

Table 4

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues:										
Property Taxes	\$ 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	\$ 2,223,343
Income Taxes	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	16,863,883
Other Taxes	485,140	447,917	346,705	281,358	349,222	349,022	260,397	359,472	358,969	274,922
Intergovernmental	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	4,553,194
Interest	881,096	615,732	298,621	257,922	289,315	778,295	1,112,436	1,135,195	684,229	240,545
Licenses and Permits	388,490	547,312	413,044	468,381	397,508	396,603	393,337	433,795	465,318	411,410
Fines and Forfeitures	319,222	357,076	311,830	364,412	444,678	398,155	384,660	395,605	358,033	294,582
Rentals	-	-	-	-	-	-	-	-	2,775	3,000
Charges for Services	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	2,273,175
Contributions and Donations	-	-	-	-	-	-	-	-	18,307	22,176
Special Assessments	3,618	4,317	4,282	4,282	4,280	19,637	119,767	105,473	83,419	84,655
All Other Revenues	485,082	325,499	609,329	845,019	1,252,209	690,124	694,520	499,629	599,053	521,282
Total Revenues	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	27,766,167
Expenditures:										
Current:										
Security of persons and property	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	11,981,074
Public health and welfare	249,197	230,450	236,480	226,005	239,884	314,991	324,927	559,409	490,831	404,083
Leisure time activities	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	2,418,962
Community development	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	1,758,463
Public works	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	3,600,960
Transportation	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	1,593,031
General government	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	5,100,208
Capital Outlay	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	5,437,258
Debt Service:										
Principal retirement	1,292,000	1,357,000	1,437,000	1,517,000	1,612,000	1,852,000	165,000	170,000	170,000	175,000
Interest and fiscal charges	467,338	396,862	328,300	289,995	200,920	177,807	69,496	66,196	62,625	58,375
Total expenditures	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	32,527,414
Excess of revenues over (under) expenditures	(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)	(4,761,247)

Continued

City of Brook Park, Ohio

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

Last Ten Fiscal Years

Table 4

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Other financing sources (uses):										
Notes issued	-	-	-	-	2,255,000	-	-	-	-	-
OWDA Loan issued	-	-	-	-	-	-	-	-	-	339,187
OPWC loans issued	-	-	-	-	-	-	-	-	1,678,203	271,129
Capital leases	365,965	1,317,372	-	668,230	354,053	373,287	185,639	631,381	650,985	157,445
Cleveland airport agreement	-	6,128,582	-	-	-	-	-	-	-	-
Sale of capital assets	626,360	34,703	275,000	94,312	15,004	26,498	34,258	27,125	12,573	50,190
Transfers in	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	2,313,639
Transfers out	(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)	(2,313,639)
Total other financing sources (uses)	<u>992,325</u>	<u>7,663,833</u>	<u>275,000</u>	<u>762,542</u>	<u>2,624,057</u>	<u>399,785</u>	<u>219,897</u>	<u>658,506</u>	<u>2,341,761</u>	<u>817,951</u>
Net change in fund balances	<u><u>\$ (1,956,869)</u></u>	<u><u>\$ 5,137,841</u></u>	<u><u>\$ 2,070,005</u></u>	<u><u>\$ 232,688</u></u>	<u><u>\$ 2,012,485</u></u>	<u><u>\$ (2,583,205)</u></u>	<u><u>\$ 3,105,944</u></u>	<u><u>\$ 1,771,457</u></u>	<u><u>\$ (4,499,229)</u></u>	<u><u>\$ (3,943,296)</u></u>
Debt service as a percentage of noncapital expenditures	6.55%	6.09%	7.41%	6.96%	6.01%	6.93%	0.89%	0.84%	0.79%	0.85%

City of Brook Park, Ohio

Assessed Valuations and Estimated True Values

Last Ten Years

Table 5

<u>Collection Year</u>	<u>Residential/ Agricultural Real Property</u>	<u>Other Real Property</u>	<u>Public Utility Tangible</u>	<u>Tangible Personal Property</u>	<u>Total</u>	<u>Estimated True Value of Real Property</u>	<u>Direct Tax Rate</u>
2000	\$ 238,021,220	\$ 132,374,750	\$ 18,632,750	\$ 172,180,824	\$ 561,209,544	\$ 1,058,274,200	\$ 4.80
2001	266,452,600	167,037,360	18,890,960	159,067,518	611,448,438	1,238,542,743	4.80
2002	265,952,730	154,479,690	14,372,580	132,327,007	567,132,007	1,201,235,486	4.80
2003	265,876,430	154,084,030	14,367,430	122,445,643	556,773,533	1,199,887,029	4.80
2004	288,926,640	144,414,500	13,492,460	118,219,380	565,052,980	1,238,117,543	4.80
2005	289,201,130	151,477,000	13,754,000	125,239,739	579,671,869	1,259,080,371	4.80
2006	290,141,140	157,113,310	12,380,180	129,294,459	588,929,089	1,280,280,628	4.80
2007	313,620,240	159,071,900	11,951,610	84,910,572	569,554,322	1,238,161,570	4.75
2008	314,329,200	142,446,360	8,447,320	58,744,121	523,967,001	1,305,073,029	4.75
2009	315,453,260	169,275,580	8,664,680	29,901,423	523,294,943	1,384,939,543	4.75

Source: 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					
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
2009	3.85	0.90	-	4.75	74.90	2.40	13.32	7.28	102.65

Source: Cuyahoga County Auditor

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

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

City of Brook Park, Ohio

Real Property Tax Levies And Collections

Last Ten Years

Table 7a

<u>Year</u>	<u>Current Tax Levy</u>	<u>Current Collections</u>	<u>Percentage of Current Collections To Current Levy</u>	<u>Prior Year Collections</u>	<u>Total Collections (1)</u>	<u>Percentage of Total Collections To Current Levy</u>
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%
2009	2,310,821	2,234,522	97%	51,048	2,285,570	99%

Source: Cuyahoga County Auditor

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

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

City of Brook Park, Ohio

Tangible Personal Property Tax Levies And Collections

Last Ten Years

Table 7b

<u>Year</u>	<u>Current Tax Levy</u>	<u>Current Collections</u>	<u>Percentage of Current Collections To Current Levy</u>	<u>Prior Year Collections</u>	<u>Total Collections</u>	<u>Percentage of Total Collections To Current Levy</u>
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%
2009	5,822	5,819	100%	24,757	30,576	525%

Source: Cuyahoga County Auditor

City of Brook Park, Ohio

Principal Taxpayers - Real Estate Tax (1)

2009 and 2002

Table 8

Name of Taxpayer	December 31, 2009	
	Assessed Value (1)	Percent of Total Assessed Value
Ford Motor Company	\$ 18,999,030	3.63%
MWP Company	10,112,230	1.93%
Cleveland Electric Illuminating	7,693,610	1.47%
Tech Park Limited Partnership	7,172,080	1.37%
Laich, Walter	6,345,510	1.21%
Albrecht Inc.	5,207,690	1.00%
CP-Snow Prop, LLC	4,705,330	0.90%
Brookgate Associates, LLC	4,237,050	0.81%
CP-Cleveland ADC, LLC	3,664,510	0.70%
Foseco Metallurgical Inc.	2,245,810	0.43%
Total	<u>\$ 70,382,850</u>	<u>13.45%</u>

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

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

City of Brook Park, Ohio

Municipal Income Tax Collections By Source Modified Accrual Basis of Accounting

Last Ten Years

Table 9

<u>Withheld Year</u>	<u>Individual Tax</u>	<u>Municipal Direct Tax</u>	<u>Business Direct Tax</u>	<u>Income Tax Collections</u>
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
2009	14,835,940	688,482	1,339,461	16,863,883

Source: City Financial Records

City of Brook Park, Ohio

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

Last Ten Years

Table 10

Fiscal Year	Governmental Activities			Lease Purchase Agreements	Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	OPWC Loan	OWDA Loan				
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	1,678,203	-	1,142,044	4,425,247	1.02%	209
2009	1,430,000	1,949,332	339,187	650,507	4,369,026	1.01%	206

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>
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
2009	936,365	523,294,943	21,218	0.18%	44.13

(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, 2009

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>
Direct Debt:			
City of Brook Park			
General Obligation Bonds	\$ 1,430,000	100.00%	\$ 1,430,000
OPWC Loan	1,949,332	100.00%	1,949,332
OWDA Loan	339,187	100.00%	339,187
Capital Leases	650,507	100.00%	650,507
Total Direct Debt	<u>4,369,026</u>		<u>4,369,026</u>
Overlapping Debt:			
Berea City School District	15,620,000	31.94%	4,989,806
Cleveland City School District	197,470,000	0.38%	750,482
Cuyahoga County	336,472,572	1.58%	5,328,330
Regional Transit Authority	163,025,000	1.58%	2,581,640
Total Overlapping Debt	<u>712,587,572</u>		<u>13,650,258</u>
Total	<u>\$ 716,956,598</u>		<u>\$ 18,019,284</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

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Assessed Valuation	\$ 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	\$ 523,294,943
Overall debt limit - 10.5% of assessed value	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	54,945,969
Gross indebtedness	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	1,430,000
Less: debt outside limitation	(7,630,000)	(6,273,000)	(4,836,000)	(3,319,000)	-	-	-	-	-	-
Less: amount available in debt service fund	(400,272)	(404,547)	(408,786)	(408,175)	(417,283)	(434,576)	(436,703)	(459,559)	(460,119)	(493,635)
Net debt within 10.5% limit	-	-	-	-	3,544,717	1,675,424	1,508,297	1,315,441	1,144,881	936,365
Legal Debt Margin	\$ 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	\$ 54,009,604
Debt Limit - 5.5% of assessed unvoted value	\$ 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	\$ 28,781,222
Gross indebtedness authorized by council:	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	1,430,000
Less: debt outside limitation	(7,630,000)	(6,273,000)	(4,836,000)	(3,319,000)	-	-	-	-	-	-
Less: amount available in debt service fund	(400,272)	(404,547)	(408,786)	(408,175)	(417,283)	(434,576)	(436,703)	(459,559)	(460,119)	(493,635)
Net debt within 5.5% limit	-	-	-	-	3,544,717	1,675,424	1,508,297	1,315,441	1,144,881	936,365
Unvoted debt margin	\$ 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	\$ 27,844,857

Source: Cuyahoga County Auditor and City Financial Records

City of Brook Park, Ohio

Principal Employers

Current Year and 2007

Table 14

<u>Employer</u>	2009	
	<u>Employees</u>	<u>Percentage of</u>
Department of the Interior	1,522	7.60%
Ford Motor Company	1,405	7.02%
Marc Glassman Inc.	539	2.69%
City of Brook Park	385	1.92%
PNC Bank	343	1.71%
Berea City School District	309	1.54%
Vesuvius USA Corporation	250	1.25%
SGT Inc.	203	1.01%
Sierra Lobo Inc.	138	0.69%
GXS Inc	133	0.66%
Total	<u>5,227</u>	<u>26.09%</u>
Total City Employment	<u>20,028</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)
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%
2009	21,218	433,080,598	20,411	46,333	39.8	7,181	8.9%

(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 Eight Years

Table 16

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

Source: City Payroll Records

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

City of Brook Park, Ohio

Operating Indicators by Function/Program (1)

Last Eight Years

Table 17

	2002	2003	2004	2005	2006	2007	2008	2009
Function/program:								
General government:								
Council and clerk								
Number of ordinances passed	103	97	105	93	83	85	110	87
Number of resolutions passed	43	33	30	37	30	22	37	24
Finance department:								
Number of checks/vouchers issued (excluding payroll)	N/A	6,594	6,550	6,378	6,446	6,023	5,891	5,666
Number of purchase orders issued	N/A	N/A	2,353	2,167	2,079	1,928	1,865	1,507
Number of W-2 forms issued	420	419	402	402	382	382	382	385
City W-2 wages (in millions)	13	13	13	13	13	13	12	14
Agency ratings - Fitch	AA-3	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	10,256
Number of business returns	1,478	1,586	1,529	1,538	1,582	1,658	1,682	1,615
Number of business withholding accounts	1,455	1,552	1,539	1,554	1,470	1,554	1,580	1,561
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	1,331
Security of persons and property:								
Police:								
Number of traffic citations issued	N/A	3,111	3,808	4,038	3,337	5,403	4,197	3,463
Number of parking citations issued	N/A	1,491	1,860	1,375	1,773	1,784	1,844	1,444
Number of criminal arrests	N/A	252	190	212	208	254	462	531
Animal warden service calls responded to per annual report	N/A	111	83	64	81	75	127	163

City of Brook Park, Ohio

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

Last Eight Years

Table 17

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

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

(1) Information prior to 2002 is not available

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

N/A- Information is not available

City of Brook Park, Ohio

Capital Assets Statistics by Function/Program (1)

Last Eight Years

Table 18

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

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

(1) Information prior to 2002 is not available

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