

**CITY OF BRECKSVILLE
CUYAHOGA COUNTY, OHIO**

AUDIT REPORT

**FOR THE YEAR
ENDED DECEMBER 31, 2018**

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

OHIO AUDITOR OF STATE
KEITH FABER

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Members of the Board
City of Brecksville
9069 Brecksville, Rd
Brecksville, OH 44141

We have reviewed the *Independent Auditor's Report* of the City of Brecksville, Cuyahoga County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2018 through December 31, 2018. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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



Keith Faber
Auditor of State
Columbus, Ohio

June 24, 2019

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**CITY OF BRECKSVILLE
CUYAHOGA COUNTY, OHIO
SCHEDULE OF PRIOR FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2018**

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report	Under Separate Cover
Comprehensive Annual Financial Report	Under Separate Cover
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1-2
Schedule of Prior Findings and Recommendations	3

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Members of City Council
City of Brecksville
Brecksville, Ohio

The Honorable Keith Faber
Auditor of State
State of Ohio

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 23, 2019, wherein we noted the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



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

May 23, 2019

**CITY OF BRECKSVILLE
CUYAHOGA COUNTY, OHIO
SCHEDULE OF PRIOR FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2018**

The prior audit report, as of December 31, 2017, included no findings or management letter recommendations.

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City of Brecksville, Ohio

Comprehensive Annual Financial Report



For the period ending December 31, 2018



CITY OF BRECKSVILLE, OHIO

COMPREHENSIVE

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2018

ISSUED BY THE DEPARTMENT OF FINANCE

Laura Starosta, CGFM, CPFO

FINANCE DIRECTOR

Horticulture in Brecksville

Statistics

During 2018 the Horticulture Department planted 126 trees, trimmed 1,391 trees, removed 70 trees and planted approximately 6,000 annuals.

The City participates in the Arbor Day Foundation Tree City USA program and has received our 24th Tree City award.

Overview

During the winter the Horticulture Department installs about 500 tubes on to young trees to protect against deer rubbing. Trees that are in a state of decline are removed while others are trimmed for growth and clearance. Once spring arrives, the department plant trees, installs new perennials and shrubs, and begins the annual flower planting. During the summer maintenance for weeds and watering is performed for 101 containers, 46 annual beds and 159 other beds. Any newly planted trees will receive water as needed. In the fall the department will plant trees and cleanup all city mulch beds.

Special Projects

- Planted 12 trees and multiple shrubs and perennials at Highland cemetery.
- Worked with the police department and an eagle scout on landscaping the new safety town at Blossom.
- We worked with the Service department on re-landscaping the parking lot beds and the front sign at city hall.
- We worked on prepping tree planting sites and three large perennial beds on the route 82 median.
- We removed and simplified much of the landscape at the Kids Quarters.

Staff

Doug Novak, City Arborist

Doug Novak is a resident of Olmsted Falls. He is a proud father of two girls. He owned and operated his own lawn and tree care company. He has worked for the City of Lakewood in the forestry department. He is a certified arborist for the City of Brecksville. Doug is happy to bring his passion for trees to the city.

Charles Owen ,Tree Warden, Horticulturist

Charles Owen grew up in Georgia and earned his bachelors degree in horticulture from the University of Georgia, Athens Georgia, in 1985. He worked at the Holden Arboretum and the Cleveland Metroparks Zoo before coming to Brecksville in 2000. Hobbies include bicycling. He lives and gardens in Parma Heights.

Jim Kasmarcak, Assistant

Jim has been in the horticulture and landscape industry since 1980. He ran his own landscaping business for 15 years, before moving on to work for Monteleone's Landscaping for 9 years.

When he got married and started a family, he decided to work for the City of Brecksville, so that he could spend more time with his family. In 2007, Jim acquired his pesticide applicator's license

Jon Everett, Seasonal Assistant

The youngest and newest member of our crew. He has a very bright future working here.

Helpful Hints:

Trees are Infrastructure.

Trees are not roads, culverts or utilities, but trees do help achieve some of the same services we get from asphalt and concrete.

There are many documented things trees do for us:

- Clean the air by absorbing pollution and particulates on their leaves
- Provide oxygen – in one year, one acre provides enough oxygen for 18 people
- Cool streets and buildings by providing shade and releasing water vapor
- Save water by increasing the amount in the air
- Helping reduce air conditioning use and conserving energy
- Provide food and wood products for both wildlife and us
- Help us to feel calmer and to learn and heal better
- Can increase property values by about 15%
- Helps reduce storm water run off
- Take carbon dioxide out of the air and store it in the form of wood.

So in addition to the City planting trees in available locations as in a replacement or new install you too can follow along and plant trees in your lawn. Trees have the ability to provide lifelong benefits, with the right tree in the right location they can outlast most anything.

City of Brecksville, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2018
Table of Contents

I. Introductory Section

Table of Contents	i
Letter of Transmittal.....	v
GFOA Certificate of Achievement.....	xii
List of City Officials.....	xiii
Organizational Chart	xiv

II. Financial Section

Independent Auditor’s Report	1
Management’s Discussion and Analysis	4
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position.....	16
Statement of Activities	17
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	18
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.....	20
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual:	
General Fund.....	22
Fire Department Fund.....	23
Statement of Fund Net Position – Proprietary Fund.....	24
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Fund	25
Statement of Cash Flows – Proprietary Fund.....	26
Statement of Fiduciary Net Position – Fiduciary Funds.....	27
Statement of Changes in Fiduciary Net Position – Fiduciary Fund	28
Notes to the Basic Financial Statements	29

City of Brecksville, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2018
Table of Contents (continued)

Required Supplementary Information:

Schedule of the City’s Proportionate Share of the Net Pension Liability – Ohio Public Employees Retirement System – Traditional Plan – Last Five Years	78
Schedule of the City’s Proportionate Share of the Net Pension Asset – Ohio Public Employees Retirement System – Combined Plan – 2018	79
Schedule of the City’s Proportionate Share of the Net OPEB Liability – Ohio Public Employees Retirement System – Traditional Plan – Last Two Years	80
Schedule of the City’s Proportionate Share of the Net Pension Liability – Ohio Police and Fire Pension Fund – Last Five Years	81
Schedule of the City’s Proportionate Share of the Net OPEB Liability – Ohio Police and Fire Pension Fund – Last Two Years	82
Schedule of City Contributions – Ohio Public Employees Retirement System – Last Six Years	83
Schedule of City Contributions – Ohio Police and Fire Pension Fund – Last Ten Years	84
Notes to Required Supplementary Information	86

Combining and Individual Fund Statements and Schedules:

Combining Statements – Nonmajor Governmental Funds:

Fund Descriptions.....	88
Combining Balance Sheet – Nonmajor Governmental Funds.....	90
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds.....	91
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	92
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	95
Combining Balance Sheet – Nonmajor Capital Projects Funds	98
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds	99

Combining Statements – Fiduciary Funds:

Fund Descriptions.....	100
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City of Brecksville, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2018
Table of Contents (continued)

Combining Statement of Changes in Assets and Liabilities – Agency Funds	101
Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes in Fund Balance/Fund Equity – Budget (Non-GAAP Basis) and Actual:	
Major Funds:	
General Fund	103
Fire Department Fund	109
Special Assessment Bond Retirement Fund.....	110
General Municipal Improvement Fund	111
Buildings and Improvements Fund	112
Road Improvements Fund	113
Police Station Building Fund	114
Nonmajor Funds:	
Motor Vehicle License Tax Fund.....	115
Street Repair and Maintenance Fund	116
State Highway Fund	117
Community Center Fund.....	118
Road Maintenance Fund.....	119
Federal Equitable Sharing Fund	120
Enforcement and Education Fund	121
Court Computerization Fund.....	122
Natureworks Grant Fund	123
Recycling Demo Fund.....	124
Tree Planting Grants Fund	125
Law Enforcement Fund.....	126
Law Enforcement Mandatory Drug Fund	127
Police Pension Fund	128
Peace Officer Training Fund	129
General Obligation Bond Retirement Fund.....	130
Issue II Fund.....	131
Recreation Expansion Fund.....	132
Recreation Facilities Expansion Fund	133
Public Utility Improvement Fund.....	134
Fire Ambulance Capital Fund	135
Self Insurance Fund.....	136
Cemetery Endowment Fund.....	137

III. Statistical Section

Statistical Section Table of Contents.....	S1
Net Position by Component – Last Ten Years	S2
Changes in Net Position – Last Ten Years	S4
Fund Balances, Governmental Funds – Last Ten Years	S8
Changes in Fund Balances, Governmental Funds – Last Ten Years.....	S10

City of Brecksville, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2018
Table of Contents (continued)

Assessed Valuation and Estimated Actual Values of Taxable Property – Last Ten Years	S12
Property Tax Rates – Direct and Overlapping Governments – Last Ten Years.....	S14
Property Tax Levies and Collections – Last Ten Years	S16
Principal Real Property Taxpayers – 2018 and 2009	S18
Income Tax Revenue Base and Collections – Last Ten Years.....	S19
Income Tax Filers by Income Level – Tax Years 2017 and 2009	S20
Ratios of Outstanding Debt to Total Personal Income and Debt Per Capita – Last Ten Years	S21
Ratio of General Obligation Bonded Debt to Estimated True Value of Taxable Property and Bonded Debt per Capita – Last Ten Years	S22
Computation of Direct and Overlapping Debt Attributable to Governmental Activities.....	S23
Legal Debt Margin Information – Last Ten Years	S24
Demographic and Economic Statistics – Last Ten Years.....	S26
Principal Employers – Current Year and Nine Years Ago.....	S27
Full-Time Equivalent City Government Employees by Function/Program – Last Ten Years	S28
Capital Assets Statistics by Function/Program – Last Ten Years	S30
Operating Indicators by Function/Program – Last Ten Years.....	S32

May 23, 2019

To Members of Brecksville City Council and
The Citizens of Brecksville, Ohio

This report enables the City to comply with Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38 which requires cities reporting on a GAAP basis to file an annual report with the Auditor of State within 150 days of fiscal year end.

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

State statutes require the City of Brecksville (the City) to be subjected to an annual examination by the Auditor of State. Either the Auditor of State of Ohio or, if the Auditor permits, an independent public accounting firm conducts these audits. The City selected James G. Zupka, CPA to perform these services for the year ended December 31, 2018. The Independent Auditor's Report on the basic financial statements is included in the financial section of this report.

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

Profile of the Government

The City of Brecksville was founded in 1811. It was incorporated as a village under the laws of the State of Ohio in 1921 and attained City status in 1960 by virtue of its population exceeding 5,000. It is located in Cuyahoga County in northeastern Ohio, in the heart of rolling woodlands approximately fifteen miles south of the City of Cleveland. The City covers 19.54 square miles. In the year 2010, the U.S. Census Bureau reported that Brecksville had a population of 13,656, up two percent from 13,382 in 2000.

The City of Brecksville operates under and is governed by its Charter, first adopted by the voters on November 6, 1956 and amended from time to time. The Charter provides for a Mayor-Council form of government. The nine-member Charter Review Commission reviewed the Charter in 2013. Ten proposed charter changes were placed on the November ballot with nine of them passing.

Legislative authority is vested in a seven-member City Council which is elected at large and whose terms are staggered. Four Council members are elected at each regular municipal election in November of odd numbered years. Of the four elected, the three receiving the highest number of votes serve a term of four years and the fourth serves a term of two years. The Council fixes compensation of City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, the appropriation and borrowing of money, the licensing and regulation of business and the trades, and other municipal purposes. The presiding officer is the President who is elected by the Council for a one-year term.



The City of Brecksville's chief executive officer is the Mayor who is elected by the voters for a four-year term. The Mayor appoints, subject to approval of Council, the directors of the City's departments except for the Director of Finance, the Law Director and the Clerk of Council, all of whom are appointed by Council. He is the chief conservator of the peace, oversees the enforcement of all laws and ordinances, and executes all contracts, conveyances, evidences of indebtedness and all other instruments to which the municipality is a party. He is the official and ceremonial head of the City. The Mayor is also the Safety Director and presides over the Mayor's Court.

As Mayor serving my eighth consecutive term after being re-elected in the November 2015 general election, I am the only Brecksville mayor to be elected to eight consecutive four-year terms since Brecksville became a village in 1921.

The City's Service Department works hard to respond to the needs of the residents, providing curbside rubbish and recycling collection, street maintenance, snow removal and maintenance of City recreational facilities, among other services. The Department is responsible for an annual, aggressive road repair and maintenance program.

Security of one's person and property is foremost on the minds of our full-time Police Department and Fire Department with full-time paramedic service. Brecksville takes pride in its low crime rate and rapid response by both police and fire units. Our safety departments are constantly updating training, procedures and equipment to provide effective services to our City.

Water service is provided to City residents by the City of Cleveland and sewer services are provided by the Northeast Regional Sewer District. Certain water lines and sewer lines are owned and maintained by the City.

Profile of the City

We're proud of our City's beautiful, safe and uncongested environment. We are a community that is "building our future with respect for our past," a dynamic idea that combines forward thinking with our Western Reserve heritage which is evident not only in our prevailing architectural style but in our business-friendly philosophy.

Residents have a variety of nearby transportation options. By automobile or by connections through downtown Cleveland on the Regional Transit Authority bus and rail lines, one can reach all areas of Cuyahoga County conveniently. State Routes 21 and 82 bisect Brecksville and there is easy access to interstate highways. I-77 and I-80, which is the Ohio Turnpike, both criss cross Brecksville. I-480, an east-west interstate is just 6 miles north of Brecksville. Amtrak cross-country rail service is available in downtown Cleveland and Hopkins International Airport is located about fifteen miles from Brecksville.

Entertainment abounds just a short distance away for residents of Brecksville. In downtown Cleveland, the Cleveland Browns of the National Football League play in their spectacular First Energy Stadium. Progressive Field is the home of Major League Baseball's Cleveland Indians. The Cleveland Cavaliers of the National Basketball Association, play at Rocket Mortgage Fieldhouse which is also a venue for concerts by major recording artists, the circus, ice shows, and a variety of other professional attractions. Cleveland State University's Wolstein Center is home to the Cleveland State University Vikings and even more concerts and shows. Just a short drive from Brecksville through the Cuyahoga Valley National Park, Blossom Music Center is the summer home of the Cleveland Orchestra and a venue for the biggest music stars touring the planet.

Residents have access to many cultural attractions such as the world-famous Cleveland Orchestra at Severance Hall, The Cleveland Museum of Art, The Great Lakes Science Center and the Rock n' Roll Hall of Fame and Museum. There are unique shopping areas such as Tower City Center and nightlife

with dining in the Warehouse District and dining and entertainment on East 4th Street downtown and a concert venue in the “Flats” along the Cuyahoga River. Cleveland’s downtown is a center of activity for all ages and just minutes from Brecksville.

Metro Health, Marymount, and Parma Community General Hospitals serve as emergency care facilities for our residents and visitors who require use of our Fire Department’s ambulances and staff of professional paramedics and EMTs. The Greater Cleveland area is known worldwide for excellence in health care including the Cleveland Clinic and University Hospitals who supplement health care provided by nearby community hospitals and immediate care centers.

Brecksville’s wooded hills and ravines that lace the area help define its neighborhoods. As a result, every resident is close to natural beauty that has always been a hallmark of Brecksville living. Many neighborhoods are located next to the Brecksville Reservation of the Cleveland Metroparks and the 33,000 acre Cuyahoga Valley National Park. Brecksville is unique among Cuyahoga County communities because one-third of the City is park land. Located within the Cuyahoga Valley National Park is the Ohio Canal National Heritage area. The Brecksville Reservation of the Cleveland Metroparks offers 2,500 acres of park land with facilities for picnicking, softball, horseback riding, golf, hiking and cross-country skiing. A paved all-purpose fitness trail offers walking, biking, running or strolling by the beautiful scenery. Two ski areas are close by. Brecksville was named a Tree City USA for the 24th consecutive year in 2018.

Housing in Brecksville offers a mix of sizes, styles and price ranges with colonial and Western Reserve styles predominating. Despite its proximity to major metropolitan attractions, Brecksville maintains its quiet, suburban environment. Retail shopping is concentrated downtown near the Square, and shopping malls in nearby communities complement local merchants.

The City of Brecksville provides many programs for all ages through its Recreation Department. Baseball, basketball, volleyball, swimming, golf, tennis, spinning and exercise classes, crafts and day camps are just some of the many programs for family fun, fitness and recreation. Recreational facilities include the 185 acre Blossom Hill recreational area with its gymnasium, playground, pavilion, baseball fields, comfort station, safety town and a state of the art artificial turf soccer and lacrosse field. At City Hall there are three lighted baseball fields and three lighted tennis courts. The 65,000 square foot Community Center houses the Recreation Department as well as a field house, indoor pool, outdoor children’s pool, elevated running track, youth game room, large cardio-vascular room and a large weight room, whirlpool spa, saunas and a dividable community room with facilities for meetings and catering.

Brecksville’s, 46,000 square foot Human Services Center attracts children less than one year old to folks in their 90s. The second floor of the beautiful building houses the Community Center’s vast cardio-vascular fitness section. Headquartered in the Human Services Center is the Department of Human Services, which maintains many programs including snow removal and a food bank for low income seniors. It coordinates the local Meals on Wheels program and provides free blood pressure screenings. The Human Services Center has a 30 by 50 foot warm water therapy exercise pool on the lower level and a full service kitchen with an accompanying large gathering area seating 125. The serene Kay Broughton center courtyard complete with tables, benches, and fountain, provide the opportunity for quiet book reading or a lively game of cards surrounded by beautiful plantings.

A quality education for our children is provided by the Brecksville-Broadview Heights City School District. Cleveland Magazine routinely ranks the district as one of the top suburban districts in the area. The Brecksville-Broadview Heights City School District has received the highest possible rating on the State-mandated District Report Card since its debut in 2000. The High School Girls Gymnastics Team won its 18th State championship and 15th in a row in 2018. Brecksville is also home to the Cuyahoga Valley Career Center, which is the area’s vocational school for high school students and additionally provides a multitude of adult education programs for area residents.

Economic Development

The City of Brecksville is a business advocate and a connector. We help companies navigate site relocation and retention by uniting all the necessary elements to assure that Brecksville is an ultimate business destination. Some of the projects we have been overseeing include:

The largest economic development project to date was entered in to with Metro Health System. They are a hospital and health provider system under Cuyahoga County with numerous locations around northeast Ohio. The facility opened with construction of the ambulatory health center complete on the approximately 21 acres near the intersection of State Routes 77 and 82. Phase I includes 65,000 square feet of emergency room, diagnostic and laboratory facilities, medical office space, and a helicopter pad. Phase II encompasses an additional 45,000 square feet of facilities. Ancillary businesses are anticipated to build around this facility in the coming years.

Lubrizol Advanced Materials, Incorporated is one of Brecksville's largest and most established employers. They are a technology-driven global company who combines complex specialty chemicals to optimize their products while reducing environmental impact. Products include advanced specialty polymers, polymer-based additives, and chemical additives used in everyday consumer and industrial applications.

Two of our most successful economic development agreements to date are ones entered into with PNC Bank and Cross Country Mortgage. In 2004, the City entered into an agreement with National City Corporation which was later purchased by PNC Bank. This agreement provided for facility expansion at their Miller Road location. Since its implementation PNC has far surpassed its contract requirements of income tax withholding often doubling and more recently tripling the amount. Another company that has far surpassed its income tax contract requirements is Cross Country Mortgage. Their agreement called for the moving of their operations from other locations to the City which they did in 2010. Since that time, they have proven to be a very successful business and a strong asset for the City. We anticipate both of these companies to have strong growth in Brecksville in the coming years.

To facilitate future economic development, the City created a Community Improvement Corporation. This is a corporation certified by the State of Ohio, separate from the City, with its own code of regulations and directors. This corporation can be used to facilitate private entity borrowing or to hold properties, as approved by the City, for use in enhancing business opportunities.

The 103 acre former Veterans Administration hospital (VA) property at Miller and Brecksville Roads closed its doors effective November 1, 2012. Ownership was transferred from the Veterans Administration to the City during 2018. The City then transferred this property to the Brecksville Community Improvement Corporation. The City is very excited about the potential for this property as it is both strategically located to area transportation and faces State Route 21 with abundant frontage. The City and the Brecksville Community Improvement Corporation entered into an agreement with DiGeronimo Development LLC for remediation, marketing and development of the property.

Accomplishments

The City is very pleased that Moody's Investors Services continues to rate our City a bond rating of Aaa. This is the highest gradation of credit worthiness, which attests to our strong economic health and prudent fiscal management.

The City of Brecksville's Finance Department was proud to receive its 28th consecutive, Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the Fiscal Year ended December 31, 2017. It was also the 12th year that the Finance Department produced its award winning Popular Annual Financial Report.

Architectural design of the City's proposed aquatics facility was ongoing through the year. Several meetings were held to review the various design features and obtain feedback from the various interested parties including the administration, Recreation Commission and citizens. It is anticipated that the design will be finalized in the spring of 2019, with bidding of the project to follow shortly thereafter.

The City is in the process of constructing a new police station. This new station of almost 29,000 square feet will contain up-to-date work areas for our police officers, a safe room, and a shooting range. In addition, a completely separate area has been built to house a dispatch center. This center opened with four communities and several others are anticipated to join. Work continues on the station with an estimated completion date of June 2019.

The City entered into an agreement with the cities of Broadview Heights, Independence, and Seven Hills to create the Cuyahoga Valley Council of Governments. The purpose of the Council shall be to foster cooperation among the members in all areas of municipal service. This shall include seeking effective and efficient solutions to common issues faced by the members. The first order of business was to implement the Cuyahoga Valley Emergency Dispatch Center, which is to be housed in the City of Brecksville's new police station. The group agreed to become members of the Chagrin Valley Dispatch Center, an established group of cities currently sharing dispatch services. By joining the Chagrin Valley Dispatch center, the Cuyahoga Valley Council of Governments will obtain access to technological and operational knowledge of an established dispatch center. The new dispatch center became operational on March 13, 2019.

The City completed various capital projects, which are discussed in the Management's Discussion and Analysis.

2019 Priorities:

- Completion and occupancy of the new police station. Discussion and design of remodel of City Hall will continue. Space currently used by the Police Department will be available for repurpose and renovation and will allow for the reconfiguration of all of City Hall.
- Begin construction of the proposed aquatics facility discussed previously. The estimated completion date is in the first quarter of 2020.
- The City entered into a memorandum of understanding with the Brecksville-Broadview Heights City School District for the exchange of approximately 25 acres of the Blossom Hill Park for approximately 3.6 acres where Central School is located and 10.6 acres of property on Stadium Drive. The School District is developing a project consisting of a new 160,000 square foot elementary at Blossom Hill Park. The City would develop a multi-structure field house adjacent to the school. Portions of each building would be shared between the two entities.
- \$640,000 in sanitary sewer projects and \$465,000 in storm drainage projects have been budgeted for 2019 as part of the City's on-going commitment to improving infrastructure.
- The City is participating in a joint project with the City of Broadview Heights to widen a section of State Route 82. The City's participation in this project is estimated at approximately \$1.65 million.
- City Council approved the implementation of a transient occupancy tax at a rate of three percent.
- City Council and the Administration will be evaluating the use of Tax Increment Financing at the site of the former VA site.

- In coordination with the Cuyahoga County Planning Commission, the City is embarking on the update of its master plan. A committee of business, resident, and City representatives has been selected, and meetings held, to evaluate and match the needs of the City going forward in to the future with its available and attainable assets. Information has been gathered from the mailing of a prepared survey to a random sample of 1,400 households in Brecksville. Questions included in the survey cover community strengths, challenges, needs, services, and issues.
- The City continues to review the intersection of Interstate 77 interchange and Miller Road along with a widening of Miller Road. Conceptual plans are being prepared. This area has long been targeted for improvements as it will provide greater access to land designated for future economic development.

Long-Term Financial Planning

As part of the annual budget process, the Mayor and City Council review five year capital budget projections. Based on these estimates, financial strategies are developed to maximize services supplied and infrastructure improvements desired. This budget is modified regularly as new projects present themselves and priorities change.

The City continues to adhere to a pay as you go philosophy as it relates to small projects and equipment purchases. By only borrowing for large projects and keeping debt levels low, it provides the City the opportunity to borrow in low interest environments. In 2018, the City issued \$2,000,000 in bond anticipation notes for the State Route 82 street improvements combined with an additional \$500,000 to provide funding for the new police station.

City Council adopted an Ordinance decreasing the City's income tax credit from 100 percent to 87.5 percent on 2 percent of withholding effective the first of 2015. These added dollars have accumulated to over \$4 million at the end of 2018. These additional funds supplement the cost of operating our fire rescue ambulance service and provide dollars for expanding our aquatics facilities. This recommendation came after studying several other options, which led to this being the most appropriate. The credit reduction is set to expire at the earliest of ten years or three consecutive years of income tax receipts over \$18,000,000.

In 2016, a recreation facilities expansion fund was created to accumulate resources from income tax revenue, transfers or any other means for the purpose of acquiring, constructing, or improving recreation facilities. In the short term, this means financing for a new aquatics facility. At the end of 2018, there was \$1.46 million in the fund.

Relevant Financial Policies

By City ordinance, \$3,020,004 of total income tax proceeds are credited to the following capital projects funds: \$960,000 to the general municipal improvement fund, \$1,700,004 to the buildings and improvements fund, and \$360,000 to the road improvements fund. The remainder is credited to the general fund. In the 2019 budget, the amount of income tax proceeds credited to the general municipal improvement fund was eliminated for total capital credits of \$2,060,004.

There are also ordinances in place to allocate 25 percent of all building permit fees collected into the recreation expansion fund along with corporate membership fees designated specifically for community center improvements. Sanitary sewer tap-in, septic conversion, and sanitary repair fees are deposited into the public utility improvement fund and used for utility services.

An ordinance is also in place to allocate water connection permit fees to the water system maintenance and repair fund and the water system bond retirement fund based on a legislated schedule. These funds shall be used for future improvements of the City's water distribution system and any necessary debt funding thereof.

The compensated absence, workers compensation, and hospitalization funds are all used to accumulate funds which can be used during times of higher expenditures or lower revenues. They are designed to smooth cash inflows and outflows in other operating funds. On a generally accepted accounting principles (GAAP) basis, the workers' compensation fund was allocated back into funds which contributed to it. The compensated absences fund was a part of the general fund on a GAAP basis. On a GAAP basis, the hospitalization fund is presented as an internal service.

Awards and Acknowledgements

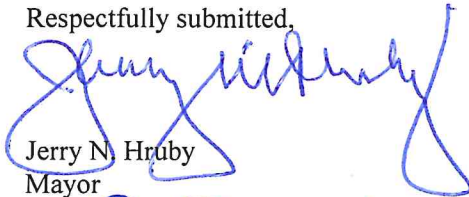
The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to those governmental entities whose CAFR is easily readable, efficiently organized, and conforms to GFOA reporting standards. Such a report must satisfy both generally accepted accounting principles (GAAP) as well as applicable legal requirements. The City of Brecksville received this honor for its Comprehensive Annual Financial Report for the year ended December 31, 2017. A Certificate of Achievement is valid for a period of one year only. The City of Brecksville believes the current report conforms to the Certificate of Achievement Program requirements, and has submitted it to the GFOA to determine its eligibility for another Certificate of Achievement.

Successful preparation of a report of this scope depends upon the dedicated contribution of many employees. The sincere appreciation of those primarily responsible for its completion is extended to all contributors but especially to those employees in the Department of Finance who have spent their time and energy on various parts of the project and to Local Government Services for their assistance in helping the City prepare this report in conformity with generally accepted accounting principles (GAAP) and the requirements of the Government Finance Officers Association.

In addition, we would like to thank Brecksville City Council, without whose positive leadership and encouragement, the preparation of this report would not have been possible.

In closing, we would like to thank the residents and taxpayers of the City of Brecksville for entrusting us with the administration of their local government.

Respectfully submitted,



Jerry N. Hruby
Mayor



Laura Starosta, CGFM, CPFO
Director of Finance



Government Finance Officers Association

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

Presented to

**City of Brecksville
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morill

Executive Director/CEO

City of Brecksville, Ohio

City Officials

ELECTED OFFICIALS

Mayor-Safety Director.....Jerry N. Hruby
President of Council.....Michael T. Harwood
Vice-President of Council.....Laura Redinger (1)
Council Member.....Gerald F. Broski (1)
Council Member.....Louis N. Carouse
Council Member.....Jack Petsche
Council Member.....Dennis R. Rose
Council Member.....Kimberly A. Veras

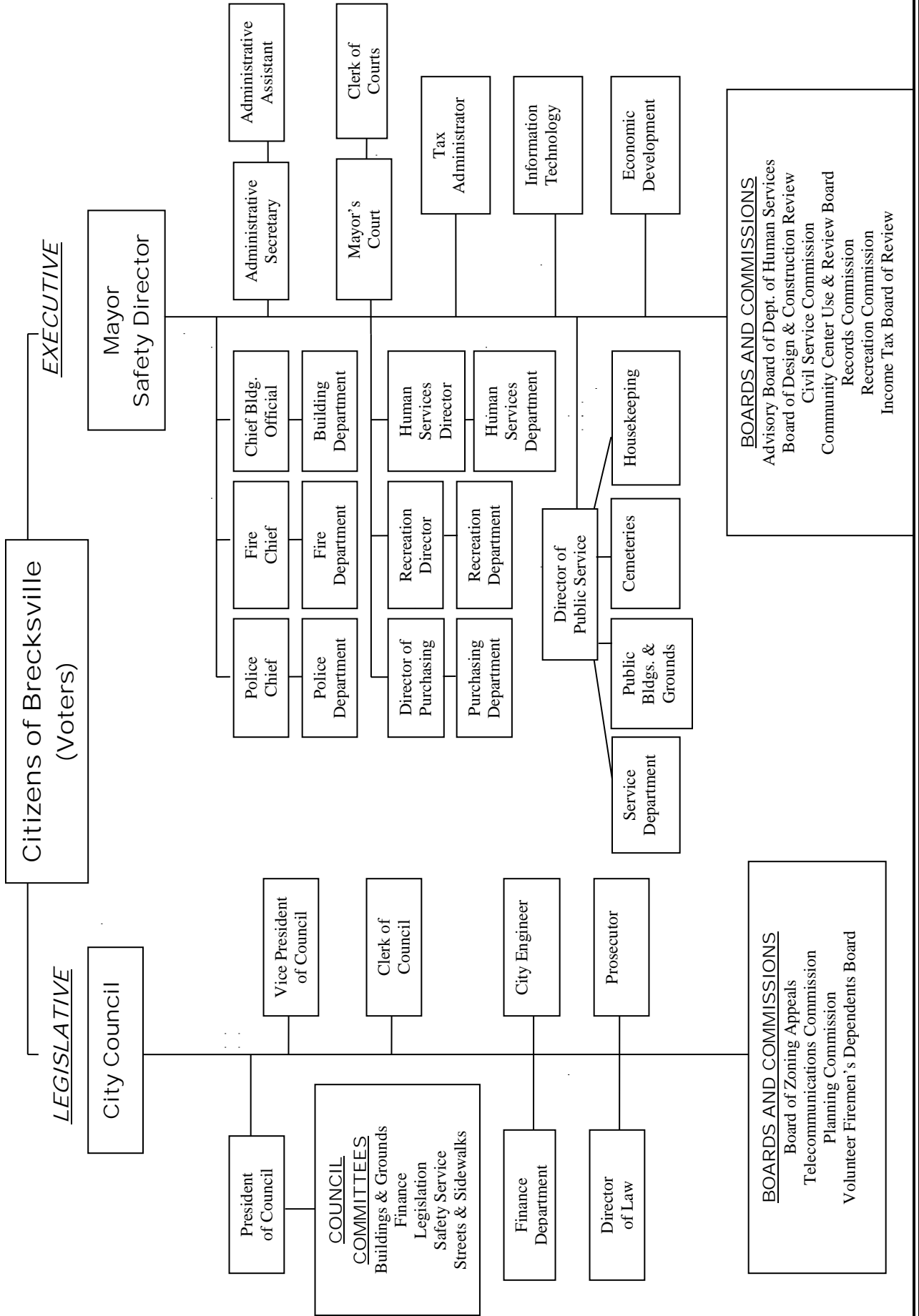
APPOINTED OFFICIALS

Director of Finance.....Laura Starosta
Police Chief.....William Goodrich
Fire Chief.....Nikola Zamiska
Service Director.....Ron Weidig
Director of Purchasing.....Rebecca Riser
Chief Building Official.....Scott Packard
Clerk of Courts.....Shelley Kazimore
Director of Recreation.....Thomas Tupa
Director of Law.....David J. Matty
ProsecutorSergio I. Digeronimo
City Engineer.....Gerald M. Wise
Clerk of Council.....Tammy Tabor
Director of Human Services.....Steven L. Paciorek

(1) This Council Member replaced this Vice-President of Council and this Vice-President of Council replaced this Council Member effective January 1, 2019.

CITY OF BRECKSVILLE, OHIO

ORGANIZATIONAL CHART





JAMES G. ZUPKA, C.P.A., INC.

*Certified Public Accountants
5240 East 98th Street
Garfield Hts., Ohio 44125*

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of City Council
City of Brecksville
Brecksville, Ohio

The Honorable Keith Faber
Auditor of State
State of Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville as of December 31, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparisons for the General Fund and the Fire Department Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to the basic financial statements, during 2018, the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 23, 2019, 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* in considering the City's internal control over financial reporting and compliance.



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

May 23, 2019

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

The discussion and analysis of the City of Brecksville's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2018. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the transmittal letter, the basic financial statements, and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2018 are as follows:

- The assets and deferred outflows of resources of the City of Brecksville exceeded its liabilities and deferred inflows of resources by \$70,963,055. This is a decrease of \$411,293 from last year's net position.
- Total costs of all City services were \$34,440,273 in 2018, an increase of \$6,740,537, or 24.33 percent, over 2017. The main areas this increase can be attributed to are normal cost of operations increase, the increase in pension/OPEB expense, and the increase of capital asset deletions due to the donation of land to the Brecksville Community Improvement Corporation (CIC).
- Total liabilities decreased by \$3,805,585 from 2017. This decrease is due to the net pension liability changes in assumptions and the payments of debt.
- Total capital assets increased by \$9,801,440 from 2017. Of this amount, \$8,955,051 is an increase to construction in progress. The largest portion of the increase to construction in progress is for the new police station at nearly \$7,500,000.
- The cash balance at the end of 2018, in the general fund of \$6,048,911, represents 127 days of operating expenditures for the City and is a reflection of its on-going viability and its desire to protect the ability to provide future services.

Using This Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the City of Brecksville as a financial whole or as an entire operating entity. The statements provide a detailed look at the City's specific financial conditions.

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

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

Reporting the City of Brecksville as a Whole

Statement of Net Position and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole considers all financial transactions and asks the question, "How did we do financially during 2018?" The statement of net position and the statement of activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting method used by the private sector. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

The statement of net position and the statement of activities are divided into the following categories:

- Assets
- Deferred Outflows of Resources
- Liabilities
- Deferred Inflows of Resources
- Net Position
- Program Expenses and Revenues
- General Revenues
- Net Position Beginning of Year and Year's End

Reporting the City of Brecksville's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The City of Brecksville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the City's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The presentation of the City's major funds begins on page 18. Fund financial reports provide detailed information about the City's major funds based on the restrictions on the use of monies. The City has established many funds, which account for the multitude of services, facilities and infrastructure provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of Brecksville, the major funds are the general, fire department, special assessment bond retirement, general municipal improvement, buildings and improvements, road improvements and police station building.

Governmental Funds Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. All City activities are reported in the governmental funds focusing on how money flows into and out of those funds and the balances left at year-end available for future spending. Our funds are reported using the modified

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

accrual accounting method. The modified accrual method measures cash and all other financial assets expected to be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general operations and the basic services it provides. Governmental fund information helps determine the level of financial resources that can be spent in the near future on residential services. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

Proprietary Fund The City maintains a proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City's internal service fund accounts for medical and prescription drug self insurance. The proprietary fund uses the accrual basis of accounting.

Fiduciary Funds Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the City's programs. These funds use the accrual basis of accounting.

The City of Brecksville as a Whole

Recall that the statement of net position pictures the City as a whole. Table 1 provides a summary of the City's net position for 2018 compared to 2017.

Table 1
Net Position

	Governmental Activities		
	2018	2017	Change
Assets			
Current and Other Assets	\$31,236,319	\$41,274,002	(\$10,037,683)
Net Pension Asset	39,602	0	39,602
Capital Assets, Net	97,712,279	87,910,839	9,801,440
<i>Total Assets</i>	<u>128,988,200</u>	<u>129,184,841</u>	<u>(196,641)</u>
Deferred Outflows of Resources			
Pension	3,730,221	6,223,605	(2,493,384)
OPEB	1,722,401	95,419	1,626,982
Deferred Charges on Refunding	153,335	183,447	(30,112)
<i>Total Deferred Outflows of Resources</i>	<u>5,605,957</u>	<u>6,502,471</u>	<u>(896,514)</u>
Liabilities			
Current and Other Liabilities	5,538,540	7,062,255	1,523,715
Long-Term Liabilities			
Due Within One Year	1,481,828	1,519,996	38,168
Due in More Than One Year:			
Net Pension Liability	18,396,683	21,804,326	3,407,643
Net OPEB Liability	15,016,626	12,636,848	(2,379,778)
Other Amounts	15,425,645	16,641,482	1,215,837
<i>Total Liabilities</i>	<u>\$55,859,322</u>	<u>\$59,664,907</u>	<u>\$3,805,585</u>

(continued)

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

Table 1
 Net Position (continued)

	Governmental Activities		
	2018	2017	Change
Deferred Inflows of Resources			
Pension	\$2,456,061	\$384,589	(\$2,071,472)
OPEB	513,609	0	(513,609)
Property Taxes	4,802,110	4,263,468	(538,642)
<i>Total Deferred Inflows of Resources</i>	<u>7,771,780</u>	<u>4,648,057</u>	<u>(3,123,723)</u>
Net Position			
Net Investment in Capital Assets	78,737,049	65,981,738	12,755,311
Restricted for:			
Capital Projects	1,110,602	7,843,753	(6,733,151)
Debt Service	2,479,039	2,771,399	(292,360)
Other Purposes	2,019,457	1,935,598	83,859
Unrestricted (Deficit)	<u>(13,383,092)</u>	<u>(7,158,140)</u>	<u>(6,224,952)</u>
<i>Total Net Position</i>	<u><u>\$70,963,055</u></u>	<u><u>\$71,374,348</u></u>	<u><u>(\$411,293)</u></u>

The net pension liability (NPL) is one of the largest single liabilities reported by the City at December 31, 2018 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27." For 2018, the City adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed that follow, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and the net pension asset.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems require additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension asset, net pension liability, and net OPEB liability to equal the City's proportionate share of each plan's collective:

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

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange; however, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

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

In accordance with GASB 68 and GASB 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability (asset) and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

As a result of implementing GASB 75, the City is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2017, from \$83,915,777 to \$71,374,348.

Net position may serve as a useful indicator of a government's financial position over time. In the case of the City of Brecksville, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources at year-end 2018. By far the largest portion of the City of Brecksville's net position is its investment in capital assets including land, buildings, streets, water lines, storm water lines, and machinery net of related debt. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City of Brecksville's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The City's net position decreased during the current year. Net position decreased due to the decrease of deferred outflows of pension and OPEB and the increase of deferred inflows of pension and OPEB, which was offset by the decrease in the net pension liability and other long-term liability amounts. There was a change in assumptions of pension/OPEB plans during the year. Other long-term liability amounts decreased due to the payments of debt and the decrease of compensated absences.

The City carefully invests its cash and equivalents in a variety of investment types with the primary focus being safety of principal, but with an attention to investment opportunities to increase yield. The Investment Board, which consists of the Mayor, Finance Director, and Law Director, pay close attention to daily interest rates and long-term financial trends. The City's interest revenue increased during 2018 as a result of slightly higher interest rates in 2018, and larger investment balances.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

Table 2 shows the changes in net position for the year ended December 31, 2018 compared to 2017.

Table 2
Changes in Net Position

	Governmental Activities		
	2018	2017	Change
Program Revenues			
Charges for Services and Operating Assessments	\$2,477,438	\$2,257,189	\$220,249
Operating Grants and Contributions	1,002,742	1,066,331	(63,589)
Capital Grants and Contributions	4,892,712	1,594,756	3,297,956
<i>Total Program Revenues</i>	<u>8,372,892</u>	<u>4,918,276</u>	<u>3,454,616</u>
General Revenues			
Property Taxes	4,334,478	4,398,951	(64,473)
Income Taxes	18,307,733	17,620,950	686,783
Grants and Entitlements	411,203	519,469	(108,266)
Investment Earnings	430,972	286,340	144,632
Gain on Sale of Capital Assets	0	4,383	(4,383)
Other	2,171,702	653,726	1,517,976
Total General Revenues	<u>25,656,088</u>	<u>23,483,819</u>	<u>2,172,269</u>
<i>Total Revenues</i>	<u>34,028,980</u>	<u>28,402,095</u>	<u>5,626,885</u>
Program Expenses			
General Government:			
Legislative and Executive	11,336,784	6,962,354	(4,374,430)
Judicial	212,850	160,528	(52,322)
Public Safety:			
Police	6,725,624	5,487,502	(1,238,122)
Fire	3,400,741	2,842,061	(558,680)
Public Health and Social Services	1,350,715	1,345,241	(5,474)
Street Construction, Maintenance, and Repair	4,615,122	4,212,835	(402,287)
Housing and Community Development	1,121,780	1,139,785	18,005
Basic Utility Services	2,620,164	2,799,212	179,048
Recreational Activities	2,521,106	2,362,129	(158,977)
Interest and Fiscal Charges	535,387	388,089	(147,298)
<i>Total Program Expenses</i>	<u>34,440,273</u>	<u>27,699,736</u>	<u>(6,740,537)</u>
<i>Change in Net Position</i>	(411,293)	702,359	(1,113,652)
Net Position Beginning of Year - Restated	<u>71,374,348</u>	N/A	
Net Position End of Year	<u>\$70,963,055</u>	<u>\$71,374,348</u>	<u>(\$411,293)</u>

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available; therefore, 2017 functional expenses still include OPEB expense of \$95,419 computed under GASB 45. GASB 45 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report OPEB expense of \$1,292,649. Consequently, in order to compare 2018 total program expenses to 2017, the preceding adjustments are needed:

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

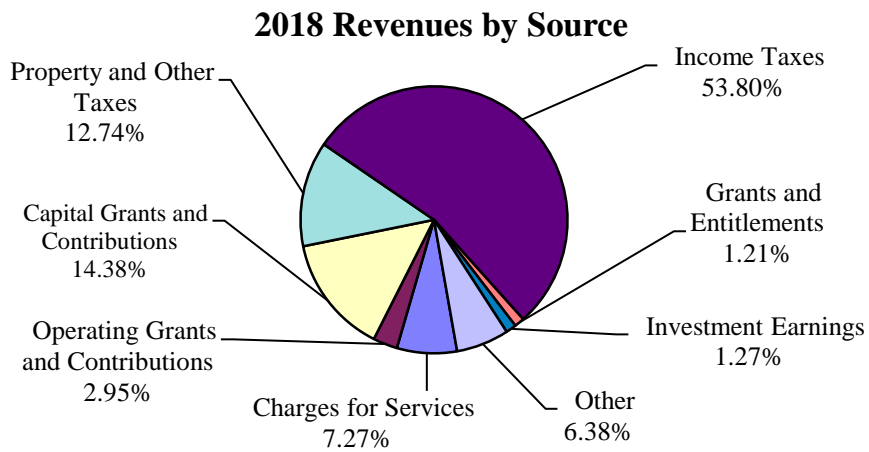
Total 2018 program expenses under GASB 75	\$34,440,273
OPEB expense under GASB 75	(1,292,649)
2018 contractually required contribution	26,244
Adjusted 2018 program expenses	33,173,868
Total 2017 program expenses under GASB 45	27,699,736
Increase in program expenses not related to OPEB	\$5,474,132

Governmental Activities

Several revenue sources fund our governmental activities with City income tax being the largest contributor. The income tax rate of 2 percent was created by City Charter and became effective January 1990. This tax created by Charter amendment will remain until such time as the City's electorate changes the rate, which is not anticipated. The income tax revenue amount has increased from the prior year. This increase can be attributed to two primary factors. The first being a general increase in employment, wages and net profits in the City as businesses continue to grow and thrive. The City has an active economic development program, which continually works on recruiting new establishments to the City while retaining its current businesses. Secondly, the State of Ohio legislated change in tax due dates causing taxes that normally would have been collected in 2017 to shift to 2016.

In 2018 City income tax revenue of \$3,020,004 per year is earmarked for specific City improvements. \$80,000 per month, or \$960,000 per year, is allocated toward general municipal improvements. \$141,667 per month, or \$1,700,004 per year, is allocated toward building improvements. \$30,000 per month, or \$360,000 per year, is part of the funding designated for road improvements. In 2019, the general municipal improvement capital projects fund will not receive income tax revenues because the fund has an adequate cash balance to accommodate anticipated spending in 2019. These revenues are allocated by ordinance of City Council providing that a substantial portion of our income tax collections is designated for roads, City facilities and capital needs.

Of the total revenue, the following is the portion provided by each revenue source:



Typically, property tax is the City's second largest revenue source, which was true for 2018. The City recognized a decrease in property tax collections in 2018. Property values have fluctuated very slightly in the past several years, keeping property tax revenue stable. The reason for the decrease in 2018 is that the amount of delinquent taxes has been reduced compared to 2017. One new special assessment was levied in 2018 for the cost of razing and removal of an unsafe structure certified for collection in one annual installment to be collected for the tax year 2019.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

Public safety, including the police and fire departments, accounted for program expenses. Our police department continues to improve their equipment to better serve our community and at the same time provide extra safety for our officers. We continue to strive to provide better police and fire service at a lower cost per man-hour.

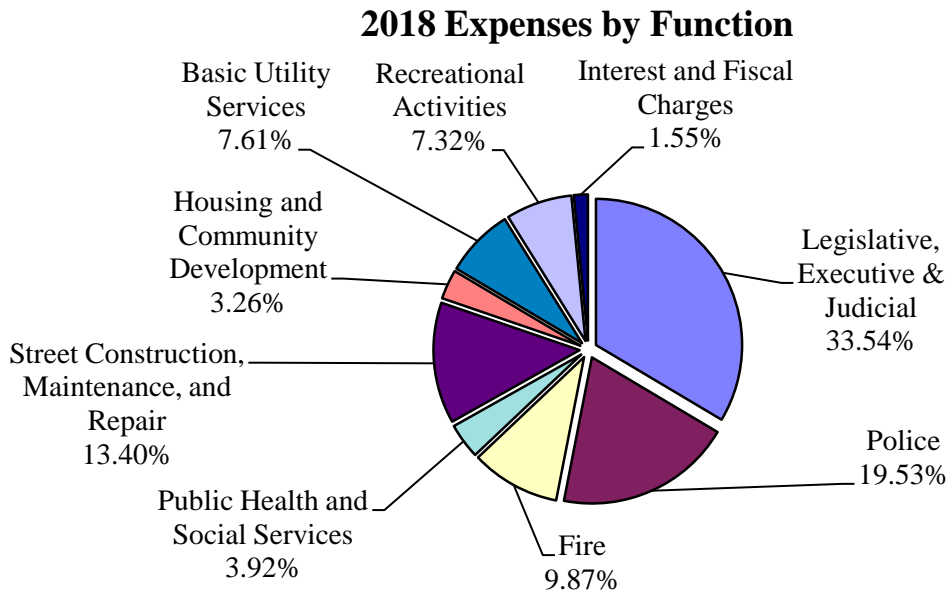
The fire department is funded through Charter levy millage. The majority of operating costs for maintaining the fire department 24 hours a day, 7 days a week are financed with this millage. In 2018, the fire department also received a transfer in from the general fund. As indicated previously, this became necessary as stagnant property tax collections and elimination of State intergovernmental revenue sources over the past several years depleted its reserves and required an infusion of cash to maintain its operation level. Billing for ambulance services provides additional stable funding designated for the purchase of fire equipment.

The City's on-going commitment to infrastructure maintenance is reflected in the \$2,620,164 spent on utilities and \$4,615,122 spent on street construction and preservation. Services provided by these activities include garbage removal, recycling, leaf pick-up, storm drainage, snow removal, street maintenance and vehicle upkeep.

Public health and social services expenses include charges for county health programs, cemetery maintenance, and the human service department. There was a slight increase in this expense between 2017 and 2018 due to overall operating increases in the human services department.

Costs contained within the legislative and executive category include all administrative, legal, economic development, engineering and income tax collection costs. The legislative category also contains all costs associated with maintenance of City land and buildings as well as major supplies such as gasoline and utility costs.

Total program expenses for 2018 by function are as follows:



There were large increases during 2018 in capital grants and contributions program revenues and legislative and executive expenses due to land valued at \$4,418,500. This land was a donation to the City, which was then donated to the Brecksville Community Improvement Corporation (CIC) during 2018. See Notes 10 and 20 for additional detail.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

The City's Funds

Information about the City's governmental funds begins on page 18. These funds are accounted for using the modified accrual basis of accounting. All governmental funds saw an overall decrease in fund balance during the year. The most significant fund is our general fund with an unassigned fund balance at year-end. Even with annual operating revenues exceeding annual operating expenditures, the general fund experienced an overall loss in fund balance due to transfers out to other funds.

Another significant fund is the fire department fund with expenditures exceeding revenues, resulting in an operating deficit in fund balance before transfers. Its primary revenue source, property tax, had an increase in 2018. Although expenditures were higher than 2017, the fire department fund, for the sixth year in a row, required a transfer in from the general fund.

The City has five other funds presented as major funds. These five funds are the special assessment bond retirement fund, the general municipal improvement fund, the buildings and improvements fund, the road improvements fund and the police station building fund. Special assessment collections and miscellaneous revenues outpaced by debt service expenses. The general municipal improvement fund was reduced during 2018. Encompassed in this reduction is the payment for various capital projects, including the reconstruction of State Route 82 west of State Route 21. The buildings and improvements fund balance was increased due to increased municipal income tax revenues. The income tax revenue received by the road improvements fund was utilized for the City's road repair program during 2018. The police station building fund balance was decreased significantly due to the construction costs of the new police station building.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the general fund. During the course of 2018, the City amended its general fund budget several times. The final budgeted revenues were higher than original budgeted revenues because the City prefers to take a conservative approach in original budgeting for its revenue projections and make necessary revisions after actual revenues become known. Actual expenditures were well below both original and final appropriations due to the City's conservative approach to budgeting. All recommendations for budget changes come to the Finance Committee of City Council for review before going to the whole Council for ordinance enactment on the change. The general fund supports many of our major activities including the police department, recreation department, and most legislative and executive activities. The general fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

Capital Assets and Debt Administration

Capital Assets

Total capital assets, net of depreciation, increased from 2017. Numerous projects that had been recorded as construction in progress in prior years were completed during 2018, some of which include Riverview Road stream relocation, Valleybrook Drive storm sewer, clock tower repair at the Community Center, two Freightliner trucks, spray foam insulation at the service garage, and new 800 MHz radios. There were large additions to construction in progress for the current year, including the police station, State Route 82, 10229 Hickory Ridge sanitary sewer, aquatics facility, and a fire engine.

The City is committed to a long-term goal of rebuilding its infrastructure and facilities. We have a five year capital plan in place providing for rebuilding major residential streets, water, sewer and storm sewer lines. The five year plan also includes adding additional facilities to complement our current structures and

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

updating our current structures to improve their integrity and usefulness. Use of grants and loans, as well as short-term notes and long-term bonds, enable the City to improve its capital assets, and at the same time, maintain our fund levels. See Note 10 for additional information on the City's capital assets.

Debt

The general obligation bond retirement bonds are composed of a 2017 Police Facility Project Bond for \$7,814,227, a 2017 Service Center Garage Bond for \$1,883,473, a 2015 Refunding Tree Farm Property Bond for \$1,820,000 and a Human Services Facility Refunding Bond of \$2,011,200.

The special assessment bonds consist of Service Road Sewer and Water, Four Seasons Sewer and Water, Route 21/Hilton/Whitewood Sewer and Storm, Katherine Boulevard Improvements, and Riverview Road Sewer. Principal and interest for these bonds are paid from the collection of special assessments by the County Fiscal Officer.

During 2018, the City issued various purpose notes in the anticipation of bonds in the amount of \$2,500,000 for the purpose of State Route 82 street improvements and the police station. The Ohio Public Works Commission (OPWC) loans are paid semi-annually and will be paid in full in the year 2033.

The City's overall debt decreased in 2018 as the result of a decrease in notes payable and the payments of debt. The City's overall legal ten and one-half percent debt limitation (voted and unvoted) on December 31, 2018 was \$54.44 million. The aggregated outstanding debt subject to the five and one half percent limitation is \$20.88 million. The difference of \$33.56 million between the maximum issuable amount and the outstanding amount represents the aggregate principal amount of additional voted and unvoted nonexempt debt which the City may issue without exceeding the ten and one-half percent limitation. See Notes 15 and 16 for additional information on the City's debt.

Current Financial Related Activities

The City of Brecksville continues to remain financially strong. Economic development agreements entered into in previous years are proving fruitful as indicated by our increasing income tax revenue. Our agreement with Metro Health Systems is under way as their facility opened in summer of 2016, at which time the City realized a steady new income tax stream. Due to our increased income tax we are able to support our Fire Department without asking for additional property tax. The additional cash balances allow us to take advantage of any other economic development opportunities that may arise.

In order to help support operations and provide for capital investment, the City actively pursues grant opportunities. Annually, the City receives support for safety training, law enforcement, drug prevention, recycling promotion, and safety equipment. In addition, some funding for large capital projects comes in the form of grants and loans from various agencies. Having capital funds in reserve to be able to meet matching grant requirements has proven to be a winning philosophy for the City and has allowed for improvement of streets, storm drainage systems, bridges, retaining walls, water and sewer lines, and recreation facilities.

Another method used by the City to reduce costs is to cooperate with neighboring communities in the purchase of commodity items such as salt and asphalt. Research and communication with neighboring communities creates opportunities to negotiate lower pricing on electric and gas services. Cooperative agreements have been entered into for sharing equipment, joint training, and back up services when in need. The Service Department continues to perform many functions in house that are typically outsourced; which not only provides excellent service, but also saves money.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

The City has entered into an agreement with a neighboring city to provide building inspection services for them. Brecksville collects a fee for the service and the neighboring community saves money by not having to hire their own employee. In 2017, the City entered into an agreement with three other area cities to create the Cuyahoga Valley Council of Government (COG). This COG will be used to consolidate services; such as, dispatch, jail and other community services, which lend itself to consolidation. The City entered into an agreement with Chagrin Valley Dispatch Council during 2017 for dispatch services, which will be located at the City's new police station. In 2018, the City entered into agreements with neighboring communities to provide jail services.

For many years the City has reduced its health care costs by operating a self-funded insurance program and aggressively shopping our benefits. The City continues to maintain a health care cost committee comprised of representatives from all departments to address the issue of rising health care and develop strategies to minimize increases.

The City monitors its fund balances, particularly the general fund, to ensure that adequate balances are in place to safeguard future years. In particular, the general fund balance is compared to forty-five percent of the previous year's expenses in accordance with rating agency standards. Annual budgeting is prepared using very conservative estimates. Using this methodology has allowed the City to maintain safe fund balances and have funds available for unanticipated expenses or revenue downturns. This fiscally moderate management style has also allowed the City to continue to provide excellent services without any increase in property tax rates.

The Mayor, City Council, and the Finance Director work extremely hard at keeping our debt low. We plan our finances so that we can pay cash for many of the facility improvements and acquisitions, and continue to pay cash for all equipment and other major purchases necessary to maintain our level of services. Since 2001, the City of Brecksville has enjoyed a Moody's Investors Service bond rating of Aa1. In 2010, Moody's recalibrated their rating criteria to level the ratings between government and private ratings. The result of this recalibration is that Brecksville's bond rating was increased to Aaa. This rating places Brecksville at an elite level of government ratings.

The City has received the Government Finance Officers Award (GFOA) Certificate of Achievement for Excellence since 1990, the year of our first Comprehensive Annual Financial Report. The City has prepared a Popular Annual Financial Report (PAFR) since 2006. The financial information for this report is taken from the Comprehensive Annual Financial Report and condensed into a ten page, reader friendly financial publication. The PAFR has been submitted to the GFOA annually and has received an Award for Outstanding Achievement each year. Our commitment to our residents has always been one of full disclosure of the financial position of the City and work to make that information available to them. The City's website www.brecksville.oh.us contains the CAFR and PAFR, as well as other financial information related to revenue, expenditures, and property and income tax.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and demonstrate the City's accountability for all money it receives, spends, and invests. Please direct any questions about this report or financial information inquiries to Laura Starosta, Finance Director, City of Brecksville, 9069 Brecksville Road, Brecksville, Ohio 44141, email lstarosta@brecksville.oh.us or telephone 440-526-4351.

Basic Financial Statements

City of Brecksville, Ohio
Statement of Net Position
December 31, 2018

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$17,167,180
Cash and Cash Equivalents in Segregated Accounts	65,752
Materials and Supplies Inventory	384,529
Accounts Receivable	127,923
Accrued Interest Receivable	25,284
Intergovernmental Receivable	1,084,703
Prepaid Items	297,050
Municipal Income Taxes Receivable	4,653,182
Property Taxes Receivable	4,933,259
Special Assessments Receivable	2,360,357
Assets Held for Resale	137,100
Net Pension Asset (See Note 11)	39,602
Nondepreciable Capital Assets	22,791,632
Depreciable Capital Assets, Net	74,920,647
<i>Total Assets</i>	128,988,200
Deferred Outflows of Resources	
Pension	3,730,221
OPEB	1,722,401
Deferred Charges on Refunding	153,335
<i>Total Deferred Outflows of Resources</i>	5,605,957
Liabilities	
Accounts Payable	231,625
Contracts Payable	944,298
Retainage Payable	477,776
Accrued Wages	519,819
Intergovernmental Payable	184,511
Matured Compensated Absences Payable	33,398
Accrued Interest Payable	40,746
Claims Payable	204,840
Notes Payable	2,520,850
Vacation Benefits Payable	380,677
Long-Term Liabilities:	
Due Within One Year	1,481,828
Due In More Than One Year:	
Net Pension Liability (See Note 11)	18,396,683
Net OPEB Liability (See Note 12)	15,016,626
Other Amounts	15,425,645
<i>Total Liabilities</i>	55,859,322
Deferred Inflows of Resources	
Pension	2,456,061
OPEB	513,609
Property Taxes	4,802,110
<i>Total Deferred Inflows of Resources</i>	7,771,780
Net Position	
Net Investment in Capital Assets	78,737,049
Restricted for:	
Capital Projects	1,110,602
Debt Service	2,479,039
Court Computerization	137,454
Fire Department	209,281
Police Department	521,130
Road Maintenance	220,836
Street Construction, Maintenance, and Repair	806,269
Other Purposes	124,487
Unrestricted (Deficit)	(13,383,092)
<i>Total Net Position</i>	\$70,963,055

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Activities
For the Year Ended December 31, 2018

	Expenses	Program Revenues			Net (Expense) Changes in Net Position
		Charges for Services and Operating Assessments	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
General Government:					
Legislative and Executive	\$11,336,784	\$354,788	\$4,171	\$4,450,772	(\$6,527,053)
Judicial System	212,850	19,135	94	0	(193,621)
Public Safety:					
Police	6,725,624	266,786	26,125	0	(6,432,713)
Fire	3,400,741	285,673	228,981	114,636	(2,771,451)
Public Health and Social Services	1,350,715	52,722	726	1,079	(1,296,188)
Street Construction, Maintenance, and Repair	4,615,122	106,521	726,372	229,787	(3,552,442)
Housing and Community Development	1,121,780	71,849	641	0	(1,049,290)
Basic Utility Services	2,620,164	255,642	6,158	96,438	(2,261,926)
Recreational Activities	2,521,106	1,064,322	9,474	0	(1,447,310)
Interest and Fiscal Charges	535,387	0	0	0	(535,387)
<i>Total Governmental Activities</i>	<u>\$34,440,273</u>	<u>\$2,477,438</u>	<u>\$1,002,742</u>	<u>\$4,892,712</u>	<u>(26,067,381)</u>
General Revenues					
Property Taxes Levied for:					
General Purposes					1,853,125
Fire Department					1,795,019
Road Maintenance					527,936
Police Department					158,398
Municipal Income Taxes Levied for:					
General Purposes					15,447,729
Capital Outlay					2,860,004
Grants and Entitlements not Restricted to Specific Programs					411,203
Investment Earnings					430,972
Miscellaneous					2,171,702
<i>Total General Revenues</i>					<u>25,656,088</u>
Change in Net Position					(411,293)
<i>Net Position Beginning of Year - Restated (See Note 3)</i>					<u>71,374,348</u>
<i>Net Position End of Year</i>					<u>\$70,963,055</u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Balance Sheet
Governmental Funds
December 31, 2018

	General	Fire Department	Special Assessment Bond Retirement	General Municipal Improvement	Buildings and Improvements	Road Improvements
Assets						
Equity in Pooled Cash and Cash Equivalents	\$6,048,911	\$290,468	\$122,083	\$1,117,177	\$603,787	\$206,656
Cash and Cash Equivalents						
In Segregated Accounts	63,752	0	0	0	0	0
Materials and Supplies Inventory	279,690	61,175	0	0	0	0
Accounts Receivable	90,167	428	0	0	0	0
Interfund Receivable	870,000	0	0	1,250,000	0	0
Accrued Interest Receivable	25,284	0	0	0	0	0
Intergovernmental Receivable	194,527	114,107	0	322,812	0	0
Prepaid Items	255,152	21,687	0	0	0	0
Municipal Income Taxes Receivable	4,309,848	0	0	0	283,334	60,000
Property Taxes Receivable	2,109,104	2,043,005	0	0	0	0
Special Assessments Receivable	0	0	2,360,357	0	0	0
Assets Held for Resale	137,100	0	0	0	0	0
Restricted Assets:						
Equity in Pooled Cash and Cash Equivalents	12,691	0	0	0	0	0
Total Assets	\$14,396,226	\$2,530,870	\$2,482,440	\$2,689,989	\$887,121	\$266,656
Liabilities						
Accounts Payable	\$128,188	\$11,343	\$0	\$18,000	\$22,126	\$0
Contracts Payable	166,720	0	0	245,804	0	2,534
Retainage Payable	0	0	0	143,169	0	0
Notes Payable	0	0	0	2,000,000	0	0
Accrued Wages	383,184	95,431	0	0	0	0
Interfund Payable	0	0	0	83,580	0	36,420
Accrued Interest Payable	0	0	0	4,935	0	153
Matured Compensated Absences Payable	33,398	0	0	0	0	0
Intergovernmental Payable	107,422	11,226	0	57,030	0	0
Total Liabilities	818,912	118,000	0	2,552,518	22,126	39,107
Deferred Inflows of Resources						
Property Taxes	2,053,034	1,988,693	0	0	0	0
Unavailable Revenue	1,727,040	168,419	2,360,357	322,812	0	0
Total Deferred Inflows of Resources	3,780,074	2,157,112	2,360,357	322,812	0	0
Fund Balances						
Nonspendable	684,633	82,862	0	0	0	0
Restricted	0	172,896	122,083	0	0	0
Committed	1,582,452	0	0	0	864,995	227,549
Assigned	13,472	0	0	0	0	0
Unassigned (Deficit)	7,516,683	0	0	(185,341)	0	0
Total Fund Balances (Deficit)	9,797,240	255,758	122,083	(185,341)	864,995	227,549
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$14,396,226	\$2,530,870	\$2,482,440	\$2,689,989	\$887,121	\$266,656

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 December 31, 2018*

Police Station Building	Other Governmental Funds	Total Governmental Funds
\$2,296,011	\$4,920,314	\$15,605,407
0	2,000	65,752
0	43,664	384,529
0	37,328	127,923
0	0	2,120,000
0	0	25,284
0	453,257	1,084,703
0	20,211	297,050
0	0	4,653,182
0	781,150	4,933,259
0	0	2,360,357
0	0	137,100
0	0	12,691
<u>\$2,296,011</u>	<u>\$6,257,924</u>	<u>\$31,807,237</u>
\$24,690	\$27,070	\$231,417
527,736	1,504	944,298
334,607	0	477,776
500,000	20,850	2,520,850
0	41,204	519,819
2,000,000	0	2,120,000
1,146	0	6,234
0	0	33,398
0	8,833	184,511
<u>3,388,179</u>	<u>99,461</u>	<u>7,038,303</u>
0	760,383	4,802,110
0	369,804	4,948,432
0	1,130,187	9,750,542
0	63,875	831,370
0	1,922,174	2,217,153
0	1,027,240	3,702,236
0	2,014,987	2,028,459
(1,092,168)	0	6,239,174
<u>(1,092,168)</u>	<u>5,028,276</u>	<u>15,018,392</u>
<u>\$2,296,011</u>	<u>\$6,257,924</u>	<u>\$31,807,237</u>

Total Governmental Fund Balances	\$15,018,392
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	97,712,279
Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable revenue in the funds:	
Property Taxes	131,149
Municipal Income Taxes	1,493,832
Intergovernmental	963,094
Special Assessments	<u>2,360,357</u>
Total	4,948,432
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	1,344,034
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(34,512)
Vacation benefits payable are not expected to be paid with expendable available financial resources and therefore are not reported in the funds.	(380,677)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
General Obligation Bonds	(13,528,900)
Special Assessment Bonds	(2,075,224)
OPWC Loans	(317,678)
Compensated Absences	<u>(985,671)</u>
Total	(16,907,473)
The net pension/OPEB asset/liabilities are not due and payable in the current period therefore, the asset/liabilities and related deferred inflows/outflows are not reported in the funds:	
Net Pension Asset	39,602
Deferred Outflows - Pension	3,730,221
Deferred Outflows - OPEB	1,722,401
Net Pension Liability	(18,396,683)
Net OPEB Liability	(15,016,626)
Deferred Inflows - Pension	(2,456,061)
Deferred Inflows - OPEB	<u>(513,609)</u>
Total	(30,890,755)
Deferred charges on refunding related to the issuance of long-term refunding debt will be amortized over the life of the debt on the statement of net position.	<u>153,335</u>
<i>Net Position of Governmental Activities</i>	<u>\$70,963,055</u>

City of Brecksville, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2018

	General	Fire Department	Special Assessment Bond Retirement	General Municipal Improvement	Buildings and Improvements	Road Improvements
Revenues						
Property Taxes	\$1,904,660	\$1,844,940	\$0	\$0	\$0	\$0
Municipal Income Taxes	15,398,732	0	0	800,000	1,700,004	360,000
Charges for Services	117,391	0	0	0	0	0
Licenses and Permits	334,587	0	0	0	0	0
Fines and Forfeitures	262,689	0	0	0	0	0
Intergovernmental	397,711	228,214	0	367,897	63,474	0
Special Assessments	0	0	406,569	27,757	0	6,303
Interest	95,144	14,154	0	76,473	12,193	6,826
Donations	11,713	100	0	0	0	0
Rentals	136,102	0	0	0	0	0
Miscellaneous	923,720	33,352	95,000	606,223	350,280	0
<i>Total Revenues</i>	<u>19,582,449</u>	<u>2,120,760</u>	<u>501,569</u>	<u>1,878,350</u>	<u>2,125,951</u>	<u>373,129</u>
Expenditures						
Current:						
General Government:						
Legislative and Executive	6,187,449	0	0	0	0	0
Judicial System	141,228	0	0	0	0	0
Public Safety:						
Police	5,253,806	0	0	0	0	0
Fire	19,235	2,575,041	0	0	0	0
Public Health and Social Services	1,071,758	0	0	0	0	0
Street Construction, Maintenance, and Repair	2,046,857	0	0	0	0	0
Housing and Community Development	946,180	0	0	0	0	0
Basic Utility Services	1,687,068	0	0	0	0	0
Recreational Activities	0	0	0	0	0	0
Capital Outlay	0	0	0	2,924,509	1,162,980	375,806
Debt Service:						
Principal Retirement	0	0	375,000	0	0	0
Interest and Fiscal Charges	0	0	89,972	84,030	0	2,036
<i>Total Expenditures</i>	<u>17,353,581</u>	<u>2,575,041</u>	<u>464,972</u>	<u>3,008,539</u>	<u>1,162,980</u>	<u>377,842</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,228,868</u>	<u>(454,281)</u>	<u>36,597</u>	<u>(1,130,189)</u>	<u>962,971</u>	<u>(4,713)</u>
Other Financing Sources (Uses)						
Sale of Capital Assets	38,835	11,300	0	0	0	0
Transfers In	0	450,000	0	2,489	207,000	0
Transfers Out	(2,284,511)	0	0	(332,380)	(871,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(2,245,676)</u>	<u>461,300</u>	<u>0</u>	<u>(329,891)</u>	<u>(664,000)</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(16,808)</u>	<u>7,019</u>	<u>36,597</u>	<u>(1,460,080)</u>	<u>298,971</u>	<u>(4,713)</u>
<i>Fund Balances Beginning of Year</i>	<u>9,814,048</u>	<u>248,739</u>	<u>85,486</u>	<u>1,274,739</u>	<u>566,024</u>	<u>232,262</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$9,797,240</u>	<u>\$255,758</u>	<u>\$122,083</u>	<u>(\$185,341)</u>	<u>\$864,995</u>	<u>\$227,549</u>

See accompanying notes to the basic financial statements

City of Brecksville, 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, 2018*

Police Station Building	Other Governmental Funds	Total Governmental Funds
\$0	\$705,421	\$4,455,021
0	0	18,258,736
0	1,218,378	1,335,769
0	239,923	574,510
0	22,684	285,373
0	774,113	1,831,409
0	0	440,629
103,213	86,586	394,589
0	9,474	21,287
0	59,809	195,911
0	56,884	2,065,459
<u>103,213</u>	<u>3,173,272</u>	<u>29,858,693</u>
0	0	6,187,449
0	52,950	194,178
0	184,911	5,438,717
0	0	2,594,276
0	0	1,071,758
0	1,287,580	3,334,437
0	22,428	968,608
0	5,000	1,692,068
0	1,926,370	1,926,370
7,775,773	1,092,236	13,331,304
0	853,603	1,228,603
1,146	351,617	528,801
<u>7,776,919</u>	<u>5,776,695</u>	<u>38,496,569</u>
<u>(7,673,706)</u>	<u>(2,603,423)</u>	<u>(8,637,876)</u>
0	208	50,343
0	2,839,626	3,499,115
0	(11,224)	(3,499,115)
<u>0</u>	<u>2,828,610</u>	<u>50,343</u>
<u>(7,673,706)</u>	<u>225,187</u>	<u>(8,587,533)</u>
<u>6,581,538</u>	<u>4,803,089</u>	<u>23,605,925</u>
<u>(\$1,092,168)</u>	<u>\$5,028,276</u>	<u>\$15,018,392</u>

Net Change in Fund Balances - Total Governmental Funds (\$8,587,533)

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	12,952,543	
Capital Contributions	4,418,500	
Current Year Depreciation	<u>(3,151,095)</u>	
Total		14,219,948

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (4,418,508)

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

Property Taxes	(120,543)	
Municipal Income Taxes	48,997	
Intergovernmental	35,461	
Special Assessments	(354,754)	
Miscellaneous	<u>(12,257)</u>	
Total		(403,096)

Repayment of long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 1,228,603

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

Accrued Interest on Bonds	2,441	
Amortization of Premium on Bonds	21,085	
Amortization of Deferred Charges on Refunding	<u>(30,112)</u>	
Total		(6,586)

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

Compensated Absences	4,317	
Vacation Payable	<u>24,354</u>	
Total		28,671

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.

Pension	1,777,288	
OPEB	<u>26,244</u>	
Total		1,803,532

Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB asset/liabilities are reported as pension/OPEB expense in the statement of activities.

Pension	(2,894,899)	
OPEB	<u>(1,292,649)</u>	
Total		(4,187,548)

The internal service fund used by management to charge the individual funds is reported in the district-wide statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. (88,776)

Change in Net Position of Governmental Activities (\$411,293)

City of Brecksville, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$1,806,532	\$1,904,637	\$1,904,660	\$23
Municipal Income Taxes	15,147,000	15,670,000	15,628,018	(41,982)
Charges for Services	117,400	117,400	117,661	261
Licenses and Permits	293,000	293,000	336,140	43,140
Fines and Forfeitures	217,000	217,000	292,751	75,751
Intergovernmental	390,726	379,980	397,836	17,856
Interest	80,000	80,000	147,337	67,337
Donations	9,750	9,750	11,691	1,941
Rentals	101,500	101,500	138,275	36,775
Miscellaneous	328,869	1,578,869	879,545	(699,324)
<i>Total Revenues</i>	<u>18,491,777</u>	<u>20,352,136</u>	<u>19,853,914</u>	<u>(498,222)</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	7,945,468	8,328,073	7,440,770	887,303
Judicial System	160,434	160,434	142,910	17,524
Public Safety:				
Police	5,423,513	6,385,015	5,506,619	878,396
Fire	19,663	19,663	19,235	428
Public Health and Social Services	1,171,216	1,173,947	1,091,599	82,348
Street Construction, Maintenance, and Repair	2,180,377	2,205,315	2,092,056	113,259
Housing and Community Development	1,018,728	1,041,818	944,974	96,844
Basic Utility Services	2,085,136	1,904,543	1,861,862	42,681
<i>Total Expenditures</i>	<u>20,004,535</u>	<u>21,218,808</u>	<u>19,100,025</u>	<u>2,118,783</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,512,758)</u>	<u>(866,672)</u>	<u>753,889</u>	<u>1,620,561</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	10,000	10,000	38,835	28,835
Advances Out	0	(750,000)	(750,000)	0
Transfers Out	(1,926,169)	(2,284,511)	(2,284,511)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(1,916,169)</u>	<u>(3,024,511)</u>	<u>(2,995,676)</u>	<u>28,835</u>
<i>Net Change in Fund Balance</i>	<u>(3,428,927)</u>	<u>(3,891,183)</u>	<u>(2,241,787)</u>	<u>1,649,396</u>
<i>Fund Balance Beginning of Year</i>	6,439,372	6,439,372	6,439,372	0
Prior Year Encumbrances Appropriated	303,931	303,931	303,931	0
<i>Fund Balance End of Year</i>	<u>\$3,314,376</u>	<u>\$2,852,120</u>	<u>\$4,501,516</u>	<u>\$1,649,396</u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Department Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$1,749,917	\$1,844,940	\$1,844,940	\$0
Intergovernmental	245,325	234,914	228,214	(6,700)
Interest	7,000	13,000	14,154	1,154
Donations	0	100	100	0
Miscellaneous	6,810	6,810	33,385	26,575
<i>Total Revenues</i>	2,009,052	2,099,764	2,120,793	21,029
Expenditures				
Current:				
Public Safety:				
Fire	2,744,517	2,724,517	2,587,959	136,558
<i>Excess of Revenues Under Expenditures</i>	(735,465)	(624,753)	(467,166)	157,587
Other Financing Sources				
Sale of Capital Assets	500	11,000	11,300	300
Transfers In	450,000	450,000	450,000	0
<i>Total Other Financing Sources</i>	450,500	461,000	461,300	300
<i>Net Change in Fund Balance</i>	(284,965)	(163,753)	(5,866)	157,887
<i>Fund Balance Beginning of Year</i>	280,690	280,690	280,690	0
Prior Year Encumbrances Appropriated	7,025	7,025	7,025	0
<i>Fund Balance End of Year</i>	<u>\$2,750</u>	<u>\$123,962</u>	<u>\$281,849</u>	<u>\$157,887</u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Fund Net Position
Proprietary Fund
December 31, 2018

	Internal Service Fund - Insurance
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$1,549,082</u>
Liabilities	
Accounts Payable	208
Claims Payable	<u>204,840</u>
<i>Total Liabilities</i>	<u>205,048</u>
Net Position	
Unrestricted	<u><u>\$1,344,034</u></u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
*Statement of Revenues, Expenses
and Changes in Fund Net Position
Proprietary Fund
For the Year Ended December 31, 2018*

	Internal Service Fund - Insurance
Operating Revenues	
Charges for Services	\$2,037,375
Miscellaneous	118,500
<i>Total Operating Revenues</i>	2,155,875
Operating Expenses	
Purchased Services	2,974
Claims	2,278,060
<i>Total Operating Expenses</i>	2,281,034
<i>Operating Loss</i>	(125,159)
Non-Operating Revenues	
Interest	36,383
<i>Change in Net Position</i>	(88,776)
<i>Net Position Beginning of Year</i>	1,432,810
<i>Net Position End of Year</i>	\$1,344,034

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2018

	Internal Service Fund - Insurance
<i>Increase (Decrease) In Cash and Cash Equivalents</i>	
Cash Flows from Operating Activities	
Cash Received from Customers	\$2,037,375
Cash Received from Other Operating Sources	118,500
Cash Payments to Suppliers for Goods and Services	(4,147)
Cash Payments for Claims	(2,278,011)
<i>Net Cash Used for Operating Activities</i>	(126,283)
Cash Flows from Investing Activities	
Interest	36,383
<i>Net Decrease In Cash and Cash Equivalents</i>	(89,900)
<i>Cash and Cash Equivalents Beginning of Year</i>	1,638,982
<i>Cash and Cash Equivalents End of Year</i>	\$1,549,082
Reconciliation of Operating Loss to Net Cash Used for Operating Activities	
<i>Operating Loss</i>	(\$125,159)
Adjustments:	
Decrease in Accounts Payable	(1,173)
Increase in Claims Payable	49
<i>Net Cash Used for Operating Activities</i>	(\$126,283)
See accompanying notes to the basic financial statements	

City of Brecksville, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2018

	Private Purpose Trust	
	Cemetery	Agency
Assets		
Equity in Pooled Cash and Cash Equivalents	\$3,244	\$1,540,398
Liabilities		
Undistributed Monies	0	\$29,669
Deposits Held and Due to Others	0	1,510,729
<i>Total Liabilities</i>	0	\$1,540,398
Net Position		
Held in Trust for Cemetery	244	
Endowments	3,000	
<i>Total Net Position</i>	\$3,244	

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Year Ended December 31, 2018

	Private Purpose Trust
	Cemetery
Additions	
Interest	\$70
Deductions	0
<i>Change in Net Position</i>	70
<i>Net Position Beginning of Year</i>	3,174
<i>Net Position End of Year</i>	\$3,244

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Note 1 – Description of the City and Reporting Entity

The City of Brecksville (the "City") was incorporated under the laws of the State of Ohio in 1921, and adopted its first charter in 1956. The Charter provides for a Mayor-Council form of government. The Mayor is elected for a four-year term and the seven Council members are elected at large for staggered terms. Four Council members are elected at each regular municipal election in November of odd numbered years. Of the four elected, the three receiving the highest number of votes serve a term of four years and the fourth serves a term of two years.

Reporting Entity

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 consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Brecksville, this includes the agencies and departments that provide the following services: police and fire protection, emergency medical, parks and recreation, planning, zoning, human services, street maintenance and repair and general administrative services. The operation of each of these activities is directly controlled by Council through the budgetary process.

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

The City participates in one insurance purchasing pool, the Ohio Municipal League rating pool; four jointly governed organizations, the Southwest Council of Governments, the Northeast Ohio Public Energy Council, the Cuyahoga Valley Council of Governments, and the Chagrin Valley Dispatch Council; and one related organization, the Brecksville Community Improvement Corporation. A jointly governed organization is managed by representatives from each of the governments that create the organization, but there is neither ongoing financial interest nor responsibility on the part of the participating governments. These organizations are discussed in Notes 18, 19, and 20 to the basic financial statements.

Note 2 – Summary of Significant Accounting Policies

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

Basis of Presentation

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Government-wide Financial Statements The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid “doubling up” revenues and expenses. These statements usually distinguish between those activities of the City that are governmental and those that are considered business-type. The City, however, has no business-type activities.

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

Fund Financial Statements During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor 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.

Fund Accounting

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

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

General Fund The general fund accounts for and reports all financial resources except those required to be accounted for and reported 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 Brecksville and/or the general laws of Ohio.

Fire Department Fund This fund is used to account for and report monies derived from a 3.4 mill charter levy restricted to providing equipment and personnel for the fire department.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Special Assessment Bond Retirement Fund This fund is used to account for and report the collection of special assessments levied against benefited properties restricted for the payment of special assessment related costs.

General Municipal Improvement Fund This fund accounts for and reports the .5 percent increase in City income tax committed for the acquisition, construction, and improvement of various facilities within the City.

Buildings and Improvements Fund This fund accounts for and reports City income tax committed to the acquisition, construction, and improvement of major capital facilities.

Road Improvements Fund This fund accounts for and reports income tax monies committed to the improvements of various City roads.

Police Station Building Fund This fund accounts for and reports monies assigned for the financing, construction, and related costs of improvements to the police station building.

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

Proprietary Fund Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The City's only proprietary fund is classified as an internal service fund.

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 only internal service fund is a health fund that accounts for prescription drug and hospital/medical claims of the City employees.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City's only trust fund is a private purpose trust which accounts for the perpetual care and maintenance of an individual family's burial plots in the City's cemetery through an endowment. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds account for donations from citizens held for and used by senior citizens for home visitations, street opening fees, and deposits pledged by contractors.

Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net position.

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

The private purpose trust fund is reported using a flow of economic resources measurement focus.

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, in the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

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

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

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources include deferred charges on refunding, pension and OPEB reported on the government-wide statement of net position. Deferred charges on refunding result from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 11 and 12.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2018, but which were levied to finance 2019 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes municipal income taxes, delinquent property taxes, special assessments, and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities found on page 19. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (See Notes 11 and 12).

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.

Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of budgetary control is at the personal services and other object level within each department for all funds. Budgetary modifications may only be made by ordinance of the City Council at the legal level of control.

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

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents".

The City has segregated bank accounts for monies held separate from the City's central bank account. These interest-bearing depository accounts are presented as "cash and cash equivalents in segregated accounts" since they are not required to be deposited into the City treasury.

During 2018, investments were limited to government securities, negotiable certificates of deposit, commercial paper, and STAR Ohio.

STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Government Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2018, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates; however, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transactions to \$100 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

Governmental securities and negotiable certificates of deposit are reported at fair value, which is based on quoted market prices. Commercial paper is measured at amortized cost as it is a highly liquid debt instrument with a remaining maturity at the time of purchase of less than one year.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue is distributed to all funds. Interest revenue credited to the police station building capital projects fund during 2018 amounted to \$103,213, of which \$50,640 was assigned from other funds.

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

Inventory

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2018, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Restricted Assets

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the general fund represent money set aside for unclaimed monies.

Capital Assets

The City's only capital assets are general capital assets. General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported 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>
Land	N/A
Land Improvements	5 - 50 years
Buildings and Improvements	5 - 60 years
Machinery and Equipment	3 - 50 years
Furniture and Fixtures	5 - 40 years
Infrastructure	10 - 99 years

The City's infrastructure consists of roads, sidewalks, guardrails, traffic signals, storm sewers, sanitary sewers, and water lines and includes infrastructure acquired prior to December 31, 1980.

Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables." Interfund balance amounts are eliminated in the statement of net position.

Pensions/Other Postemployment Benefits (OPEB)

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributed to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the City's past experience of making termination payments.

The entire compensated absences liability is reported on the government-wide financial statements.

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund(s) from which the employees who have resigned or retired will be paid.

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 compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and long-term loans are recognized as a liability on the governmental fund financial statements when due. Net pension/OPEB liabilities should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plans' fiduciary net position is not sufficient for payment of those benefits.

Fund Balance

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

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes property acquired for resale, unless the use of the proceeds from the sale of those properties is restricted, committed, or assigned.

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

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

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

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

Unassigned Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

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

Net Position

Net position represents the difference between all other elements in the statement of net position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes included resources which will be used for unclaimed monies and tree programs.

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

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the City, these revenues are charges for services for self insurance programs. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Internal Activity

Transfers between governmental activities are eliminated on the government wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Interfund payments for services provided and used are not eliminated.

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. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Premiums

On the government-wide financial statements, bond premiums are deferred and amortized for the term of the bonds using the straight-line method. Bond premiums are presented as an increase of the face amount of the bonds payable. On governmental fund statements, bond premiums are received in the year the bonds are issued. Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

Deferred Charges on Refunding

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt, the gain/loss on the refunding, is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old or new debt, whichever is shorter, using the effective interest method and is presented as deferred outflows of resources on the statement of net position.

Estimates

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

Note 3 – Changes in Accounting Principles and Restatement of Net Position

For 2018, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 85, *Omnibus 2017*, Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, and related guidance from (GASB) Implementation Guide No. 2017-3, *Accounting and Financial Reporting for Postemployment Benefits other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)*.

For 2018, the City also implemented the Governmental Accounting Standards Board's (GASB) *Implementation Guide No. 2017-1*. These changes were incorporated in the City's 2018 financial statements; however, there was no effect on beginning net position/fund balance.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

GASB 85 addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits (OPEB)). These changes were incorporated in the City's fiscal year 2018 financial statements; however, there was no effect on beginning net position/fund balance.

GASB 89 establishes accounting requirements for interest cost incurred before the end of a construction period. These changes were incorporated in the City's 2018 financial statements; however, there was no effect on beginning net position.

GASB 75 established standards for measuring and recognizing Postemployment benefit liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported December 31, 2017:

Net Position December 31, 2017	\$83,915,777
Adjustments:	
Net OPEB Liability	(12,636,848)
Deferred Outflow - Payments Subsequent to Measurement Date	95,419
Restated Net Position December 31, 2017	\$71,374,348

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

Note 4 – Budgetary Basis of Accounting

While the City is reporting financial position, results of operations and changes in fund balance 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 Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual, presented for the general and fire department funds, 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 GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Investments reported at cost (budget) rather than fair value (GAAP).
3. Advances In and Advances Out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
4. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
5. Encumbrances are treated as expenditures (budget) rather than as restricted, committed, or assigned fund balances (GAAP).

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Adjustments necessary to convert the results of operations at the end of the year on the GAAP basis to the Budget basis are as follows:

Net Change in Fund Balance		
General Fund and Fire Department Special Revenue Fund		
	General	Fire Department
GAAP Basis	(\$16,808)	\$7,019
Net Adjustment for Revenue Accruals	274,095	33
Beginning Fair Value Adjustment for Investments	(103,648)	0
Ending Fair Value Adjustment for Investments	101,018	0
Advances Out	(750,000)	0
Net Adjustment for Expenditure Accruals	34,660	(4,299)
Encumbrances	(1,781,104)	(8,619)
Budget Basis	(\$2,241,787)	(\$5,866)

Note 5 – Deposits and Investments

The City is a charter City and follows their established investment policy. The City has elected to follow the provisions of State statute and classify monies held by the City into three categories.

Active deposits are public deposits determined to be necessary to meet current demands upon the City treasury. Active monies must be maintained either as cash in the City treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

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

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

Interim monies held by the City can be deposited or invested in the following securities:

1. United States Treasury bills, bonds notes, 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, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivision of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

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.

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

The City has passed an ordinance allowing the City to invest monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and
3. Obligations of the City.

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2018, \$672,724 of the City's bank balance of \$3,979,008 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. One of the City's financial institutions that participates in the Ohio Pooled Collateral System (OPCS) and was approved for a reduced collateral floor of 50 percent resulting in the uninsured and uncollateralized balance.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by:

Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

Investments

Investments are reported at fair value. As of December 31, 2018, the City had the following investments:

Measurement/Investment	Measurement Amount	Maturity	Standard & Poor's Rating	Percent of Total Investments
Fair Value - Level 1 Inputs:				
Money Market Mutual Fund	\$8,905	Less than one year	N/A	0.06 %
Fair Value - Level 2 Inputs:				
Federal Home Loan Bank Notes	211,918	Less than four years	AA+	1.40
Federal Home Loan Mortgage Corporation Notes	4,270,114	Less than three years	AA+	28.24
Federal Farm Credit Bank Notes	1,533,063	Less than four years	AA+	10.14
Federal National Mortgage Association Notes	1,275,850	Less than three years	AA+	8.44
Negotiable Certificates of Deposit	2,347,179	Less than five years	N/A	15.52
Amortized Cost:				
Commerical Paper	552,406	Less than one year	A1+	3.65
Commerical Paper	2,917,049	Less than one year	A1	19.29
NAV Share:				
STAR Ohio	2,006,086	44.9 Days	AAA _m	13.26
Total Investments	<u>\$15,122,570</u>			<u>100.00 %</u>

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The preceding chart identifies the City's recurring fair value measurements as of December 31, 2018. The Money Market Mutual Fund is measured at fair value and is valued using quoted market prices (Level 1 inputs). The City's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Interest Rate Risk As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and 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. To date, no investments have been purchased with a life greater than five years except for the manuscript bond. The manuscript bond represents an investment in which the City purchased its own special assessment bond to pay the property owners' portion of the cost of constructing an access road from Brecksville Road. This bond mature on December 1, 2025. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

Credit Risk Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The City has no investment policy that addresses credit risk. The manuscript bond is not rated; however, they are a general obligation of the City and would carry the same rating of the City's other unvoted general obligation bonds.

Concentration of Credit Risk The City places no limit on the amount it may invest in any one issuer.

Note 6 – Receivables

Receivables at December 31, 2018, consisted primarily of municipal income taxes, property taxes, accounts (billings for user charged services, court fines, rentals, and miscellaneous reimbursements), special assessments, interfund, and intergovernmental receivables arising from grants, entitlements and shared revenues. No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. All receivables except for special assessments and delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Special assessments expected to be collected in more than one year amount to \$2,360,357 in the special assessments bond retirement fund. At December 31, 2018, the amount of delinquent special assessments was \$180,357.

Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2018 for real and public utility property taxes represents collections of 2017 taxes.

2018 real property taxes were levied after October 1, 2018, on the assessed value as of January 1, 2018, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2018 real property taxes are collected in and intended to finance 2019.

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2018 public utility property taxes which became a lien December 31, 2017, are levied after October 1, 2018, and are collected in 2019 with real property taxes.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

The full tax rate for all City operations for the year ended December 31, 2018, was \$8.21 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2018 property tax receipts were based are as follows:

Category	Assessed Value
Real Estate:	
Residential/Agricultural	\$540,608,750
Other Real Estate	110,240,490
Tangible Personal Property Public Utility	20,388,440
Total Assessed Values	\$671,237,680

The County Fiscal Officer collects property taxes on behalf of all taxing districts in the county, including the City. The County Fiscal Officer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2018, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2018 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

Income Tax

The City levies a municipal income tax of two percent on substantially all income earned within the City. This tax also applies to the net income of businesses operating within the City. Residents of the City are granted 87.5 percent credit for taxes paid to other municipalities.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. By City ordinance, \$3,020,004 of total income tax proceeds are credited to the following capital projects funds: \$960,000 to the general municipal improvement fund, \$1,700,004 to the buildings and improvements fund, and \$360,000 to the road improvements fund. In 2019, the general municipal improvement fund will no longer receive its allocation of income tax proceeds.

Intergovernmental Receivables

A summary of the intergovernmental receivables follows:

Governmental Activities:	
County Street Grant	\$322,812
Homestead and Rollback	275,537
Excise and Gasoline Tax	249,060
Assistance to Firefighters Grant	96,973
Local Government	52,170
Auto Registration	46,146
Permissive Tax	17,448
DARE Grant	12,461
Ohio Law Enforcement Body Armor Program Grant	12,096
Total	\$1,084,703

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Note 7 – Tax Abatements

As of December 31, 2018, the City provides tax abatements through four economic development agreements.

Pursuant to Council Ordinance, the City established both economic development agreements to provide income tax abatements to encourage employment growth in the City. Abatements are obtained if the entity meets the established level of employment. The amount of the abatement is refunded to the recipient. City income taxes were not reduced during 2018 as no recipients qualified for a refund or a request for refund/abatement had not yet been submitted.

Note 8 – Risk Management

Property and Liability

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2018, the City contracted with Wichert Insurance Services and Curtis Insurance Services for various types of insurance as follows:

Company	Type of Coverage	Coverage Amount
Wichert Insurance Services	Blanket Building/Contents	\$56,748,785
	Boiler and Machinery	Unlimited
	Inland Marine	1,706,626
	Crime	1,000,000
	Public Officials Liability	1,000,000
	General Liability	2,000,000
	Garage Keepers Liability	120,000
	Auto	1,000,000
	Umbrella Liability	10,000,000
	Cyber Liability	1,000,000
Custis Insurance Services	Law Enforcement	1,000,000

Settled claims have not exceeded commercial coverage in any of the last five years. There were no significant reductions in coverage from the prior year.

Workers' Compensation

The City participates in the Ohio Municipal League's (OML) group retrospective rating pool (See Note 18). The intent of the OML is to achieve the benefit of a reduced premium for the participants, foster safer working environments and foster cost-effective claims management by virtue of its grouping and representation with other participants. The workers' compensation experience rating of the participating cities is calculated as one experience and a common premium rate is applied to all cities in the group. Each participant pays its workers' compensation premium to the State based on the rate for the OML group rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings of the OML. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the OML. Participation in the OML is limited to cities that can meet the OML's selection criteria. The firm of Comp Management, Incorporated provides administrative, cost control and actuarial services to the OML.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Employee Insurance Benefits

The City manages employee prescriptions and health benefits on a self insured basis. The employee health benefit plan provides basic health coverage through Medical Mutual, the third-party administrator of the program, which reviews and pays the claims. A specific excess loss coverage insurance (stop-loss) policy with Medical Mutual covers claims in excess of \$110,000 per person per year.

The claims liability of \$204,840, reported in the self insurance fund at December 31, 2018, is estimated by the third-party administrator and is based on the requirements of Governmental Accounting Standards Board 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. The estimate was not affected by incremental claims adjustments expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the fund's claims liability amount for the last two years follow:

Year	Balance at Beginning of Year	Current Year Claims	Claims Payment	Balance at End of Year
2017	\$136,767	\$1,995,505	\$1,927,481	\$204,791
2018	204,791	2,278,060	2,278,011	204,840

Note 9 – Interfund Transfers and Balances

Interfund Transfers

Interfund transfers for the year ended December 31, 2018, consisted of the following:

Transfers From	Transfers To				Totals
	Fire Department	General Municipal Improvement	Buildings and Improvements	Other Governmental Funds	
General	\$450,000	\$2,489	\$207,000	\$1,625,022	\$2,284,511
General Municipal Improvement	0	0	0	332,380	332,380
Buildings and Improvements	0	0	0	871,000	871,000
Other Governmental Funds	0	0	0	11,224	11,224
<i>Total All Funds</i>	<u>\$450,000</u>	<u>\$2,489</u>	<u>\$207,000</u>	<u>\$2,839,626</u>	<u>\$3,499,115</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. Transfers from the general fund to the street repair and maintenance, community center, fire department, general municipal improvement, and buildings and improvements funds of \$175,000, \$900,000, \$450,000, \$2,489, and \$207,000, respectively, were to fund their operations. A transfer from the general fund to the recreation facility expansion fund of \$550,022 was made in anticipation of expenditures that were budgeted to happen during the current year. To provide funds for loan payments, transfers totaling \$53,604 were made to the issue II fund from the general municipal improvement and road maintenance funds. The general bond retirement fund is funded for loan payment obligations from the general municipal improvement and building and improvements funds. In 2018, this amount was \$1,161,000.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Interfund Balances

The general and general municipal improvement funds had interfund receivable balances of \$750,000 and \$1,250,000, respectively, and the police station building fund had an interfund payable of \$2,000,000. The purpose of these advances were to fund their operations until their own revenues could cover the funds.

Additionally, the general municipal improvement and road improvements major capital projects funds had interfund payable balances of \$83,580 and \$36,420, respectively, and the general fund had an interfund receivable balance of \$120,000 due to the issuance of a manuscript bond. The manuscript bond represents a special assessment bond that was issued on August 13, 2008, at 5.05 percent. The manuscript bond was issued by the City and purchased by the general fund. The schedule of future payments is as follows:

Years	Brecksville Road Access Road		
	Principal	Interest	Total
2019	\$15,000	\$6,060	\$21,060
2020	15,000	5,303	20,303
2021	16,000	4,545	20,545
2022	17,000	3,737	20,737
2023	18,000	2,878	20,878
2024-2025	39,000	2,980	41,980
Total	\$120,000	\$25,503	\$145,503

Note 10 – Capital Assets

A summary of changes in capital assets during 2018 follows:

	Balance 12/31/2017	Additions	Deductions	Balance 12/31/2018
Governmental Activities:				
<i>Capital Assets not being Depreciated:</i>				
Land	\$7,460,576	\$4,418,500	(\$4,418,500)	\$7,460,576
Construction in Progress	6,376,005	11,212,801	(2,257,750)	15,331,056
<i>Total Capital Assets not being Depreciated</i>	13,836,581	15,631,301	(6,676,250)	22,791,632
<i>Capital Assets being Depreciated:</i>				
Land Improvements	5,294,101	0	0	5,294,101
Buildings and Improvements	36,148,351	1,067,246	0	37,215,597
Machinery and Equipment	15,369,247	901,483	(453,021)	15,817,709
Furniture and Fixtures	447,078	0	0	447,078
Infrastructure:				
Roads	43,935,365	929,262	(1,088,057)	43,776,570
Sidewalks	3,597,083	0	0	3,597,083
Guardrails	543,229	37,396	(17,351)	563,274
Traffic Signals	2,314,614	6,270	0	2,320,884
Storm Sewers	13,256,711	1,055,835	0	14,312,546
Sanitary Sewers	15,977,840	0	0	15,977,840
Water Lines	226,460	0	0	226,460
<i>Total Capital Assets being Depreciated</i>	\$137,110,079	\$3,997,492	(\$1,558,429)	\$139,549,142

(continued)

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Governmental Activities (continued):	Balance 12/31/2017	Additions	Deductions	Balance 12/31/2018
Less Accumulated Depreciation:				
Land Improvements	(\$2,893,452)	(\$221,442)	\$0	(\$3,114,894)
Buildings and Improvements	(13,835,507)	(743,905)	0	(14,579,412)
Machinery and Equipment	(9,124,577)	(1,070,270)	453,013	(9,741,834)
Furniture and Fixtures	(263,174)	(15,951)	0	(279,125)
Infrastructure:				
Roads	(24,537,549)	(633,813)	1,088,057	(24,083,305)
Sidewalks	(3,254,042)	(14,608)	0	(3,268,650)
Guardrails	(291,657)	(9,981)	17,351	(284,287)
Traffic Signals	(1,557,723)	(107,329)	0	(1,665,052)
Storm Sewers	(2,850,860)	(133,906)	0	(2,984,766)
Sanitary Sewers	(4,289,960)	(194,243)	0	(4,484,203)
Water Lines	(137,320)	(5,647)	0	(142,967)
<i>Total Accumulated Depreciation</i>	<u>(63,035,821)</u>	<u>(3,151,095) *</u>	<u>1,558,421</u>	<u>(64,628,495)</u>
<i>Total Capital Assets being Depreciated, Net</i>	<u>74,074,258</u>	<u>846,397</u>	<u>(8)</u>	<u>74,920,647</u>
<i>Governmental Activities Capital Assets, Net</i>	<u><u>\$87,910,839</u></u>	<u><u>\$16,477,698</u></u>	<u><u>(\$6,676,258)</u></u>	<u><u>\$97,712,279</u></u>

*Depreciation expense was charged to governmental activities as follows:

General Government:	
Legislative and Executive	\$404,064
Public Safety:	
Police	189,788
Fire	237,312
Public Health Services	189,643
Street Construction, Maintenance and Repair	959,635
Housing and Community Development	31,134
Basic Utility Services	753,644
Recreational Activities	385,875
Total Depreciation Expense	<u><u>\$3,151,095</u></u>

During 2018, the City received land valued at \$4,418,500. The City has recorded this as a capital contribution. See Note 20 for additional detail.

Note 11 – Defined Benefit Pension Plans

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability (Asset)/Net OPEB Liability

The net pension liability (asset) and the net OPEB liability reported on the statement of net position represent liabilities to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions – between an employer and its employees – of salaries and benefits for employee services. Pensions/OPEB are provided to an employee – on a deferred-payment basis – as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

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

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

GASB 68/75 assumes the liabilities are solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liabilities. Resulting adjustments to the net pension/OPEB liabilities would be effective when the changes are legally enforceable. The Ohio Revised Code (ORC) permits, but does not require the retirement systems to provide health care to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension/OPEB liabilities* on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 12 for the required OPEB disclosures.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description – City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System. OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan.

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

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

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

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

When a traditional plan benefit recipient has received benefits for 12 months, an annual COLA is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a COLA of the defined benefit portion of their pension benefit. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the members' contributions plus or minus the investment gains or losses resulting from the members' investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the purchase of a monthly defined benefit annuity from OPERS (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions as follows:

	State and Local
2018 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
 2018 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-employment Health Care Benefits **	0.0
 Total Employer	 14.0 %
 Employee	 10.0 %

* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

For 2018, the City’s contractually required contribution was \$943,440 for the traditional plan, \$20,077 for the combined plan and \$16,167 for the member-directed plan. Of this amount, \$40,715, \$868 and \$699, respectively, are reported as an intergovernmental payable.

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

Plan Description – City full-time police and firefighters participate in Ohio Police and Fire Pension Fund, a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF provides retirement and disability pension benefits, annual cost-of-living adjustments (COLA), and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit (see OPF's financial report referenced previously for additional information, including requirements for Deferred Retirement Option Plan (DROP) provisions and reduced and unreduced benefits):

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

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will receive a COLA equal to a percentage of the members' base pension benefit where the percentage is the lesser of three percent or the percentage increase in the consumer price index, if any, over the 12 month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions as follows:

	Police	Firefighters
2018 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2018 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$813,771 for 2018. Of this amount \$19,355 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2017, and was determined by rolling forward the total pension liability as of January 1, 2017, to December 31, 2017. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense of the City's defined benefit pension plans:

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

	OPERS Traditional Plan	OPERS Combined Plan	OPF	Total
Proportion of the Net Pension Liability:				
Current Measurement Date	0.05081400%	0.02909100%	0.16985800%	0.24976300%
Prior Measurement Date	0.05082200%	0.02315200%	0.16204100%	0.23601500%
Change in Proportionate Share	<u>-0.00000800%</u>	<u>0.00593900%</u>	<u>0.00781700%</u>	<u>0.01374800%</u>
Proportionate Share of the:				
Net Pension Asset	\$0	\$39,602	\$0	\$39,602
Net Pension Liability	7,971,731	0	10,424,952	18,396,683
Pension Expense	\$1,657,326	(\$22,136)	\$1,259,709	\$2,894,899

2018 pension expense for the member-directed defined contribution plan was \$16,167.

At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred OPERS Traditional Plan	Deferred OPERS Combined Plan	OPF	Total
Deferred Outflows of Resources				
Differences between expected and actual experience	\$8,141	\$0	\$158,206	\$166,347
Changes of assumptions	952,675	3,461	454,270	1,410,406
Changes in proportion and differences between City contributions and proportionate share of contributions	0	0	376,180	376,180
City contributions subsequent to the measurement date	<u>943,440</u>	<u>20,077</u>	<u>813,771</u>	<u>1,777,288</u>
Total Deferred Outflows of Resources	<u>\$1,904,256</u>	<u>\$23,538</u>	<u>\$1,802,427</u>	<u>\$3,730,221</u>
Deferred Inflows of Resources				
Differences between expected and actual experience	\$157,097	\$11,798	\$18,859	\$187,754
Net difference between projected and actual earnings on pension plan investments	1,711,426	6,248	360,623	2,078,297
Changes in proportion and differences between County contributions and proportionate share of contributions	<u>12,294</u>	<u>2,881</u>	<u>174,835</u>	<u>190,010</u>
Total Deferred Inflows of Resources	<u>\$1,880,817</u>	<u>\$20,927</u>	<u>\$554,317</u>	<u>\$2,456,061</u>

\$1,777,288 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Year Ending December 31:	OPERS Traditional Plan	OPERS Combined Plan	OPF	Total
2019	\$702,434	(\$2,332)	\$279,398	\$979,500
2020	(165,564)	(2,503)	184,587	16,520
2021	(753,621)	(3,903)	(188,932)	(946,456)
2022	(703,250)	(3,756)	(74,119)	(781,125)
2023	0	(1,562)	188,235	186,673
Thereafter	0	(3,410)	45,170	41,760
Total	<u>(\$920,001)</u>	<u>(\$17,466)</u>	<u>\$434,339</u>	<u>(\$503,128)</u>

Actuarial Assumptions – OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2017, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2017, are presented as follows:

	OPERS Traditional Plan	OPERS Combined Plan
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.15 percent, simple
Investment Rate of Return	7.5 percent	7.5 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the previously described tables.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

The most recent experience study was completed for the five year period ended December 31, 2015.

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

During 2017, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the traditional pension plan, the defined benefit component of the combined plan and the annuitized accounts of the member-directed plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 16.82 percent for 2017.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table that follows displays the Board-approved asset allocation policy for 2017 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.20 %
Domestic Equities	19.00	6.37
Real Estate	10.00	5.26
Private Equity	10.00	8.97
International Equities	20.00	7.88
Other investments	18.00	5.26
Total	100.00 %	5.66 %

Discount Rate The discount rate used to measure the total pension liability was 7.5 percent for the traditional plan and the combined plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members; therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.5 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.5 percent) or one-percentage-point higher (8.5 percent) than the current rate:

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability (asset):			
OPERS Traditional Plan	\$14,155,764	\$7,971,731	\$2,816,112
OPERS Combined Plan	(21,527)	(39,602)	(52,073)

Changes between Measurement Date and Report Date

In October of 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 7.5 percent to 7.2 percent. This change will be effective for the 2018 valuation. The exact amount of the impact to the City's net pension liability is not known.

Actuarial Assumptions – OPF

OPF's total pension liability as of December 31, 2017, is based on the results of an actuarial valuation date of January 1, 2017, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2017, compared with January 1, 2016, are presented as follows:

	January 1, 2017	January 1, 2016
Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017	January 1, 2016, with actuarial liabilities rolled forward to December 31, 2016
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.6 percent simple for increased based on the lesser of the increase in CPI and 3 percent

For the January 1, 2017, valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

Age	Police	Fire
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

For the January 1, 2017, valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

Age	Police	Fire
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

For the January 1, 2016 valuation, rates of death were based on the RP-2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed for the five year period ended December 31, 2016, the prior experience study was completed December 31, 2011.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2017, are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	16.00	5.21
Non-US Equity	16.00	5.40
Core Fixed Income *	20.00	2.37
Global Inflation Protected Securities*	20.00	2.33
High Yield	15.00	4.48
Real Estate	12.00	5.65
Private Markets	8.00	7.99
Timber	5.00	6.87
Master Limited Partnerships	8.00	7.36
Total	120.00 %	

Note: Assumptions are geometric.

* levered 2x

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Discount Rate For 2017, the total pension liability was calculated using the discount rate of 8.00 percent. The discount rate used for 2016 was 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members; therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.00 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00 percent), or one percentage point higher (9.00 percent) than the current rate.

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City’s proportionate share of the net pension liability	\$14,451,718	\$10,424,952	\$7,140,757

Note 12 – Defined Benefit OPEB Plans

See Note 11 for a description of the net OPEB liability.

Ohio Public Employees Retirement System

Plan Description – The Ohio Public Employees Retirement System administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member-directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty 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 75. See OPERS’ financial report referenced later for additional information.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer’s contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2018, State and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the traditional pension plan and combined plan was 1.0 percent during calendar year 2017. As recommended by OPERS’ actuary, the portion of employer contributions allocated to health care beginning January 1, 2018 decreased to 0 percent for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2018 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The City’s contractually required contribution was \$6,467 for 2018. Of this amount, \$280 is reported as an intergovernmental payable.

Ohio Police and Fire Pension Fund

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund sponsored health care program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. OPF provides health care benefits including coverage for medical, prescription drug, dental, vision, and Medicare Part B Premium to retirees, qualifying benefit recipients and their eligible dependents.

OPF provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OPF meets the definition of an OPEB as described in GASB Statement No. 75.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

The Ohio Revised Code allows, but does not mandate, OPF to provide OPEB benefits. Authority for the OPF 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.

OPF issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OPF website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OPF defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OPF maintains funds for health care in two separate accounts. There is one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. An Internal Revenue Code 401(h) account is maintained for Medicare Part B reimbursements.

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 2018, the portion of employer contributions allocated to health care was 0.5 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 Sections 115 and 401(h).

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

The City's contractually required contribution to OPF was \$19,777 for 2018. Of this amount, \$470 is reported as an intergovernmental payable.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2016, rolled forward to the measurement date of December 31, 2017, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OPF's total OPEB liability was measured as of December 31, 2017, and was determined by rolling forward the total OPEB liability as of January 1, 2017, to December 31, 2017. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

	OPERS	OPF	Total
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.04966000%	0.16985800%	0.21951800%
Prior Measurement Date	0.04896000%	0.16204100%	0.21100100%
Change in Proportionate Share	<u>0.00070000%</u>	<u>0.00781700%</u>	<u>0.00851700%</u>
Proportionate Share of the Net OPEB Liability	\$5,392,710	\$9,623,916	\$15,016,626
OPEB Expense	\$480,966	\$811,683	\$1,292,649

At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS	OPF	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	\$4,201	\$0	\$4,201
Changes of assumptions	392,646	939,090	1,331,736
Changes in proportion and differences between City contributions and proportionate share of contributions	47,834	312,386	360,220
City contributions subsequent to the measurement date	<u>6,467</u>	<u>19,777</u>	<u>26,244</u>
Total Deferred Outflows of Resources	<u>\$451,148</u>	<u>\$1,271,253</u>	<u>\$1,722,401</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$0	\$48,539	\$48,539
Net difference between projected and actual earnings on pension plan investments	<u>401,721</u>	<u>63,349</u>	<u>465,070</u>
Total Deferred Inflows of Resources	<u>\$401,721</u>	<u>\$111,888</u>	<u>\$513,609</u>

\$26,244 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OPF	Total
2019	\$112,173	\$160,030	\$272,203
2020	112,173	160,030	272,203
2021	(80,955)	160,030	79,075
2022	(100,431)	160,030	59,599
2023	0	175,868	175,868
Thereafter	<u>0</u>	<u>323,600</u>	<u>323,600</u>
Total	<u>\$42,960</u>	<u>\$1,139,588</u>	<u>\$1,182,548</u>

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Actuarial Assumptions – OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2016, rolled forward to the measurement date of December 31, 2017. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	3.85 percent
Prior Measurement date	4.23 percent
Investment Rate of Return	6.50 percent
Municipal Bond Rate	3.31 percent
Health Care Cost Trend Rate	7.5 percent, initial 3.25 percent, ultimate in 2028
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the previously described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

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

During 2017, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the traditional pension plan, combined plan and member-directed plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio is 15.2 percent for 2017.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The following table displays the Board-approved asset allocation policy for 2017 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	1.88 %
Domestic Equities	21.00	6.37
Real Estate Investment Trust	6.00	5.91
International Equities	22.00	7.88
Other investments	17.00	5.39
Total	100.00 %	4.98 %

Discount Rate A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017. A single discount rate of 4.23 percent was used to measure the OPEB liability on the measurement date of December 31, 2016. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.50 percent and a municipal bond rate of 3.31 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 3.85 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.85 percent) or one-percentage-point higher (4.85 percent) than the current rate:

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

	1% Decrease (2.85%)	Current Discount Rate (3.85%)	1% Increase (4.85%)
City's proportionate share of the net OPEB liability	\$7,164,448	\$5,392,710	\$3,959,392

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2018 is 7.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$5,159,674	\$5,392,710	\$5,633,430

Changes between Measurement Date and Report Date

In October 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 6.5 percent to 6.0 percent. This change will be effective for the 2018 valuation. The exact amount of the impact to the City's net OPEB liability is not known.

Actuarial Assumptions – OPF

OPF's total OPEB liability as of December 31, 2017, is based on the results of an actuarial valuation date of January 1, 2017, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OPF's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented as follows:

Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Single discount rate:	
Current measurement date	3.24 percent
Prior measurement date	3.79 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

Age	Police	Fire
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

Age	Police	Fire
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

The most recent experience study was completed for the five year period ended December 31, 2016, the prior experience study was completed December 31, 2011.

The OPF health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 11.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Discount Rate The total OPEB liability was calculated using the discount rate of 3.24 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8 percent. Based on those assumptions, OPF's fiduciary net position was projected to not be able to make all future benefit payments of current plan members; therefore, a municipal bond rate of 3.16 percent at December 31, 2017 and 3.71 percent at December 31, 2016, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 3.24 percent. The municipal bond rate was determined using the S&P Municipal Bond 20 Year High Grade Rate Index. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2025. The long-term expected rate of return on health care investments was applied to projected costs through 2025, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 3.24 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.24 percent), or one percentage point higher (4.24 percent) than the current rate.

	1% Decrease (2.24%)	Current Discount Rate (3.24%)	1% Increase (4.24%)
City's proportionate share of the net OPEB liability	\$12,030,011	\$9,623,916	\$7,772,515

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate Net OPEB liability is sensitive to changes in the health care cost trend rate. The trend rate is the annual rate at which the cost of covered medical services is assumed to increase from the current year to the next year. Beginning in 2017, the per-capita costs are assumed to change by the following percentages each year:

Year	Non-Medicare	Non-AARP	AARP	Rx Drug	Medicare Part B
2017	-0.47%	-2.50%	4.50%	-0.47%	5.20%
2018	7.00%	7.00%	4.50%	7.00%	5.10%
2019	6.50%	6.50%	4.50%	6.50%	5.00%
2020	6.00%	6.00%	4.50%	6.00%	5.00%
2021	5.50%	5.50%	4.50%	5.50%	5.00%
2022	5.00%	5.00%	4.50%	5.00%	5.00%
2023 and Later	4.50%	4.50%	4.50%	4.50%	5.00%

To illustrate the potential impact, the following table presents the net OPEB liability calculated using the current health care cost trend current rates as outlined in the previous table, a one percent decrease in the trend rates and a one percent increase in the trend rates.

	1% Decrease	Current Rates	1% Increase
City's proportionate share of the net OPEB liability	\$7,476,031	\$9,623,916	\$12,518,539

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Changes between Measurement Date and Report Date

In March 2018, the OPF Board of Trustees approved the implementation date and framework for a new health care model. Beginning January 1, 2019, the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OPF will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. The impact to the City's NOL is not known.

Note 13 – Other Employee Benefits

Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Employees earn two to six weeks of vacation per year, depending upon length of service. Vacation accumulation is limited to one year. All accumulated unused vacation time is paid upon termination of employment.

Employees earn sick leave at the rate of 6.47 hours per pay for firefighters and 4.62 hours per pay for all other employees. Sick leave accumulation is unlimited for all employees except police officers who need chief approval to exceed over 960 hours. Upon retirement or death, an employee shall be paid 33 percent of accumulated sick leave. Employees may deduct up to 120 hours from their sick balance and defer payment on it until the following January.

Dental Insurance

The City provides dental benefits to employees through Cigna. The family and single premiums for 2018 were \$83.16 and \$27.56, respectively.

Note 14 – Contingencies

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, 2018.

Litigation

The City is party to various legal proceedings. City management is of the opinion that ultimate settlement of such claims not covered by insurance will not result in a material adverse effect on the City's financial position.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Note 15 – Long-Term Obligations

The original issue date, interest rate, original issuance amount and maturity date for each of the City’s long-term obligations follows:

	Original Issue Date	Interest Rate	Original Issue Amount	Date of Maturity
General Obligation Bonds:				
Human Services Facility Refunding	2012	1.25% to 2.25%	\$3,580,000	December 1, 2023
Various Purpose Tree Farm Refunding	2015	2.03	2,525,000	December 1, 2025
Police Facility Project	2017	2.00 to 3.00	8,000,000	December 1, 2036
Service Center Garage	2017	2.00 to 3.00	1,980,000	December 1, 2036
Special Assessment Bonds:				
Service Road Sewer and Water	2001	4.00 to 4.90	935,000	December 1, 2021
Four Seasons Sewer and Water	2001	4.00 to 4.90	1,265,000	December 1, 2021
Route 21, Hilton, Whitewood Sewer and Storm	2005	3.00 to 5.00	1,075,000	December 1, 2025
Katherine Boulevard Improvements	2012	1.25 to 2.25	1,430,000	December 1, 2022
Riverview Road Sewer	2012	1.25 to 2.75	575,000	December 1, 2032
Various Purpose Route 21 Access Road Refunding	2015	2.03	115,000	December 1, 2025
OPWC Loans:				
Fairview, Pershing, Wallings Water Main	1999	0.00	224,480	January 1, 2019
Brecksville Center and Old Town Water Main	1999	0.00	224,475	July 1, 2019
Route 21, Hilton, Whitewood Sanitary Sewer	2005	0.00	231,143	July 1, 2025
Fitzwater, Riverview, Wiese, Carriage Hill Cleaning	2006	0.00	162,934	January 1, 2027
Wiese Road Retaining Wall Improvement	2013	0.00	229,030	January 1, 2033

A schedule of changes in bonds and other long-term obligations of the City during 2018 follows:

	Principal Outstanding 12/31/2017	Additions	Deletions	Principal Outstanding 12/31/2018	Amounts Due in One Year
Governmental Activities:					
<i>General Obligations Bonds:</i>					
2012 Human Services Facility Refunding	\$2,345,000	\$0	(\$375,000)	\$1,970,000	\$380,000
Premium on Bonds	49,440	0	(8,240)	41,200	0
2015 Various Purpose Tree Farm Refunding	2,065,000	0	(245,000)	1,820,000	245,000
2017 Police Facility Project					
Serial Bond	3,075,000	0	(100,000)	2,975,000	100,000
Term Bond	4,710,000	0	0	4,710,000	0
Premium on Bonds	136,406	0	(7,179)	129,227	0
2017 Service Center Garage					
Serial Bond	995,000	0	(80,000)	915,000	85,000
Term Bond	935,000	0	0	935,000	0
Premium on Bonds	35,332	0	(1,859)	33,473	0
Total General Obligation Bonds	\$14,346,178	\$0	(\$817,278)	\$13,528,900	\$810,000

(continued)

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

	Principal Outstanding 12/31/2017	Additions	Deletions	Principal Outstanding 12/31/2018	Amounts Due in One Year
Governmental Activities (continued):					
<i>Special Assessment Bonds:</i>					
2001 Service Road Sewer and Water	\$230,000	\$0	(\$55,000)	\$175,000	\$60,000
2001 Four Seasons Sewer and Water	360,000	0	(80,000)	280,000	85,000
2005 Route 21, Hilton, Whitewood Sewer and Storm	555,000	0	(60,000)	495,000	60,000
2012 Katherine Boulevard Improvements	745,000	0	(145,000)	600,000	145,000
Premium on Bonds	19,031	0	(3,807)	15,224	0
2012 Riverview Road Sewer					
Serial Bond	160,000	0	(25,000)	135,000	25,000
Term Bond	290,000	0	0	290,000	0
2015 Various Purpose Route 21 Access Road Refunding	95,000	0	(10,000)	85,000	10,000
<i>Total Special Assessment Bonds</i>	<u>2,454,031</u>	<u>0</u>	<u>(378,807)</u>	<u>2,075,224</u>	<u>385,000</u>
<i>OPWC Loans:</i>					
1999 Fairview, Pershing, Wallings Water Main	11,224	0	(11,224)	0	0
1999 Brecksville Center and Old Town Water Main	16,835	0	(11,223)	5,612	5,612
2005 Route 21, Hilton, Whitewood Sanitary Sewer	86,679	0	(11,558)	75,121	11,557
2006 Fitzwater, Riverview Wiese, Carriage Hill Cleaning	73,320	0	(8,146)	65,174	8,147
2013 Wiese Road Retaining Wall Improvement	183,223	0	(11,452)	171,771	11,451
<i>Total OPWC Loans</i>	<u>371,281</u>	<u>0</u>	<u>(53,603)</u>	<u>317,678</u>	<u>36,767</u>
<i>Net Pension Liability:</i>					
OPERS	11,540,812	0	(3,569,081)	7,971,731	0
OPF	10,263,514	161,438	0	10,424,952	0
<i>Total Net Pension Liability</i>	<u>21,804,326</u>	<u>161,438</u>	<u>(3,569,081)</u>	<u>18,396,683</u>	<u>0</u>
<i>Net OPEB Liability:</i>					
OPERS	4,945,126	447,584	0	5,392,710	0
OPF	7,691,722	1,932,194	0	9,623,916	0
<i>Total Net Pension Liability</i>	<u>12,636,848</u>	<u>2,379,778</u>	<u>0</u>	<u>15,016,626</u>	<u>0</u>
Compensated Absences	989,988	137,477	(141,794)	985,671	250,061
<i>Total Governmental Activities</i>	<u>\$52,602,652</u>	<u>\$2,678,693</u>	<u>(\$4,960,563)</u>	<u>\$50,320,782</u>	<u>\$1,481,828</u>

All bonds are secured by the full faith and credit of the City. General obligation bonds will be paid from taxes receipted in the debt service fund. The special assessment bonds will be paid from the proceeds of special assessments levied against benefited property owners. In the event that a property owner would fail to pay the assessment, payment would be made by the City.

The OPWC loans will be paid with monies from the Issue II capital projects fund. The OPWC administers Issue II loans. There is no repayment schedule for net pension/OPEB liabilities; however, employer pension contributions are made from the general fund and the fire department and community center special revenue funds. For additional information related to the net pension/OPEB liabilities see Notes 11 and 12. Compensated absences will be paid from the general fund and the fire department and community center special revenue funds, as well.

On September 20, 2012, the City issued \$3,580,000 in general obligation bonds for the purpose of refunding a portion of the 2004 Human Services Facility Bonds. These bonds were issued for a twelve year period with a final maturity of December 1, 2023. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2018, \$1,960,000 of the defeased bonds are still outstanding.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

During 2015, the City issued \$2,525,000 of various purpose refunding bonds for the purpose of retiring the 2005 tree farm property bonds and \$115,000 of various purpose refunding bonds for the purpose of retiring the 2005 Route 21 Access Road special assessment bonds. The new bonds were issued for a period of 10 years at an interest rate of 2.03 percent. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2018, \$1,930,000 of the defeased bonds are still outstanding.

On June 7, 2017, the City issued \$8,000,000 and \$1,980,000 in general obligation bonds for the purpose of the construction of the new police station building and the retirement of 2016 bond anticipation notes related to the service center garage project, respectively. These bonds were issued for a twenty year period with a final maturity of December 1, 2036.

On September 1, 2001, the City issued \$935,000 in special assessment bonds for sanitary sewer and water main construction on Service Road. The bonds were issued for a twenty year period with final maturity at December 1, 2021.

On September 1, 2001, the City issued \$1,265,000 in special assessment bonds for sanitary sewer and water main construction in the Four Seasons of Brecksville subdivision. The bonds were issued for a twenty year period with final maturity at December 1, 2021.

On September 8, 2005, the City issued \$1,075,000 in special assessment bonds for sanitary sewer construction on Route 21 and on Hilton and Whitewood Roads. The bonds were issued for a twenty year period with final maturity at December 1, 2025. These bonds were partially refunded in 2015.

On September 20, 2012 the City issued \$1,430,000 in special assessment bonds for infrastructure improvements on Katherine Boulevard. The bonds were issued for a ten year period with final maturity on December 1, 2022.

On September 20, 2012 the City issued \$575,000 in special assessment bonds for sanitary sewer construction on Riverview Road. The bonds were issued for a twenty year period with final maturity on December 1, 2032.

The Riverview Road bonds are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 of the years and in the respective principal amounts as follows:

Year	Principal Amount to be Redeemed
2024	\$30,000
2025	30,000
2026	30,000
2027	30,000
2028	30,000
2029	35,000
2030	35,000
2031	35,000
Total	\$255,000

The remaining principal amount of the bonds (\$35,000) will mature at stated maturity on December 1, 2032.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

The bonds maturing on or after December 1, 2022, will be subject to prior redemption, on or after December 1, 2021, by and at the option of the City, either in whole or in part on any date, and in integral multiples of \$5,000, at par, plus accrued interest to the redemption date.

The City's overall legal debt margin was \$54,439,687 at December 31, 2018. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2018, are as follows:

General Obligation Bonds					
	Serial Portion		Term Portion		OPWC Loans
	Principal	Interest	Principal	Interest	Principal
2019	\$810,000	\$341,729	\$0	\$0	\$36,767
2020	830,000	325,455	0	0	31,156
2021	845,000	308,779	0	0	31,156
2022	860,000	290,816	0	0	31,156
2023	870,000	272,536	0	0	31,156
2024-2028	3,465,000	1,083,504	0	0	99,032
2029-2033	0	0	3,380,000	617,168	57,255
2034-2036	0	0	2,265,000	130,247	0
Total	\$7,680,000	\$2,622,819	\$5,645,000	\$747,415	\$317,678

Special Assessment Bonds				
	Serial Portion		Term Portion	
	Principal	Interest	Principal	Interest
2019	\$385,000	\$64,446	\$0	\$7,975
2020	405,000	50,736	0	7,975
2021	405,000	36,189	0	7,975
2022	260,000	21,204	0	7,975
2023	115,000	13,590	0	7,975
2024-2028	200,000	13,616	150,000	31,625
2029-2032	0	0	140,000	9,625
Total	\$1,770,000	\$199,781	\$290,000	\$81,125

Note 16 – Short-Term Obligations

In 2017, the City issued bond anticipation notes in the amount of \$4,090,000, with a premium of \$26,135 outstanding at December 31, 2017, for purpose of Route 82 street improvements, and the notes were retired on June 8, 2018.

On June 6, 2018, the City issued bond anticipation notes in the amount of \$2,500,000. Of that amount, \$2,000,000 was for the purpose of Route 82 street improvements and \$500,000 was for the purpose of constructing, furnishing, and equipping the new police station. The 2018 notes were issued at an interest rate of 2.75 percent and mature on June 6, 2019. The notes were issued with a premium of \$20,850, leaving an outstanding note balance of \$2,520,850 as of December 31, 2018.

	Principal Outstanding 12/31/2017	Additions	Deletions	Principal Outstanding 12/31/2018
Governmental Activities:				
State Route 82 Notes	\$4,090,000	\$0	(\$4,090,000)	\$0
Premium	26,135	0	(26,135)	0
Various Purpose Improvements Notes	0	2,500,000	0	2,500,000
Premium	0	20,850	0	20,850
Total Notes Payable	\$4,116,135	\$2,520,850	(\$4,116,135)	\$2,520,850

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Note 17 – Operating Lease

During 2017, the City entered into an operating lease with Falls Motor City, for the period of November 2, 2017 to October 1, 2020, for the use of a van for the human services department. The terms of the lease require payment in monthly installments in the amount of \$256.

Note 18 – Insurance Purchasing Pool

The Ohio Municipal League has created a group insurance pool for purpose of creating a group rating plan for workers' compensation. The governing body is comprised of the members who have been appointed by the respective governing body of each member.

The intent of the pool is to achieve a reduced rate for the City and the other group members. The injury claim history of all participating members is used to calculate a common rate for the group. An annual fee is paid to Comp Management, Incorporated to administer the group and to manage any injury claims. Premium savings created by the group are prorated to each member entity annually based on claims experience of each member as compared to the total claims experience of the group.

Note 19 – Jointly Governed Organizations

Southwest Council of Governments

The Southwest Council of Governments (the Council) helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions and regional development. The Board is comprised of one member from each of the sixteen participating entities. The Board exercises total control over the operation of the Council including budgeting, appropriating, contracting and designating management. Budgets are adopted by the Board. Each City's degree of control is limited to its representation on the Board. In 2018, the City contributed \$20,000, which represents 5.26 percent of total contributions.

The Council has established two subsidiary organizations, the Hazardous Material Response Team ("HAZ MAT") which provides hazardous material protections and assistance and the Southwest Enforcement Bureau, which provides extra assistance to cities in the form of a SWAT Team. The Council's financial statements may be obtained by contacting the Southwest Council of Governments, 11 Berea Commons, Berea, Ohio 44017.

Northeast Ohio Public Energy Council

The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity. NOPEC is currently comprised of over 220 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. In 2018, the City made no contributions. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. Financial information can be obtained by contacting Ronald McVoy, the Board Chairman, at 31360 Solon Road, Suite 33, Solon, Ohio, 44139 or at the website www.nopecinfo.org.

Cuyahoga Valley Council of Governments

The City participates in the Cuyahoga Valley Council of Governments (the Council). The Council was formed to share jail and community services, foster municipal service, and coordinate action among its members in matters relating to public safety dispatch operations. The Council may also, at its discretion, promote cooperative agreements and contracts among its members or other governmental agencies and private persons, corporations, or agencies. The Council is controlled by an executive Board which is composed of a President, Vice President, Secretary and Fiscal Officer, who serves as Treasurer. The elected officers shall serve for a period of two years. Each member's control over the operation of the Council is limited to its representation on the Board. In 2018, the City made no contributions. Complete financial statements can be obtained from the Cuyahoga Valley Council of Governments, Cuyahoga County, Ohio.

Chagrin Valley Dispatch Council

The City is a member of the Chagrin Valley Dispatch Council (CVDC). The CVDC was formed by the Council to foster cooperation through the sharing of operations of a central dispatch center for safety forces of the participating entities. The CVDC is comprised of 31 communities.

The CVDC is provided with legislative oversight from the Majors and City Managers of the various communities. The Administrative Board consists of the chiefs of police and fire of each member municipality. The Administrative Board oversees and manages the operation of the program. The degree of control exercised by a participating government is limited to its representation on the Administrative Board. The City made no contributions to the CVDC during 2018. Financial information can be obtained by contacting Vic Nogalo, Administrator, 9018 Brecksville Road, Brecksville, Ohio 44141.

Note 20 – Related Organization

The Brecksville Community Improvement Corporation (CIC) was formed to promote and assist in economic development within the City. City Council created the CIC during 2014 and appointed the initial CIC Board members. The CIC does not represent a potential financial benefit for or burden on the City. During 2018, the City and CIC entered into a development agreement with DiGeronimo Development LLC for the development of the former Veterans Administration property. The City also transferred said property to the CIC during the year.

Note 21 – Significant Commitments

Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

General	\$1,781,104
Fire Department	8,619
General Municipal Improvement	555,538
Buildings and Improvements	22,572
Police Station Building	1,965,332
Other Governmental Funds	176,727
Total	\$4,509,892

Contractual Commitments

At December 31, 2018, the City's significant contractual commitments consisted of the following:

Project	Contract Amount	Amount Paid	Remaining on Contract
IT Equipment	\$218,779	\$0	\$218,779
Storm Sewers	23,500	4,051	19,449
New Building	9,890,950	8,019,468	1,871,482
Building Improvements	20,880	0	20,880
Professional Services	30,167	7,500	22,667
Service Equipment	106,427	0	106,427
Sanitary Sewers	304,623	181,205	123,418
Land Improvements	52,955	10,530	42,425
Roads	3,902,704	3,541,049	361,655
Police Equipment	374,333	93,583	280,750
Water Lines	12,200	0	12,200
Economic Development	839,530	0	839,530
Fire Equipment	546,147	534,743	11,404
Totals	\$16,323,195	\$12,392,129	\$3,931,066

The amounts remaining on these contracts were encumbered at year end.

Note 22 – Donor Restricted Endowments

The City's private purpose trust fund includes donor restricted endowments. Endowments, in the amount of \$3,000, represent the principal portion. The amount of interest on donor restricted investments that is available for expenditures by the City is \$244 and is included as held in trust for cemetery. State law permits the City to appropriate, for purposes consistent with the endowment's intent, net appreciation, realized and unrealized, unless the endowment terms specify otherwise. The endowments indicate that the interest should be used for the decoration of specifically named graves.

Note 23 – Accountability

At December 31, 2018, the general municipal improvement and police station building funds had fund deficits of \$185,341 and \$1,092,168, respectively.

The general municipal improvement fund deficit resulted from the recognition of accrued liabilities. The general fund is responsible to cover deficit fund balances by means of a transfer; however, this is done when cash is needed rather than when accruals occur.

The police station building fund deficit resulted from an interfund payable. The general fund provides money to operate the program until grants and other monies are received and the advance can be repaid.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Note 24 – Fund Balances

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

Fund Balances	General	Fire Department	Special Assessments Bond Retirement	General Municipal Improvement	Buildings and Improvements
<u>Nonspendable:</u>					
Materials and Supplies Inventory	\$279,690	\$61,175	\$0	\$0	\$0
Prepaid Items	255,152	21,687	0	0	0
Assets Held for Resale	137,100	0	0	0	0
Unclaimed Funds	12,691	0	0	0	0
<i>Total Nonspendable</i>	<u>684,633</u>	<u>82,862</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Restricted for:</u>					
Capital Projects	0	0	0	0	0
Debt Service	0	0	122,083	0	0
Court Computerization	0	0	0	0	0
Fire Department	0	172,896	0	0	0
Police Department	0	0	0	0	0
Road Maintenance	0	0	0	0	0
Street Construction, Maintenance and Repair	0	0	0	0	0
Other Purposes	0	0	0	0	0
<i>Total Restricted</i>	<u>0</u>	<u>172,896</u>	<u>122,083</u>	<u>0</u>	<u>0</u>
<u>Committed to:</u>					
Capital Projects	0	0	0	0	864,995
Police Department	0	0	0	0	0
Other Purposes	0	0	0	0	0
Purchases on Order	1,582,452	0	0	0	0
<i>Total Committed</i>	<u>1,582,452</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>864,995</u>
<u>Assigned to:</u>					
Capital Projects	0	0	0	0	0
Purchases on Order	13,472	0	0	0	0
<i>Total Assigned</i>	<u>13,472</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unassigned (Deficit)	7,516,683	0	0	(185,341)	0
Total Fund Balances (Deficit)	<u><u>\$9,797,240</u></u>	<u><u>\$255,758</u></u>	<u><u>\$122,083</u></u>	<u><u>(\$185,341)</u></u>	<u><u>\$864,995</u></u>

(continued)

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Fund Balances (continued)	Road Improvements	Police Station Building	Other Governmental Funds	Total
<u>Nonspendable:</u>				
Materials and Supplies Inventory	\$0	\$0	\$43,664	\$384,529
Prepaid Items	0	0	20,211	297,050
Assets Held for Resale	0	0	0	137,100
Unclaimed Funds	0	0	0	12,691
<i>Total Nonspendable</i>	<u>0</u>	<u>0</u>	<u>63,875</u>	<u>831,370</u>
<u>Restricted for:</u>				
Capital Projects	0	0	225,915	225,915
Debt Service	0	0	215,269	337,352
Court Computerization	0	0	137,454	137,454
Fire Department	0	0	0	172,896
Police Department	0	0	506,268	506,268
Road Maintenance	0	0	171,301	171,301
Street Construction, Maintenance and Repair	0	0	554,171	554,171
Other Purposes	0	0	111,796	111,796
<i>Total Restricted</i>	<u>0</u>	<u>0</u>	<u>1,922,174</u>	<u>2,217,153</u>
<u>Committed to:</u>				
Capital Projects	227,549	0	730,688	1,823,232
Police Department	0	0	7,154	7,154
Other Purposes	0	0	289,398	289,398
Purchases on Order	0	0	0	1,582,452
<i>Total Committed</i>	<u>227,549</u>	<u>0</u>	<u>1,027,240</u>	<u>3,702,236</u>
<u>Assigned to:</u>				
Capital Projects	0	0	2,014,987	2,014,987
Purchases on Order	0	0	0	13,472
<i>Total Assigned</i>	<u>0</u>	<u>0</u>	<u>2,014,987</u>	<u>2,028,459</u>
Unassigned (Deficit)	<u>0</u>	<u>(1,092,168)</u>	<u>0</u>	<u>6,239,174</u>
Total Fund Balances (Deficit)	<u>\$227,549</u>	<u>(\$1,092,168)</u>	<u>\$5,028,276</u>	<u>\$15,018,392</u>

Note 25 – Subsequent Events

On March 5, 2019, the City passed legislation providing for the issuance and sale of bonds, not to exceed \$6,500,000, for the purpose of paying costs of constructing, reconstructing, renovating, enlarging, furnishing, equipping and otherwise improving the municipal swimming pool facilities and related recreational facilities and otherwise improving the site. The City is anticipating closing this bond issue in June of 2019.

On March 15, 2019, the City passed legislation providing for the issuance and sale of bonds, not to exceed \$2,000,000, for the purpose of paying costs of constructing, furnishing, and equipping the new police department and otherwise improving the site. The City is anticipating closing this bond issue in June of 2019.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

On April 16, 2018, the City passed legislation providing for the issuance and sale of bond anticipation notes, not to exceed \$250,000, for the purpose of paying costs of constructing, furnishing, and equipping the new police department and otherwise improving the site. The City is anticipating closing this bond issue in June of 2019.

On April 16, 2018, the City passed legislation providing for the issuance and sale of bond anticipation notes, not to exceed \$1,800,000, for the purpose of paying costs of improving State Route 82 by reconstructing, paving, grading, draining, curbing, replacing guardrails, repairing slopes, replacing Americans with Disabilities Act (ADA) ramps, and constructing storm sewers and related drainage facilities. The City is anticipating closing this bond issue in June of 2019.

On April 16, 2018, the City passed legislation providing for the issuance and sale of bond anticipation notes, not to exceed \$750,000, for the purpose of paying costs of improving State Route 82 by reconstructing, paving, grading, draining, curbing, replacing guardrails, repairing slopes, replacing ADA ramps, constructing storm sewers and related drainage facilities, and acquiring rights-of-way. The City is anticipating closing this bond issue in June of 2019.

On May 14, 2019, Moody's Investors Service downgraded the City's issuer and general obligation limited tax ratings from Aaa to Aa1.

City of Brecksville, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System - Traditional Plan
*Last Five Years (1) **

	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.05081400%	0.05082200%	0.05089900%	0.05221000%	0.05221000%
City's Proportionate Share of the Net Pension Liability	\$7,971,731	\$11,540,812	\$8,816,348	\$6,297,110	\$6,154,879
City's Covered Payroll	\$6,715,146	\$6,569,792	\$6,334,843	\$6,400,950	\$6,342,796
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	118.71%	175.66%	139.17%	98.38%	97.04%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.66%	77.25%	81.08%	86.45%	86.36%

(1) Although this schedule is intended to show information for ten years, information prior to 2014 is not available. An additional column will be added each year.

* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information

City of Brecksville, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Asset
Ohio Public Employees Retirement System - Combined Plan
*2018 (1) **

	<u>2018</u>
City's Proportion of the Net Pension Asset	0.02909100%
City's Proportionate Share of the Net Pension Asset	\$39,602
City's Covered Payroll	\$119,146
City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	33.24%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	137.28%

(1) Although this schedule is intended to show information for ten years, information prior to 2018 is not available. An additional column will be added each year.

* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information

City of Brecksville, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Liability
Ohio Public Employees Retirement System - Traditional Plan
*Last Two Years (1) **

	2018	2017
City's Proportion of the Net OPEB Liability	0.04966000%	0.04896000%
City's Proportionate Share of the Net OPEB Liability	\$5,392,710	\$4,945,126
City's Covered Payroll	\$7,034,267	\$6,765,817
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	76.66%	73.09%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	54.14%	54.04%

(1) Although this schedule is intended to show information for ten years, information prior to 2017 is not available. An additional column will be added each year.

* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information

City of Brecksville, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Police and Fire Pension Fund
*Last Five Years (1) **

	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.16985800%	0.16204100%	0.16208000%	0.16886840%	0.16886840%
City's Proportionate Share of the Net Pension Liability	\$10,424,952	\$10,263,514	\$10,426,720	\$8,748,087	\$8,224,421
City's Covered Payroll	\$3,815,346	\$3,583,217	\$3,494,644	\$3,429,025	\$3,374,994
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	273.24%	286.43%	298.36%	255.12%	243.69%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.91%	68.36%	66.77%	71.71%	73.00%

(1) Although this schedule is intended to show information for ten years, information prior to 2014 is not available. An additional column will be added each year.

* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information

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

	2018	2017
City's Proportion of the Net OPEB Liability	0.16985800%	0.16204100%
City's Proportionate Share of the Net OPEB Liability	\$9,623,916	\$7,691,722
City's Covered Payroll	\$3,815,346	\$3,583,217
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	252.24%	214.66%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	14.13%	15.96%

(1) Although this schedule is intended to show information for ten years, information prior to 2017 is not available. An additional column will be added each year.

* Amounts presented for each year were determined as of the City's measurement date, which is the prior year end.

See accompanying notes to the required supplementary information

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

	2018	2017	2016	2015	2014	2013
Net Pension Liability - Traditional Plan						
Contractually Required Contribution	\$943,440	\$872,969	\$788,375	\$760,181	\$768,114	\$824,563
Contributions in Relation to the Contractually Required Contribution	(943,440)	(872,969)	(788,375)	(760,181)	(768,114)	(824,563)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$6,738,857	\$6,715,146	\$6,569,792	\$6,334,843	\$6,400,950	\$6,342,796
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>13.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>
Net Pension Liability - Combined Plan						
Contractually Required Contribution	\$20,077	\$15,489	\$10,815	\$10,591	\$10,154	\$10,492
Contributions in Relation to the Contractually Required Contribution	(20,077)	(15,489)	(10,815)	(10,591)	(10,154)	(10,492)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$143,407	\$119,146	\$90,125	\$88,258	\$84,617	\$80,708
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>13.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>
Net OPEB Liability - OPEB Plan (3)						
Contractually Required Contribution	\$6,467	\$7,999	\$4,236			
Contributions in Relation to the Contractually Required Contribution	(6,467)	(7,999)	(4,236)			
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>			
City Covered Payroll (2)	\$7,043,939	\$7,034,267	\$6,765,817			
OPEB Contributions as a Percentage of Covered Payroll	<u>0.09%</u>	<u>0.11%</u>	<u>0.06%</u>			

(1) Although this schedule is intended to show information for ten years, information prior to 2013 is not available. An additional column will be added each year.

(2) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan. The member directed pension plan is a defined contribution pension plan; therefore, the pension side is not included above.

(3) Information prior to 2016 is not available.

See accompanying notes to the required supplementary information

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

	2018	2017	2016	2015
Net Pension Liability				
Contractually Required Contribution	\$813,771	\$784,801	\$736,956	\$722,599
Contributions in Relation to the Contractually Required Contribution	<u>(813,771)</u>	<u>(784,801)</u>	<u>(736,956)</u>	<u>(722,599)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (1)	\$3,955,281	\$3,815,346	\$3,583,217	\$3,494,644
Pension Contributions as a Percentage of Covered Payroll	<u>20.57%</u>	<u>20.57%</u>	<u>20.57%</u>	<u>20.68%</u>
Net OPEB Liability				
Contractually Required Contribution	\$19,777	\$19,077	\$17,916	\$17,473
Contributions in Relation to the Contractually Required Contribution	<u>(19,777)</u>	<u>(19,077)</u>	<u>(17,916)</u>	<u>(17,473)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>
Total Contributions as a Percentage of Covered Payroll	<u>21.07%</u>	<u>21.07%</u>	<u>21.07%</u>	<u>21.18%</u>

(1) The City's covered payroll is the same for pension and OPEB.

See accompanying notes to the required supplementary information

2014	2013	2012	2011	2010	2009
\$706,703	\$589,056	\$485,500	\$463,725	\$488,638	\$492,677
<u>(706,703)</u>	<u>(589,056)</u>	<u>(485,500)</u>	<u>(463,725)</u>	<u>(488,638)</u>	<u>(492,677)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$3,429,025	\$3,374,994	\$3,380,216	\$3,217,478	\$3,414,468	\$3,445,306
<u>20.61%</u>	<u>17.45%</u>	<u>14.36%</u>	<u>14.41%</u>	<u>14.31%</u>	<u>14.30%</u>
\$17,145	\$122,062	\$228,165	\$217,180	\$230,477	\$232,558
<u>(17,145)</u>	<u>(122,062)</u>	<u>(228,165)</u>	<u>(217,180)</u>	<u>(230,477)</u>	<u>(232,558)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>0.50%</u>	<u>3.62%</u>	<u>6.75%</u>	<u>6.75%</u>	<u>6.75%</u>	<u>6.75%</u>
<u>21.11%</u>	<u>21.07%</u>	<u>21.11%</u>	<u>21.16%</u>	<u>21.06%</u>	<u>21.05%</u>

City of Brecksville, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2018

Changes in Assumptions – OPERS Pension

Amounts reported beginning in 2017 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2016 and prior are presented as follows:

	2017	2016 and Prior
Wage Inflation	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.8 percent, simple
Investment Rate of Return	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

Amounts reported beginning 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

Changes in Assumptions – OPF Pension

Amounts reported for 2018 incorporate changes in assumptions used by OPF in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and prior are presented as follows:

City of Brecksville, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2018

	2018	2017 and Prior
Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017	January 1, 2016, with actuarial liabilities rolled forward to December 31, 2016
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.6 percent simple for increased based on the lesser of the increase in CPI and 3 percent

Amounts reported for 2018 use valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

Age	Police	Fire
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

Amounts reported for 2018 use valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

Age	Police	Fire
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

Amounts reported for 2017 and prior use valuation, rates of death were based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

Changes in Assumptions – OPERS OPEB

For 2018, the single discount rate changed from 4.23 percent to 3.85 percent.

Changes in Assumptions – OPF OPEB

For 2018, the single discount rate changed from 3.79 percent to 3.24 percent.

Combining and Individual Fund Statements and Schedules

Combining Statements - Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

To account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

Motor Vehicle License Tax Fund - This fund accounts for and reports the City's share of additional motor vehicle registration fees. Expenditures are restricted by State law for the maintenance and repair of streets and bridges within the City.

Street Repair and Maintenance Fund - This fund accounts for and reports 92.5 percent of the State gasoline tax and motor vehicle registration fees restricted for maintenance and repair of streets within the City.

State Highway Fund - This fund accounts for and reports 7.5 percent of the State gasoline tax and motor vehicle registration fees restricted for maintenance and repair of State highways within the City.

Community Center Fund - This fund accounts for and reports membership fees, program fees, and general fund subsidies committed to the operations of the Community Center.

Road Maintenance Fund - This fund accounts for and reports revenues received from the 1 mill Charter Levy. These monies are restricted for the maintenance, repair, reconstruction and improvement of roads within the City.

Federal Equitable Sharing Fund - This fund accounts and reports federal forfeiture monies returned to the City restricted for certain law enforcement purposes.

Enforcement and Education Fund - This fund accounts for and reports fines restricted to educating the public about the dangers of and enforcing the laws against operating a motor vehicle while under the influence of alcohol and to reinforce the "Say No to Drugs" message.

Court Computerization Fund - This fund accounts for and reports court fees and fines restricted for the purchase and maintenance of computers for the Mayor's court.

Natureworks Grants Fund - This fund accounts for and reports grant monies and investment interest restricted for the purpose of adding a recreational facility to the Blossom Complex.

Recycling Demo Fund - This fund accounts for and reports grant monies received from the Ohio Department of Natural Resources plus City matching funds. Expenditures are restricted by the rules set by the Ohio Department of Natural Resources Litter Prevention and Recycling Grant agreement.

Tree Planting Grants Fund - This fund accounts for and reports monies collected, which are restricted to the planting of trees within the City's right-of-way.

Law Enforcement Fund - This fund accounts for and reports restricted monies received from the sale or disposition of seized contraband.

Law Enforcement Mandatory Drug Fund - This fund accounts for and reports monies received from drug fines and forfeited bonds restricted for drug investigations.

(continued)

Combining Statements - Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

Police Pension Fund - This fund accounts for and reports amounts paid for police department employees, which are restricted to the State administered disability and pension fund.

Peace Officer Training Fund - This fund accounts for and reports the collection and disbursement of certain grant funds received from the State of Ohio restricted to certain law enforcement trainings.

Nonmajor Debt Service Fund

Debt service funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

General Obligation Bond Retirement Fund - This fund accounts for and reports transfers in and tax levies that are restricted for the repayment of general obligation debt.

Nonmajor Capital Projects Funds

Capital projects funds are used to account and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds or for assets that will be held in trust.

Issue II Fund - This fund accounts for and reports grant monies received from the Ohio Public Works Commission plus City matching funds. Expenditures are restricted to specific projects within the City.

Recreation Expansion Fund - This fund accounts for and reports 25 percent of building permit revenues assigned for the purchase of equipment and for capital improvements for recreation.

Recreation Facilities Expansion Fund - This fund accounts for and reports income tax and other monies determined as necessary assigned to purpose of acquiring, constructing, or improving recreation facilities and any other appurtenances thereto.

Public Utility Improvement Fund - This fund accounts for and reports sanitary sewer tap-in-fees and fees for converting from septic tank to sanitary sewer assigned to costs to repair, construct, and reline any public utility line within the City.

Fire Ambulance Capital Fund - This fund accounts for and reports portions of charges for services for ambulance operations provided by the fire department. Expenditures from this fund are committed to the acquisition of fire department equipment.

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,743,978	\$236,119	\$2,940,217	\$4,920,314
Cash and Cash Equivalents				
In Segregated Accounts	2,000	0	0	2,000
Materials and Supplies Inventory	43,664	0	0	43,664
Accounts Receivable	274	0	37,054	37,328
Intergovernmental Receivable	356,284	0	96,973	453,257
Prepaid Items	20,211	0	0	20,211
Property Taxes Receivable	781,150	0	0	781,150
<i>Total Assets</i>	<u>\$2,947,561</u>	<u>\$236,119</u>	<u>\$3,074,244</u>	<u>\$6,257,924</u>
Liabilities				
Accounts Payable	\$22,893	\$0	\$4,177	\$27,070
Contracts Payable	0	0	1,504	1,504
Notes Payable	0	20,850	0	20,850
Accrued Wages	41,204	0	0	41,204
Intergovernmental Payable	8,833	0	0	8,833
<i>Total Liabilities</i>	<u>72,930</u>	<u>20,850</u>	<u>5,681</u>	<u>99,461</u>
Deferred Inflows of Resources				
Property Taxes	760,383	0	0	760,383
Unavailable Revenue	272,831	0	96,973	369,804
<i>Total Deferred Inflows of Resources</i>	<u>1,033,214</u>	<u>0</u>	<u>96,973</u>	<u>1,130,187</u>
Fund Balances				
Nonspendable	63,875	0	0	63,875
Restricted	1,480,990	215,269	225,915	1,922,174
Committed	296,552	0	730,688	1,027,240
Assigned	0	0	2,014,987	2,014,987
<i>Total Fund Balances</i>	<u>1,841,417</u>	<u>215,269</u>	<u>2,971,590</u>	<u>5,028,276</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$2,947,561</u>	<u>\$236,119</u>	<u>\$3,074,244</u>	<u>\$6,257,924</u>

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property Taxes	\$705,421	\$0	\$0	\$705,421
Charges for Services	933,650	0	284,728	1,218,378
Licenses and Permits	25,300	0	214,623	239,923
Fines and Forfeitures	22,684	0	0	22,684
Intergovernmental	761,718	0	12,395	774,113
Interest	30,150	0	56,436	86,586
Donations	9,474	0	0	9,474
Rentals	59,809	0	0	59,809
Miscellaneous	51,384	0	5,500	56,884
<i>Total Revenues</i>	<u>2,599,590</u>	<u>0</u>	<u>573,682</u>	<u>3,173,272</u>
Expenditures				
Current:				
General Government:				
Judicial System	52,950	0	0	52,950
Public Safety:				
Police	184,911	0	0	184,911
Street Construction, Maintenance, and Repair	1,287,580	0	0	1,287,580
Housing and Community Development	22,428	0	0	22,428
Basic Utility Services	5,000	0	0	5,000
Recreational Activities	1,926,370	0	0	1,926,370
Capital Outlay	0	0	1,092,236	1,092,236
Debt Service:				
Principal Retirement	0	800,000	53,603	853,603
Interest and Fiscal Charges	0	351,617	0	351,617
<i>Total Expenditures</i>	<u>3,479,239</u>	<u>1,151,617</u>	<u>1,145,839</u>	<u>5,776,695</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(879,649)</u>	<u>(1,151,617)</u>	<u>(572,157)</u>	<u>(2,603,423)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	208	0	0	208
Transfers In	1,075,000	1,161,000	603,626	2,839,626
Transfers Out	(11,224)	0	0	(11,224)
<i>Total Other Financing Sources (Uses)</i>	<u>1,063,984</u>	<u>1,161,000</u>	<u>603,626</u>	<u>2,828,610</u>
<i>Net Change in Fund Balances</i>	184,335	9,383	31,469	225,187
<i>Fund Balances Beginning of Year</i>	<u>1,657,082</u>	<u>205,886</u>	<u>2,940,121</u>	<u>4,803,089</u>
<i>Fund Balances End of Year</i>	<u><u>\$1,841,417</u></u>	<u><u>\$215,269</u></u>	<u><u>\$2,971,590</u></u>	<u><u>\$5,028,276</u></u>

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2018

	Motor Vehicle License Tax	Street Repair and Maintenance	State Highway	Community Center	Road Maintenance
Assets					
Equity in Pooled Cash and Cash Equivalents	\$28,750	\$298,468	\$122,733	\$359,262	\$171,301
Cash and Cash Equivalents In Segregated Accounts	0	0	0	2,000	0
Materials and Supplies Inventory	0	43,664	0	0	0
Accounts Receivable	0	0	0	274	0
Intergovernmental Receivable	17,448	273,066	22,140	0	33,561
Prepaid Items	0	0	0	20,211	0
Property Taxes Receivable	0	0	0	0	600,884
<i>Total Assets</i>	<u>\$46,198</u>	<u>\$615,198</u>	<u>\$144,873</u>	<u>\$381,747</u>	<u>\$805,746</u>
Liabilities					
Accounts Payable	\$0	\$0	\$0	\$22,801	\$0
Accrued Wages	0	0	0	41,204	0
Intergovernmental Payable	0	0	0	8,133	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>72,138</u>	<u>0</u>
Deferred Inflows of Resources					
Property Taxes	0	0	0	0	584,910
Unavailable Revenue	11,631	182,044	14,759	0	49,535
<i>Total Deferred Inflows of Resources</i>	<u>11,631</u>	<u>182,044</u>	<u>14,759</u>	<u>0</u>	<u>634,445</u>
Fund Balances					
Nonspendable	0	43,664	0	20,211	0
Restricted	34,567	389,490	130,114	0	171,301
Committed	0	0	0	289,398	0
<i>Total Fund Balances</i>	<u>34,567</u>	<u>433,154</u>	<u>130,114</u>	<u>309,609</u>	<u>171,301</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$46,198</u>	<u>\$615,198</u>	<u>\$144,873</u>	<u>\$381,747</u>	<u>\$805,746</u>

Federal Equitable Sharing	Enforcement and Education	Court Computerization	Natureworks Grants	Recycling Demo	Tree Planting Grants
\$18,603	\$31,293	\$137,454	\$950	\$5,930	\$104,916
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$18,603</u>	<u>\$31,293</u>	<u>\$137,454</u>	<u>\$950</u>	<u>\$5,930</u>	<u>\$104,916</u>
\$0	\$92	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	0	0
0	92	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
18,603	24,047	137,454	950	5,930	104,916
0	7,154	0	0	0	0
<u>18,603</u>	<u>31,201</u>	<u>137,454</u>	<u>950</u>	<u>5,930</u>	<u>104,916</u>
<u>\$18,603</u>	<u>\$31,293</u>	<u>\$137,454</u>	<u>\$950</u>	<u>\$5,930</u>	<u>\$104,916</u>

(continued)

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2018

	Law Enforcement	Law Enforcement Mandatory Drug	Police Pension	Peace Officer Training	Total Nonmajor Special Revenue Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$75,816	\$40,364	\$330,660	\$17,478	\$1,743,978
Cash and Cash Equivalents In Segregated Accounts	0	0	0	0	2,000
Materials and Supplies Inventory	0	0	0	0	43,664
Accounts Receivable	0	0	0	0	274
Intergovernmental Receivable	0	0	10,069	0	356,284
Prepaid Items	0	0	0	0	20,211
Property Taxes Receivable	0	0	180,266	0	781,150
<i>Total Assets</i>	<u>\$75,816</u>	<u>\$40,364</u>	<u>\$520,995</u>	<u>\$17,478</u>	<u>\$2,947,561</u>
Liabilities					
Accounts Payable	\$0	\$0	\$0	\$0	\$22,893
Accrued Wages	0	0	0	0	41,204
Intergovernmental Payable	0	0	0	700	8,833
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>700</u>	<u>72,930</u>
Deferred Inflows of Resources					
Property Taxes	0	0	175,473	0	760,383
Unavailable Revenue	0	0	14,862	0	272,831
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>190,335</u>	<u>0</u>	<u>1,033,214</u>
Fund Balances					
Nonspendable	0	0	0	0	63,875
Restricted	75,816	40,364	330,660	16,778	1,480,990
Committed	0	0	0	0	296,552
<i>Total Fund Balances</i>	<u>75,816</u>	<u>40,364</u>	<u>330,660</u>	<u>16,778</u>	<u>1,841,417</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$75,816</u>	<u>\$40,364</u>	<u>\$520,995</u>	<u>\$17,478</u>	<u>\$2,947,561</u>

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2018

	Motor Vehicle License Tax	Street Repair and Maintenance	State Highway	Community Center	Road Maintenance
Revenues					
Property Taxes	\$0	\$0	\$0	\$0	\$542,618
Charges for Services	0	0	0	933,650	0
Licenses and Permits	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	0
Intergovernmental	36,310	583,442	47,307	0	67,121
Interest	499	4,698	2,245	9,344	5,848
Donations	0	0	0	9,474	0
Rentals	0	0	0	59,809	0
Miscellaneous	0	9,848	0	41,479	57
<i>Total Revenues</i>	<u>36,809</u>	<u>597,988</u>	<u>49,552</u>	<u>1,053,756</u>	<u>615,644</u>
Expenditures					
Current:					
General Government:					
Judicial System	0	0	0	0	0
Public Safety:					
Police	0	0	0	0	0
Street Construction, Maintenance, and Repair	20,620	693,720	30,000	0	543,240
Housing and Community Development	0	0	0	0	0
Basic Utility Services	0	0	0	0	0
Recreational Activities	0	0	0	1,926,370	0
<i>Total Expenditures</i>	<u>20,620</u>	<u>693,720</u>	<u>30,000</u>	<u>1,926,370</u>	<u>543,240</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>16,189</u>	<u>(95,732)</u>	<u>19,552</u>	<u>(872,614)</u>	<u>72,404</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	0	0	0	208	0
Transfers In	0	175,000	0	900,000	0
Transfers Out	0	0	0	0	(11,224)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>175,000</u>	<u>0</u>	<u>900,208</u>	<u>(11,224)</u>
<i>Net Change in Fund Balances</i>	16,189	79,268	19,552	27,594	61,180
<i>Fund Balances Beginning of Year</i>	<u>18,378</u>	<u>353,886</u>	<u>110,562</u>	<u>282,015</u>	<u>110,121</u>
<i>Fund Balances End of Year</i>	<u>\$34,567</u>	<u>\$433,154</u>	<u>\$130,114</u>	<u>\$309,609</u>	<u>\$171,301</u>

(continued)

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2018

	Federal Equitable Sharing	Enforcement and Education	Court Computerization	Natureworks Grants	Recycling Demo
Revenues					
Property Taxes	\$0	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0	0
Licenses and Permits	0	0	0	0	0
Fines and Forfeitures	0	1,389	12,288	0	0
Intergovernmental	0	2,400	0	0	5,000
Interest	399	661	3,510	0	113
Donations	0	0	0	0	0
Rentals	0	0	0	0	0
Miscellaneous	0	0	0	0	0
<i>Total Revenues</i>	<u>399</u>	<u>4,450</u>	<u>15,798</u>	<u>0</u>	<u>5,113</u>
Expenditures					
Current:					
General Government:					
Judicial System	0	0	52,950	0	0
Public Safety:					
Police	0	4,151	0	0	0
Street Construction, Maintenance, and Repair	0	0	0	0	0
Housing and Community Development	0	0	0	0	0
Basic Utility Services	0	0	0	0	5,000
Recreational Activities	0	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>4,151</u>	<u>52,950</u>	<u>0</u>	<u>5,000</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>399</u>	<u>299</u>	<u>(37,152)</u>	<u>0</u>	<u>113</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	0	0	0	0	0
Transfers In	0	0	0	0	0
Transfers Out	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	399	299	(37,152)	0	113
<i>Fund Balances Beginning of Year</i>	<u>18,204</u>	<u>30,902</u>	<u>174,606</u>	<u>950</u>	<u>5,817</u>
<i>Fund Balances End of Year</i>	<u><u>\$18,603</u></u>	<u><u>\$31,201</u></u>	<u><u>\$137,454</u></u>	<u><u>\$950</u></u>	<u><u>\$5,930</u></u>

Tree Planting Grants	Law Enforcement	Law Enforcement Mandatory Drug	Police Pension	Peace Officer Training	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$162,803	\$0	\$705,421
0	0	0	0	0	933,650
25,300	0	0	0	0	25,300
0	8,967	40	0	0	22,684
0	0	0	20,138	0	761,718
0	1,965	868	0	0	30,150
0	0	0	0	0	9,474
0	0	0	0	0	59,809
0	0	0	0	0	51,384
<u>25,300</u>	<u>10,932</u>	<u>908</u>	<u>182,941</u>	<u>0</u>	<u>2,599,590</u>
0	0	0	0	0	52,950
0	33,332	238	145,000	2,190	184,911
0	0	0	0	0	1,287,580
22,428	0	0	0	0	22,428
0	0	0	0	0	5,000
0	0	0	0	0	1,926,370
<u>22,428</u>	<u>33,332</u>	<u>238</u>	<u>145,000</u>	<u>2,190</u>	<u>3,479,239</u>
<u>2,872</u>	<u>(22,400)</u>	<u>670</u>	<u>37,941</u>	<u>(2,190)</u>	<u>(879,649)</u>
0	0	0	0	0	208
0	0	0	0	0	1,075,000
0	0	0	0	0	(11,224)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,063,984</u>
2,872	(22,400)	670	37,941	(2,190)	184,335
<u>102,044</u>	<u>98,216</u>	<u>39,694</u>	<u>292,719</u>	<u>18,968</u>	<u>1,657,082</u>
<u>\$104,916</u>	<u>\$75,816</u>	<u>\$40,364</u>	<u>\$330,660</u>	<u>\$16,778</u>	<u>\$1,841,417</u>

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2018

	Issue II	Recreation Expansion	Recreation Facilities Expansion	Public Utility Improvement	Fire Ambulance Capital	Total Nonmajor Capital Projects Funds
Assets						
Equity in Pooled Cash and						
Cash Equivalents	\$225,915	\$69,357	\$1,577,676	\$549,453	\$517,816	\$2,940,217
Accounts Receivable	0	8,500	0	0	28,554	37,054
Intergovernmental Receivable	0	0	0	0	96,973	96,973
<i>Total Assets</i>	<u>\$225,915</u>	<u>\$77,857</u>	<u>\$1,577,676</u>	<u>\$549,453</u>	<u>\$643,343</u>	<u>\$3,074,244</u>
Liabilities						
Accounts Payable	\$0	\$0	\$2,175	\$0	\$2,002	\$4,177
Contracts Payable	0	0	1,504	0	0	1,504
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>3,679</u>	<u>0</u>	<u>2,002</u>	<u>5,681</u>
Deferred Inflows of Resources						
Unavailable Revenue	0	0	0	0	96,973	96,973
Fund Balances						
Restricted	225,915	0	0	0	0	225,915
Committed	0	0	0	186,320	544,368	730,688
Assigned	0	77,857	1,573,997	363,133	0	2,014,987
<i>Total Fund Balances</i>	<u>225,915</u>	<u>77,857</u>	<u>1,573,997</u>	<u>549,453</u>	<u>544,368</u>	<u>2,971,590</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$225,915</u>	<u>\$77,857</u>	<u>\$1,577,676</u>	<u>\$549,453</u>	<u>\$643,343</u>	<u>\$3,074,244</u>

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2018

	Issue II	Recreation Expansion	Recreation Facilities Expansion	Public Utility Improvement	Fire Ambulance Capital	Total Nonmajor Capital Projects Funds
Revenues						
Charges for Services	\$0	\$0	\$0	\$0	\$284,728	\$284,728
Licenses and Permits	0	70,863	0	143,760	0	214,623
Intergovernmental	0	0	0	0	12,395	12,395
Interest	5,526	1,382	32,269	3,146	14,113	56,436
Miscellaneous	0	0	0	5,500	0	5,500
<i>Total Revenues</i>	<u>5,526</u>	<u>72,245</u>	<u>32,269</u>	<u>152,406</u>	<u>311,236</u>	<u>573,682</u>
Expenditures						
Capital Outlay	0	42,526	285,877	6,775	757,058	1,092,236
Debt Service: Principal Retirement	<u>53,603</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>53,603</u>
<i>Total Expenditures</i>	<u>53,603</u>	<u>42,526</u>	<u>285,877</u>	<u>6,775</u>	<u>757,058</u>	<u>1,145,839</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(48,077)	29,719	(253,608)	145,631	(445,822)	(572,157)
Other Financing Sources						
Transfers In	<u>53,604</u>	<u>0</u>	<u>550,022</u>	<u>0</u>	<u>0</u>	<u>603,626</u>
<i>Net Change in Fund Balances</i>	5,527	29,719	296,414	145,631	(445,822)	31,469
<i>Fund Balances Beginning of Year</i>	<u>220,388</u>	<u>48,138</u>	<u>1,277,583</u>	<u>403,822</u>	<u>990,190</u>	<u>2,940,121</u>
<i>Fund Balances End of Year</i>	<u>\$225,915</u>	<u>\$77,857</u>	<u>\$1,573,997</u>	<u>\$549,453</u>	<u>\$544,368</u>	<u>\$2,971,590</u>

Combining Statements - Fiduciary Funds

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City's only trust fund is the cemetery private purpose trust. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Private Purpose Trust Fund

Cemetery Endowment Fund - This fund received a \$3,000 endowment with the interest to be used for the perpetual care and maintenance of certain burial plots.

Agency Funds

Senior Citizens' Programs Fund - This fund accounts for donations to the City's senior citizens. The senior citizens use the money for home visitations. The City's role is limited to that of custodian of funds.

Street Openings Fund - This fund accounts for deposits held by the City for construction of new street openings. These monies are returned when the work is completed.

Deposits and Fees Fund - This fund accounts for deposits from various contractors, developers or individuals to insure compliance with City Ordinances. These monies are returned when the work is completed.

Contractors Deposit Fund - This fund accounts for deposits from various contractors, developers or individuals to insure compliance with City Ordinances. These monies are returned when the work is completed.

City of Brecksville, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2018

	Beginning Balance 12/31/17	Additions	Deductions	Ending Balance 12/31/18
Senior Citizens' Programs				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$25,500	\$11,916	\$7,747	\$29,669
Liabilities				
Undistributed Monies	\$25,500	\$11,916	\$7,747	\$29,669
Street Openings				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$303,780	\$60,950	\$51,450	\$313,280
Liabilities				
Deposits Held and Due to Others	\$303,780	\$60,950	\$51,450	\$313,280
Deposits and Fees				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$453,652	\$418,596	\$413,676	\$458,572
Liabilities				
Deposits Held and Due to Others	\$453,652	\$418,596	\$413,676	\$458,572
Contractors Deposit				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$158,700	\$1,575,300	\$995,123	\$738,877
Liabilities				
Deposits Held and Due to Others	\$158,700	\$1,575,300	\$995,123	\$738,877
Total - All Agency Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$941,632	\$2,066,762	\$1,467,996	\$1,540,398
Liabilities				
Undistributed Monies	\$25,500	\$11,916	\$7,747	\$29,669
Deposits Held and Due to Others	916,132	2,054,846	1,460,249	1,510,729
<i>Total Liabilities</i>	\$941,632	\$2,066,762	\$1,467,996	\$1,540,398

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

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2018*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$1,806,532	\$1,904,637	\$1,904,660	\$23
Municipal Income Taxes	15,147,000	15,670,000	15,628,018	(41,982)
Charges for Services	117,400	117,400	117,661	261
Licenses and Permits	293,000	293,000	336,140	43,140
Fines and Forfeitures	217,000	217,000	292,751	75,751
Intergovernmental	390,726	379,980	397,836	17,856
Interest	80,000	80,000	147,337	67,337
Donations	9,750	9,750	11,691	1,941
Rentals	101,500	101,500	138,275	36,775
Miscellaneous	328,869	1,578,869	879,545	(699,324)
<i>Total Revenues</i>	<u>18,491,777</u>	<u>20,352,136</u>	<u>19,853,914</u>	<u>(498,222)</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Mayor:				
Salaries and Wages	181,657	181,657	170,420	11,237
Fringe Benefits	56,019	56,019	54,488	1,531
Materials and Supplies	2,800	2,800	458	2,342
Purchased Services	2,800	2,800	1,237	1,563
Total Mayor	<u>243,276</u>	<u>243,276</u>	<u>226,603</u>	<u>16,673</u>
Finance Director:				
Salaries and Wages	339,097	339,097	308,244	30,853
Fringe Benefits	122,490	122,490	108,169	14,321
Materials and Supplies	4,516	4,645	4,645	0
Purchased Services	154,000	503,871	503,633	238
Total Finance Director	<u>620,103</u>	<u>970,103</u>	<u>924,691</u>	<u>45,412</u>
Purchasing Department:				
Salaries and Wages	153,964	153,964	153,586	378
Fringe Benefits	55,706	55,706	55,703	3
Materials and Supplies	3,250	3,250	1,891	1,359
Purchased Services	750	750	637	113
Total Purchasing Department	<u>213,670</u>	<u>213,670</u>	<u>211,817</u>	<u>1,853</u>
Legal Department:				
Salaries and Wages	51,803	52,946	52,946	0
Fringe Benefits	21,669	20,526	20,526	0
Contractual Services	200,000	230,000	218,502	11,498
Total Legal Department	<u>273,472</u>	<u>303,472</u>	<u>291,974</u>	<u>11,498</u>
Legislative:				
Salaries and Wages	184,787	184,787	183,157	1,630
Fringe Benefits	61,077	61,077	59,888	1,189
Contractual Services	8,000	9,577	8,252	1,325
Materials and Supplies	950	329	329	0
Purchased Services	1,000	2,044	2,044	0
Total Legislative	<u>\$255,814</u>	<u>\$257,814</u>	<u>\$253,670</u>	<u>\$4,144</u>

(continued)

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2018*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Civil Service:				
Salaries and Wages	\$5,355	\$5,355	\$506	\$4,849
Fringe Benefits	828	828	78	750
Contractual Services	20,000	20,000	520	19,480
Materials and Supplies	2,500	2,500	0	2,500
Total Civil Service	28,683	28,683	1,104	27,579
Information Technology:				
Salaries and Wages	218,402	228,402	226,739	1,663
Fringe Benefits	82,405	83,950	83,760	190
Contractual Services	51,700	51,700	35,515	16,185
Materials and Supplies	39,693	39,693	30,114	9,579
Purchased Services	37,372	37,372	29,475	7,897
Capital Outlay	239,000	239,000	208,477	30,523
Total Information Technology	668,572	680,117	614,080	66,037
County Fiscal Officer and Treasurer:				
Contractual Services	78,500	89,600	86,856	2,744
Income Tax Administration:				
Contractual Services	24,000	24,663	24,663	0
Materials and Supplies	1,000	337	0	337
Other	559,500	559,500	556,588	2,912
Total Income Tax Administration	584,500	584,500	581,251	3,249
Administrative Support:				
Salaries and Wages	101,020	101,020	41,636	59,384
Fringe Benefits	448,738	448,738	268,952	179,786
Contractual Services	1,229,936	1,225,936	1,151,961	73,975
Materials and Supplies	517,429	517,429	456,130	61,299
Purchased Services	11,000	11,000	9,480	1,520
Capital Outlay	45,000	5,000	0	5,000
Other	322,866	322,866	296,079	26,787
Total Administrative Support	2,675,989	2,631,989	2,224,238	407,751
Land and Building:				
Salaries and Wages	996,103	996,103	930,068	66,035
Fringe Benefits	387,973	387,973	366,701	21,272
Contractual Services	70,440	70,440	58,830	11,610
Materials and Supplies	116,594	116,594	100,599	15,995
Purchased Services	574,099	596,002	466,130	129,872
Other	0	57	57	0
Total Land and Building	2,145,209	2,167,169	1,922,385	244,784
Engineer:				
Salaries and Wages	40,000	40,000	12,505	27,495
Fringe Benefits	6,180	6,180	3,128	3,052
Contractual Services	111,500	111,500	86,468	25,032
Total Engineer	157,680	157,680	102,101	55,579
Total Legislative and Executive	\$7,945,468	\$8,328,073	\$7,440,770	\$887,303

(continued)

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2018

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Judicial System:				
Mayor's Court:				
Salaries and Wages	\$111,865	\$111,865	\$110,079	\$1,786
Fringe Benefits	40,862	40,862	28,881	11,981
Contractual Services	1,000	1,000	0	1,000
Materials and Supplies	5,207	5,207	3,305	1,902
Purchased Services	1,500	1,500	645	855
Total Judicial System	160,434	160,434	142,910	17,524
Total General Government	8,105,902	8,488,507	7,583,680	904,827
Public Safety:				
Police:				
Law Enforcement:				
Salaries and Wages	3,166,749	3,166,749	3,086,907	79,842
Fringe Benefits	1,066,589	1,066,589	1,039,018	27,571
Contractual Services	137,405	1,337,405	769,013	568,392
Materials and Supplies	136,127	138,427	109,653	28,774
Purchased Services	79,584	79,584	67,300	12,284
Capital Outlay	292,000	114,700	113,461	1,239
Total Law Enforcement	4,878,454	5,903,454	5,185,352	718,102
Prisoner Support:				
Salaries and Wages	174,809	59,809	45,726	14,083
Fringe Benefits	67,187	58,689	21,045	37,644
Contractual Services	4,000	64,000	14,644	49,356
Materials and Supplies	17,700	17,700	4,196	13,504
Purchased Services	1,200	1,200	0	1,200
Total Prisoner Support	264,896	201,398	85,611	115,787
Traffic Control				
Materials and Supplies	18,561	18,561	6,318	12,243
Purchased Services	48,360	48,360	42,609	5,751
Total Traffic Control	66,921	66,921	48,927	17,994
Street Lighting:				
Purchased Services	120,000	120,000	103,441	16,559
Animal Control:				
Salaries and Wages	61,575	61,575	54,553	7,022
Fringe Benefits	25,317	25,317	24,338	979
Contractual Services	3,600	3,600	3,563	37
Materials and Supplies	1,500	1,500	562	938
Purchased Services	1,250	1,250	272	978
Total Animal Control	93,242	93,242	83,288	9,954
Total Police	\$5,423,513	\$6,385,015	\$5,506,619	\$878,396

(continued)

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2018*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Fire:				
Hydrants:				
Salaries and Wages	\$14,000	\$13,924	\$13,924	\$0
Fringe Benefits	2,163	2,239	2,239	0
Contractual Services	2,000	0	0	0
Materials and Supplies	1,000	3,072	3,072	0
Purchased Services	500	428	0	428
Total Fire	19,663	19,663	19,235	428
Total Public Safety	5,443,176	6,404,678	5,525,854	878,824
Public Health and Social Services:				
Board of Health:				
Contractual Services	56,263	58,994	58,994	0
Cemetery:				
Salaries and Wages	103,674	103,674	102,250	1,424
Fringe Benefits	23,712	23,712	23,597	115
Materials and Supplies	9,023	9,023	7,129	1,894
Other	1,000	1,000	500	500
Total Cemetery	137,409	137,409	133,476	3,933
Human Services Department:				
Salaries and Wages	391,706	391,706	387,722	3,984
Fringe Benefits	136,113	136,113	134,639	1,474
Contractual Services	34,833	34,833	34,732	101
Materials and Supplies	103,734	103,734	89,926	13,808
Purchased Services	270,658	270,658	239,285	31,373
Capital Outlay	40,000	40,000	12,429	27,571
Other	500	500	396	104
Total Human Services Department	977,544	977,544	899,129	78,415
Total Public Health and Social Services	1,171,216	1,173,947	1,091,599	82,348
Street Construction, Maintenance, and Repair:				
Street Repairs and Maintenance:				
Salaries and Wages	810,508	819,485	819,485	0
Fringe Benefits	411,174	402,197	375,942	26,255
Materials and Supplies	18,343	18,343	11,374	6,969
Total Street Repairs and Maintenance	1,240,025	1,240,025	1,206,801	33,224
Vehicle Maintenance:				
Salaries and Wages	357,025	379,040	379,040	0
Fringe Benefits	140,597	143,520	143,520	0
Materials and Supplies	39,000	38,226	37,105	1,121
Purchased Services	121,224	121,998	121,998	0
Total Vehicle Maintenance	\$657,846	\$682,784	\$681,663	\$1,121

(continued)

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2018*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Snow and Ice Removal:				
Salaries and Wages	\$190,750	\$190,750	\$136,567	\$54,183
Fringe Benefits	29,471	29,471	21,066	8,405
Contractual Services	37,285	37,285	25,810	11,475
Materials and Supplies	25,000	25,000	20,149	4,851
Total Snow and Ice Removal	282,506	282,506	203,592	78,914
Total Street Construction, Maintenance and Repair	2,180,377	2,205,315	2,092,056	113,259
Housing and Community Development:				
Housing and Building Inspection:				
Salaries and Wages	427,328	427,328	395,312	32,016
Fringe Benefits	147,891	147,891	142,952	4,939
Contractual Services	17,500	17,500	13,128	4,372
Materials and Supplies	18,000	18,000	3,169	14,831
Purchased Services	8,500	8,500	5,472	3,028
Other	5,000	5,000	621	4,379
Total Housing and Building Inspection	624,219	624,219	560,654	63,565
Board of Zoning Appeals:				
Contractual Services	4,770	4,770	2,130	2,640
Planning Commission:				
Salaries and Wages	2,500	2,500	1,251	1,249
Fringe Benefits	386	386	193	193
Contractual Services	8,000	8,000	485	7,515
Total Planning Commission	10,886	10,886	1,929	8,957
Urban Forestry:				
Salaries and Wages	249,823	269,823	263,336	6,487
Fringe Benefits	90,997	94,087	92,752	1,335
Contractual Services	22,000	22,000	10,763	11,237
Materials and Supplies	6,533	6,533	5,426	1,107
Purchased Services	9,500	9,500	7,984	1,516
Total Urban Forestry	378,853	401,943	380,261	21,682
Total Housing and Community Development	1,018,728	1,041,818	944,974	96,844
Basic Utility Services:				
Service Department:				
Salaries and Wages	304,463	244,463	228,054	16,409
Fringe Benefits	109,605	100,335	93,517	6,818
Contractual Services	1,200	1,200	662	538
Materials and Supplies	13,884	13,884	10,708	3,176
Purchased Services	6,406	6,406	5,235	1,171
Capital Outlay	559,004	374,044	372,327	1,717
Total Service Department	\$994,562	\$740,332	\$710,503	\$29,829

(continued)

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2018*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Solid Waste and Recycling:				
Salaries and Wages	\$470,667	\$486,667	\$485,189	\$1,478
Fringe Benefits	137,686	146,859	145,901	958
Contractual Services	351,710	398,561	398,561	0
Materials and Supplies	5,589	3,738	3,571	167
Purchased Services	39,152	39,152	36,543	2,609
Total Solid Waste and Recycling	1,004,804	1,074,977	1,069,765	5,212
Storm Sewers and Drains:				
Salaries and Wages	60,000	63,000	59,479	3,521
Fringe Benefits	9,270	9,734	9,172	562
Materials and Supplies	7,500	3,857	300	3,557
Purchased Services	9,000	12,643	12,643	0
Total Storm Sewers and Drains	85,770	89,234	81,594	7,640
Total Basic Utility Services	2,085,136	1,904,543	1,861,862	42,681
Total Expenditures	20,004,535	21,218,808	19,100,025	2,118,783
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>(1,512,758)</i>	<i>(866,672)</i>	<i>753,889</i>	<i>1,620,561</i>
Other Financing Sources (Uses)				
Sale of Capital Assets	10,000	10,000	38,835	28,835
Advances Out	0	(750,000)	(750,000)	0
Transfers Out	(1,926,169)	(2,284,511)	(2,284,511)	0
Total Other Financing Sources (Uses)	(1,916,169)	(3,024,511)	(2,995,676)	28,835
Net Change in Fund Balance	(3,428,927)	(3,891,183)	(2,241,787)	1,649,396
Fund Balance Beginning of Year	6,439,372	6,439,372	6,439,372	0
Prior Year Encumbrances Appropriated	303,931	303,931	303,931	0
Fund Balance End of Year	\$3,314,376	\$2,852,120	\$4,501,516	\$1,649,396

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Department Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$1,749,917	\$1,844,940	\$1,844,940	\$0
Intergovernmental	245,325	234,914	228,214	(6,700)
Interest	7,000	13,000	14,154	1,154
Donations	0	100	100	0
Miscellaneous	6,810	6,810	33,385	26,575
<i>Total Revenues</i>	<u>2,009,052</u>	<u>2,099,764</u>	<u>2,120,793</u>	<u>21,029</u>
Expenditures				
Current:				
Public Safety:				
Fire:				
Salaries and Wages	1,811,389	1,791,389	1,738,319	53,070
Fringe Benefits	714,303	714,303	676,034	38,269
Contractual Services	19,300	19,300	19,164	136
Materials and Supplies	69,892	69,892	63,057	6,835
Purchased Services	129,633	129,633	91,385	38,248
<i>Total Expenditures</i>	<u>2,744,517</u>	<u>2,724,517</u>	<u>2,587,959</u>	<u>136,558</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(735,465)</u>	<u>(624,753)</u>	<u>(467,166)</u>	<u>157,587</u>
Other Financing Sources				
Sale of Capital Assets	500	11,000	11,300	300
Transfers In	450,000	450,000	450,000	0
<i>Total Other Financing Sources</i>	<u>450,500</u>	<u>461,000</u>	<u>461,300</u>	<u>300</u>
<i>Net Change in Fund Balance</i>	<u>(284,965)</u>	<u>(163,753)</u>	<u>(5,866)</u>	<u>157,887</u>
<i>Fund Balance Beginning of Year</i>	280,690	280,690	280,690	0
Prior Year Encumbrances Appropriated	7,025	7,025	7,025	0
<i>Fund Balance End of Year</i>	<u>\$2,750</u>	<u>\$123,962</u>	<u>\$281,849</u>	<u>\$157,887</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Assessment Bond Retirement Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Special Assessments	\$480,000	\$480,000	\$427,336	(\$52,664)
Miscellaneous	0	0	95,000	95,000
<i>Total Revenues</i>	<u>480,000</u>	<u>480,000</u>	<u>522,336</u>	<u>42,336</u>
Expenditures				
Debt Service:				
Principal Retirement	389,000	389,000	389,000	0
Interest and Fiscal Charges	107,406	107,406	96,739	10,667
<i>Total Expenditures</i>	<u>496,406</u>	<u>496,406</u>	<u>485,739</u>	<u>10,667</u>
<i>Net Change in Fund Balance</i>	(16,406)	(16,406)	36,597	53,003
<i>Fund Balance Beginning of Year</i>	<u>85,486</u>	<u>85,486</u>	<u>85,486</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$69,080</u></u>	<u><u>\$69,080</u></u>	<u><u>\$122,083</u></u>	<u><u>\$53,003</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Municipal Improvement Fund
For the Year Ended December 31, 2018

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	\$960,000	\$960,000	\$960,000	\$0
Intergovernmental	1,000,000	500,035	500,035	0
Special Assessments	12,000	13,293	13,293	0
Interest	20,000	85,500	76,473	(9,027)
Miscellaneous	1,466,000	882,389	606,311	(276,078)
<i>Total Revenues</i>	<u>3,458,000</u>	<u>2,441,217</u>	<u>2,156,112</u>	<u>(285,105)</u>
Expenditures				
Capital Outlay:				
Capital Outlay	5,698,685	3,412,290	3,304,402	107,888
Debt Service:				
Principal Retirement	4,090,000	4,090,000	4,090,000	0
Interest and Fiscal Charges	81,800	81,800	81,573	227
Total Debt Service	<u>4,171,800</u>	<u>4,171,800</u>	<u>4,171,573</u>	<u>227</u>
<i>Total Expenditures</i>	<u>9,870,485</u>	<u>7,584,090</u>	<u>7,475,975</u>	<u>108,115</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(6,412,485)</u>	<u>(5,142,873)</u>	<u>(5,319,863)</u>	<u>(176,990)</u>
Other Financing Sources (Uses)				
Bond Anticipation Notes Issued	2,500,000	2,000,000	2,000,000	0
Advances Out	0	(1,250,000)	(1,250,000)	0
Transfers In	0	2,489	2,489	0
Transfers Out	(332,380)	(332,380)	(332,380)	0
<i>Total Other Financing Sources (Uses)</i>	<u>2,167,620</u>	<u>420,109</u>	<u>420,109</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(4,244,865)</u>	<u>(4,722,764)</u>	<u>(4,899,754)</u>	<u>(176,990)</u>
<i>Fund Balance Beginning of Year</i>	3,167,708	3,167,708	3,167,708	0
Prior Year Encumbrances Appropriated	<u>2,293,685</u>	<u>2,293,685</u>	<u>2,293,685</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,216,528</u>	<u>\$738,629</u>	<u>\$561,639</u>	<u>(\$176,990)</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Buildings and Improvements Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Municipal Income Taxes	\$1,700,000	\$1,700,000	\$1,700,004	\$4
Intergovernmental	0	0	63,474	63,474
Interest	7,500	7,500	12,193	4,693
Miscellaneous	1,000	351,000	350,280	(720)
<i>Total Revenues</i>	<u>1,708,500</u>	<u>2,058,500</u>	<u>2,125,951</u>	<u>67,451</u>
Expenditures				
Capital Outlay:				
Capital Outlay	<u>1,293,382</u>	<u>1,850,382</u>	<u>1,473,597</u>	<u>376,785</u>
<i>Excess of Revenues Over Expenditures</i>	<u>415,118</u>	<u>208,118</u>	<u>652,354</u>	<u>444,236</u>
Other Financing Sources (Uses)				
Transfers In	0	207,000	207,000	0
Transfers Out	<u>(871,000)</u>	<u>(871,000)</u>	<u>(871,000)</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(871,000)</u>	<u>(664,000)</u>	<u>(664,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(455,882)</u>	<u>(455,882)</u>	<u>(11,646)</u>	<u>444,236</u>
<i>Fund Balance Beginning of Year</i>	227,979	227,979	227,979	0
Prior Year Encumbrances Appropriated	<u>364,882</u>	<u>364,882</u>	<u>364,882</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$136,979</u></u>	<u><u>\$136,979</u></u>	<u><u>\$581,215</u></u>	<u><u>\$444,236</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Road Improvements Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Municipal Income Taxes	\$360,000	\$360,000	\$360,000	\$0
Interest	2,700	2,700	6,826	4,126
<i>Total Revenues</i>	362,700	362,700	366,826	4,126
Expenditures				
Capital Outlay:				
Road Repaving:				
Purchased Services	430,000	430,000	383,272	46,728
<i>Net Change in Fund Balance</i>	(67,300)	(67,300)	(16,446)	50,854
<i>Fund Balance Beginning of Year</i>	213,102	213,102	213,102	0
<i>Fund Balance End of Year</i>	<u>\$145,802</u>	<u>\$145,802</u>	<u>\$196,656</u>	<u>\$50,854</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Station Building Fund
For the Year Ended December 31, 2018*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest	\$20,000	\$20,000	\$103,213	\$83,213
Expenditures				
Capital Outlay:				
Capital Outlay	9,566,704	9,566,704	9,343,402	223,302
<i>Excess of Revenues Under Expenditures</i>	(9,546,704)	(9,546,704)	(9,240,189)	306,515
Other Financing Sources				
General Obligation Bonds Issued	2,500,000	500,000	500,000	0
Advances In	0	2,000,000	2,000,000	0
<i>Total Other Financing Sources</i>	2,500,000	2,500,000	2,500,000	0
<i>Net Change in Fund Balance</i>	(7,046,704)	(7,046,704)	(6,740,189)	306,515
<i>Fund Balance Beginning of Year</i>	1,100,571	1,100,571	1,100,571	0
Prior Year Encumbrances Appropriated	5,970,297	5,970,297	5,970,297	0
<i>Fund Balance End of Year</i>	\$24,164	\$24,164	\$330,679	\$306,515

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Motor Vehicle License Tax Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$36,000	\$36,000	\$36,402	\$402
Interest	400	400	499	99
<i>Total Revenues</i>	36,400	36,400	36,901	501
Expenditures				
Current:				
Street Construction, Maintenance, and Repair:				
Street Repair and Maintenance:				
Capital Outlay	40,000	40,000	20,620	19,380
<i>Net Change in Fund Balance</i>	(3,600)	(3,600)	16,281	19,881
<i>Fund Balance Beginning of Year</i>	12,469	12,469	12,469	0
<i>Fund Balance End of Year</i>	<u>\$8,869</u>	<u>\$8,869</u>	<u>\$28,750</u>	<u>\$19,881</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Repair and Maintenance Fund
For the Year Ended December 31, 2018*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$580,000	\$580,000	\$587,694	\$7,694
Interest	2,500	2,500	4,698	2,198
Other	0	0	9,848	9,848
<i>Total Revenues</i>	<u>582,500</u>	<u>582,500</u>	<u>602,240</u>	<u>19,740</u>
Expenditures				
Current:				
Street Construction, Maintenance, and Repair:				
Snow and Ice Removal:				
Purchased Services	655,178	830,178	785,207	44,971
Capital Outlay	180,000	180,000	56,998	123,002
<i>Total Expenditures</i>	<u>835,178</u>	<u>1,010,178</u>	<u>842,205</u>	<u>167,973</u>
<i>Excess of Revenues Under Expenditures</i>	(252,678)	(427,678)	(239,965)	187,713
Other Financing Sources				
Transfers In	0	175,000	175,000	0
<i>Net Change in Fund Balance</i>	(252,678)	(252,678)	(64,965)	187,713
<i>Fund Balance Beginning of Year</i>	256,592	256,592	256,592	0
Prior Year Encumbrances Appropriated	85,178	85,178	85,178	0
<i>Fund Balance End of Year</i>	<u>\$89,092</u>	<u>\$89,092</u>	<u>\$276,805</u>	<u>\$187,713</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$46,000	\$46,000	\$47,651	\$1,651
Interest	600	600	2,245	1,645
<i>Total Revenues</i>	<u>46,600</u>	<u>46,600</u>	<u>49,896</u>	<u>3,296</u>
Expenditures				
Current:				
Street Construction, Maintenance, and Repair:				
Route 21 Center Strip:				
Salaries and Wages	21,810	21,810	0	21,810
Fringe Benefits	3,190	3,190	0	3,190
Purchased Services	30,000	30,000	30,000	0
<i>Total Expenditures</i>	<u>55,000</u>	<u>55,000</u>	<u>30,000</u>	<u>25,000</u>
<i>Net Change in Fund Balance</i>	(8,400)	(8,400)	19,896	28,296
<i>Fund Balance Beginning of Year</i>	<u>102,837</u>	<u>102,837</u>	<u>102,837</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$94,437</u>	<u>\$94,437</u>	<u>\$122,733</u>	<u>\$28,296</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Center Fund
For the Year Ended December 31, 2018

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$956,000	\$956,000	\$934,265	(\$21,735)
Interest	5,000	5,000	9,344	4,344
Donations	6,000	6,000	9,474	3,474
Rentals	62,200	62,200	60,465	(1,735)
Miscellaneous	21,921	25,221	42,714	17,493
<i>Total Revenues</i>	<u>1,051,121</u>	<u>1,054,421</u>	<u>1,056,262</u>	<u>1,841</u>
Expenditures				
Current:				
Recreational Activities:				
Community Center:				
Salaries and Wages	1,006,577	1,010,077	978,958	31,119
Fringe Benefits	365,122	361,495	339,381	22,114
Contractual Services	187,100	193,700	181,176	12,524
Materials and Supplies	157,607	160,907	115,909	44,998
Purchased Services	314,885	314,337	272,440	41,897
Capital Outlay	75,000	75,000	12,576	62,424
Other	29,550	30,098	30,098	0
<i>Total Expenditures</i>	<u>2,135,841</u>	<u>2,145,614</u>	<u>1,930,538</u>	<u>215,076</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,084,720)</u>	<u>(1,091,193)</u>	<u>(874,276)</u>	<u>216,917</u>
Other Financing Sources				
Sale of Capital Assets	0	0	208	208
Transfers In	900,000	900,000	900,000	0
<i>Total Other Financing Sources</i>	<u>900,000</u>	<u>900,000</u>	<u>900,208</u>	<u>208</u>
<i>Net Change in Fund Balance</i>	(184,720)	(191,193)	25,932	217,125
<i>Fund Balance Beginning of Year</i>	315,968	315,968	315,968	0
Prior Year Encumbrances Appropriated	8,892	8,892	8,892	0
<i>Fund Balance End of Year</i>	<u>\$140,140</u>	<u>\$133,667</u>	<u>\$350,792</u>	<u>\$217,125</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Road Maintenance Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$514,682	\$542,618	\$542,618	\$0
Intergovernmental	70,184	67,121	67,121	0
Interest	2,500	2,500	5,848	3,348
Miscellaneous	137,000	31,898	57	(31,841)
<i>Total Revenues</i>	<u>724,366</u>	<u>644,137</u>	<u>615,644</u>	<u>(28,493)</u>
Expenditures				
Current:				
Street Construction, Maintenance, and Repair:				
Street Repair and Maintenance:				
Contractual Services	500	7,575	7,575	0
Purchased Services	50,000	42,925	2,376	40,549
Capital Outlay	640,000	534,898	533,874	1,024
<i>Total Expenditures</i>	<u>690,500</u>	<u>585,398</u>	<u>543,825</u>	<u>41,573</u>
<i>Excess of Revenues Over Expenditures</i>	33,866	58,739	71,819	13,080
Other Financing Uses				
Transfers Out	(11,224)	(11,224)	(11,224)	0
<i>Net Change in Fund Balance</i>	22,642	47,515	60,595	13,080
<i>Fund Balance Beginning of Year</i>	<u>110,706</u>	<u>110,706</u>	<u>110,706</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$133,348</u></u>	<u><u>\$158,221</u></u>	<u><u>\$171,301</u></u>	<u><u>\$13,080</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Federal Equitable Sharing Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$200	\$200	\$399	\$199
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Federal Equitable Sharing				
Materials and Supplies	10,000	10,000	0	10,000
<i>Net Change in Fund Balance</i>	(9,800)	(9,800)	399	10,199
<i>Fund Balance Beginning of Year</i>	18,204	18,204	18,204	0
<i>Fund Balance End of Year</i>	<u>\$8,404</u>	<u>\$8,404</u>	<u>\$18,603</u>	<u>\$10,199</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Enforcement and Education Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$1,500	\$1,500	\$1,389	(\$111)
Intergovernmental	2,400	2,400	2,400	0
Interest	340	340	661	321
<i>Total Revenues</i>	<u>4,240</u>	<u>4,240</u>	<u>4,450</u>	<u>210</u>
Expenditures				
Current:				
Public Safety:				
Police:				
Salaries and Wages	2,000	1,912	1,912	0
Fringe Benefits	330	418	418	0
Materials and Supplies	18,500	18,500	0	18,500
Purchased Services	6,864	6,864	2,439	4,425
<i>Total Expenditures</i>	<u>27,694</u>	<u>27,694</u>	<u>4,769</u>	<u>22,925</u>
<i>Net Change in Fund Balance</i>	(23,454)	(23,454)	(319)	23,135
<i>Fund Balance Beginning of Year</i>	31,103	31,103	31,103	0
Prior Year Encumbrances Appropriated	339	339	339	0
<i>Fund Balance End of Year</i>	<u>\$7,988</u>	<u>\$7,988</u>	<u>\$31,123</u>	<u>\$23,135</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Computerization Fund
For the Year Ended December 31, 2018*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Fines and Forfeitures	\$12,000	\$12,000	\$12,288	\$288
Interest	1,700	1,700	3,510	1,810
<i>Total Revenues</i>	<u>13,700</u>	<u>13,700</u>	<u>15,798</u>	<u>2,098</u>
Expenditures				
Current:				
General Government:				
Judicial System:				
Court Computerization:				
Materials and Supplies	5,000	5,521	5,521	0
Purchased Services	5,000	4,479	0	4,479
Capital Outlay	150,000	150,000	47,429	102,571
<i>Total Expenditures</i>	<u>160,000</u>	<u>160,000</u>	<u>52,950</u>	<u>107,050</u>
<i>Net Change in Fund Balance</i>	(146,300)	(146,300)	(37,152)	109,148
<i>Fund Balance Beginning of Year</i>	<u>174,606</u>	<u>174,606</u>	<u>174,606</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$28,306</u></u>	<u><u>\$28,306</u></u>	<u><u>\$137,454</u></u>	<u><u>\$109,148</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Natureworks Grants Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Recreation:				
Natureworks Grant:				
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>950</u>	<u>950</u>	<u>950</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$950</u></u>	<u><u>\$950</u></u>	<u><u>\$950</u></u>	<u><u>\$0</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recycling Demo Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$5,000	\$5,000	\$5,000	\$0
Interest	100	100	113	13
<i>Total Revenues</i>	5,100	5,100	5,113	13
Expenditures				
Current:				
Basic Utility Services:				
Rubbish Recycling:				
Materials and Supplies	10,000	10,000	5,000	5,000
<i>Net Change in Fund Balance</i>	(4,900)	(4,900)	113	5,013
<i>Fund Balance Beginning of Year</i>	5,817	5,817	5,817	0
<i>Fund Balance End of Year</i>	<u>\$917</u>	<u>\$917</u>	<u>\$5,930</u>	<u>\$5,013</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Tree Planting Grants Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$13,000	\$13,000	\$25,300	\$12,300
Expenditures				
Current:				
Housing and Community Development:				
Tree Planning:				
Salaries and Wages	27,000	27,000	0	27,000
Fringe Benefits	4,590	4,590	0	4,590
Contractual Services	18,000	18,000	0	18,000
Materials and Supplies	27,000	22,325	17,753	4,572
Other	0	4,675	4,675	0
<i>Total Expenditures</i>	<u>76,590</u>	<u>76,590</u>	<u>22,428</u>	<u>54,162</u>
<i>Net Change in Fund Balance</i>	(63,590)	(63,590)	2,872	66,462
<i>Fund Balance Beginning of Year</i>	<u>102,044</u>	<u>102,044</u>	<u>102,044</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$38,454</u>	<u>\$38,454</u>	<u>\$104,916</u>	<u>\$66,462</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$4,500	\$4,500	\$8,967	\$4,467
Interest	1,200	1,200	1,965	765
<i>Total Revenues</i>	5,700	5,700	10,932	5,232
Expenditures				
Current:				
Public Safety:				
Police:				
Purchased Services	49,820	49,820	49,820	0
<i>Net Change in Fund Balance</i>	(44,120)	(44,120)	(38,888)	5,232
<i>Fund Balance Beginning of Year</i>	94,884	94,884	94,884	0
Prior Year Encumbrances Appropriated	19,820	19,820	19,820	0
<i>Fund Balance End of Year</i>	<u>\$70,584</u>	<u>\$70,584</u>	<u>\$75,816</u>	<u>\$5,232</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Mandatory Drug Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$0	\$0	\$40	\$40
Other	400	400	868	468
<i>Total Revenues</i>	400	400	908	508
Expenditures				
Current:				
Public Safety:				
Police:				
Materials and Supplies	30,000	30,000	238	29,762
<i>Net Change in Fund Balance</i>	(29,600)	(29,600)	670	30,270
<i>Fund Balance Beginning of Year</i>	39,694	39,694	39,694	0
<i>Fund Balance End of Year</i>	<u>\$10,094</u>	<u>\$10,094</u>	<u>\$40,364</u>	<u>\$30,270</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Pension Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$154,404	\$162,803	\$162,803	\$0
Intergovernmental	21,055	20,138	20,138	0
<i>Total Revenues</i>	<u>175,459</u>	<u>182,941</u>	<u>182,941</u>	<u>0</u>
Expenditures				
Current:				
Public Safety:				
Police:				
Fringe Benefits	145,000	145,000	145,000	0
Contractual Services	300	300	0	300
<i>Total Expenditures</i>	<u>145,300</u>	<u>145,300</u>	<u>145,000</u>	<u>300</u>
<i>Net Change in Fund Balance</i>	30,159	37,641	37,941	300
<i>Fund Balance Beginning of Year</i>	<u>292,719</u>	<u>292,719</u>	<u>292,719</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$322,878</u></u>	<u><u>\$330,360</u></u>	<u><u>\$330,660</u></u>	<u><u>\$300</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Peace Officer Training Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$5,000	\$5,000	\$11,240	\$6,240
Expenditures				
Current:				
Public Safety:				
Police:				
Purchased Services	9,550	9,550	6,790	2,760
<i>Net Change in Fund Balance</i>	(4,550)	(4,550)	4,450	9,000
<i>Fund Balance Beginning of Year</i>	7,678	7,678	7,678	0
Prior Year Encumbrances Appropriated	1,550	1,550	1,550	0
<i>Fund Balance End of Year</i>	<u>\$4,678</u>	<u>\$4,678</u>	<u>\$13,678</u>	<u>\$9,000</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Obligation Bond Retirement Fund
For the Year Ended December 31, 2018*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Debt Service:				
Principal Retirement	800,000	800,000	800,000	0
Interest and Fiscal Charges	407,802	407,802	377,752	30,050
<i>Total Expenditures</i>	<u>1,207,802</u>	<u>1,207,802</u>	<u>1,177,752</u>	<u>30,050</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,207,802)</u>	<u>(1,207,802)</u>	<u>(1,177,752)</u>	<u>30,050</u>
Other Financing Sources				
Premium on Bond Anticipation Notes Issued	0	0	20,850	20,850
Transfers In	1,161,000	1,161,000	1,161,000	0
<i>Total Other Financing Sources</i>	<u>1,161,000</u>	<u>1,161,000</u>	<u>1,181,850</u>	<u>20,850</u>
<i>Net Change in Fund Balance</i>	(46,802)	(46,802)	4,098	50,900
<i>Fund Balance Beginning of Year</i>	<u>232,021</u>	<u>232,021</u>	<u>232,021</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$185,219</u></u>	<u><u>\$185,219</u></u>	<u><u>\$236,119</u></u>	<u><u>\$50,900</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Issue II Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$1,500	\$1,500	\$5,526	\$4,026
Expenditures				
Capital Outlay:				
Purchased Services	5,000	5,000	0	5,000
Capital Outlay	200,000	200,000	0	200,000
Total Capital Outlay	205,000	205,000	0	205,000
Debt Service:				
Principal Retirement	53,604	53,604	53,603	1
<i>Total Expenditures</i>	<u>258,604</u>	<u>258,604</u>	<u>53,603</u>	<u>205,001</u>
<i>Excess of Revenues Under Expenditures</i>	(257,104)	(257,104)	(48,077)	209,027
Other Financing Sources				
Transfers In	53,604	53,604	53,604	0
<i>Net Change in Fund Balance</i>	(203,500)	(203,500)	5,527	209,027
<i>Fund Balance Beginning of Year</i>	<u>220,388</u>	<u>220,388</u>	<u>220,388</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$16,888</u></u>	<u><u>\$16,888</u></u>	<u><u>\$225,915</u></u>	<u><u>\$209,027</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Expansion Fund
For the Year Ended December 31, 2018*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Licenses and Permits	\$65,000	\$65,000	\$62,363	(\$2,637)
Interest	1,000	1,000	1,382	382
<i>Total Revenues</i>	66,000	66,000	63,745	(2,255)
Expenditures				
Capital Outlay:				
Materials and Supplies	10,000	10,000	2,742	7,258
Capital Outlay	70,268	70,268	40,156	30,112
Other	500	500	192	308
<i>Total Expenditures</i>	80,768	80,768	43,090	37,678
<i>Net Change in Fund Balance</i>	(14,768)	(14,768)	20,655	35,423
<i>Fund Balance Beginning of Year</i>	45,870	45,870	45,870	0
Prior Year Encumbrances Appropriated	2,268	2,268	2,268	0
<i>Fund Balance End of Year</i>	\$33,370	\$33,370	\$68,793	\$35,423

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Facilities Expansion Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$0	\$27,000	\$32,269	\$5,269
Expenditures				
Capital Outlay:				
Capital Outlay	<u>5,568,575</u>	<u>968,575</u>	<u>503,961</u>	<u>464,614</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(5,568,575)</u>	<u>(941,575)</u>	<u>(471,692)</u>	<u>469,883</u>
Other Financing Sources				
General Obligation Bonds Issued	3,700,000	0	0	0
Transfers In	<u>576,169</u>	<u>550,022</u>	<u>550,022</u>	<u>0</u>
<i>Total Other Financing Sources</i>	<u>4,276,169</u>	<u>550,022</u>	<u>550,022</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(1,292,406)	(391,553)	78,330	469,883
<i>Fund Balance Beginning of Year</i>	1,315,115	1,315,115	1,315,115	0
Prior Year Encumbrances Appropriated	<u>68,575</u>	<u>68,575</u>	<u>68,575</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$91,284</u>	<u>\$992,137</u>	<u>\$1,462,020</u>	<u>\$469,883</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Public Utility Improvement Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$23,500	\$23,500	\$143,760	\$120,260
Interest	800	800	3,146	2,346
Miscellaneous	0	0	5,500	5,500
<i>Total Revenues</i>	<u>24,300</u>	<u>24,300</u>	<u>152,406</u>	<u>128,106</u>
Expenditures				
Capital Outlay:				
Contractual Services	44,000	44,000	11,775	32,225
Other	2,000	2,000	0	2,000
<i>Total Expenditures</i>	<u>46,000</u>	<u>46,000</u>	<u>11,775</u>	<u>34,225</u>
<i>Net Change in Fund Balance</i>	(21,700)	(21,700)	140,631	162,331
<i>Fund Balance Beginning of Year</i>	<u>403,822</u>	<u>403,822</u>	<u>403,822</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$382,122</u></u>	<u><u>\$382,122</u></u>	<u><u>\$544,453</u></u>	<u><u>\$162,331</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Ambulance Capital Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$260,000	\$260,000	\$286,987	\$26,987
Intergovernmental	15,000	15,000	21,163	6,163
Interest	8,000	8,000	14,113	6,113
<i>Total Revenues</i>	<u>283,000</u>	<u>283,000</u>	<u>322,263</u>	<u>39,263</u>
Expenditures				
Capital Outlay:				
Contractual Services	28,000	28,000	21,486	6,514
Capital Outlay	744,164	770,164	765,305	4,859
<i>Total Expenditures</i>	<u>772,164</u>	<u>798,164</u>	<u>786,791</u>	<u>11,373</u>
<i>Net Change in Fund Balance</i>	(489,164)	(515,164)	(464,528)	50,636
<i>Fund Balance Beginning of Year</i>	950,376	950,376	950,376	0
Prior Year Encumbrances Appropriated	<u>20,564</u>	<u>20,564</u>	<u>20,564</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$481,776</u></u>	<u><u>\$455,776</u></u>	<u><u>\$506,412</u></u>	<u><u>\$50,636</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Self Insurance Fund
For the Year Ended December 31, 2018*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$15,000	\$15,000	\$36,383	\$21,383
Miscellaneous	121,500	121,500	118,500	(3,000)
<i>Total Revenues</i>	<u>136,500</u>	<u>136,500</u>	<u>154,883</u>	<u>18,383</u>
Expenses				
Purchased Services	13,441	13,441	4,147	9,294
Claims	335,000	335,000	240,636	94,364
<i>Total Expenses</i>	<u>348,441</u>	<u>348,441</u>	<u>244,783</u>	<u>103,658</u>
<i>Net Change in Fund Equity</i>	(211,941)	(211,941)	(89,900)	122,041
<i>Fund Equity Beginning of Year</i>	1,637,541	1,637,541	1,637,541	0
Prior Year Encumbrances Appropriated	1,441	1,441	1,441	0
<i>Fund Equity End of Year</i>	<u>\$1,427,041</u>	<u>\$1,427,041</u>	<u>\$1,549,082</u>	<u>\$122,041</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Cemetery Endowment Fund
For the Year Ended December 31, 2018*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest	\$25	\$25	\$70	\$45
Expenses				
Other	100	100	0	100
<i>Net Change in Fund Equity</i>	(75)	(75)	70	145
<i>Fund Equity Beginning of Year</i>	3,174	3,174	3,174	0
<i>Fund Equity End of Year</i>	<u>\$3,099</u>	<u>\$3,099</u>	<u>\$3,244</u>	<u>\$145</u>

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Statistical Section

This part of the City of Brecksville, Ohio's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the City's overall financial health.

Contents	Pages(s)
<i>Financial Trends</i>	<i>S2 – S11</i>
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	<i>S12 – S20</i>
These schedules contain information to help the reader assess the City's most significant local revenue, the property tax and the municipal income tax.	
<i>Debt Capacity</i>	<i>S21 – S25</i>
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.	
<i>Demographic and Economic Information</i>	<i>S26 – S31</i>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	
<i>Operating Information</i>	<i>S32 – S35</i>
These schedules contain service and infrastructure 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.	

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

City of Brecksville, Ohio
Net Position By Component
Last Ten Years
(Accrual Basis of Accounting)

	2018	2017 (2)	2016	2015
Governmental Activities				
Net Investment in Capital Assets	\$78,737,049	\$65,981,738	\$73,353,987	\$69,946,323
Restricted:				
Capital Projects	1,110,602	7,843,753	590,944	900,027
Debt Service	2,479,039	2,771,399	3,474,178	3,973,179
Community Center	N/A	N/A	N/A	N/A
Court Computerization	137,454	174,606	163,287	150,372
Fire Department	209,281	254,211	226,751	148,663
Police Department	521,130	509,726	549,496	524,703
Road Maintenance	220,836	174,144	234,283	218,201
Street Construction, Maintenance, and Repair	806,269	700,642	639,465	731,322
Other Purposes	124,487	122,269	172,873	176,243
Unrestricted (Deficit)	(13,383,092)	(7,158,140)	3,808,154	2,295,237
<i>Total Governmental Activities Net Position</i>	<u>\$70,963,055</u>	<u>\$71,374,348</u>	<u>\$83,213,418</u>	<u>\$79,064,270</u>

(1) The City reported the impact of GASB Statement No. 68 beginning in 2014.

(2) The City reported the impact of GASB Statement No. 75 beginning in 2017.

2014 (1)	2013	2012	2011	2010	2009
\$74,133,853	\$72,417,114	\$70,119,261	\$66,408,438	\$65,615,699	\$63,486,515
1,420,845	329,701	232,792	3,045,641	801,922	1,937,585
4,415,231	4,805,954	4,901,981	5,840,447	5,713,451	6,445,832
N/A	146,894	N/A	N/A	N/A	361,444
242,043	235,719	N/A	N/A	N/A	N/A
177,816	238,486	99,629	311,661	424,696	706,135
480,237	410,660	N/A	N/A	N/A	N/A
245,463	215,326	345,691	137,076	402,803	570,816
872,497	1,015,590	853,116	725,291	825,033	1,170,024
159,198	37,646	860,505	1,309,947	788,783	716,987
654,223	16,694,528	15,190,625	9,915,091	10,215,534	6,771,495
<u>\$82,801,406</u>	<u>\$96,547,618</u>	<u>\$92,603,600</u>	<u>\$87,693,592</u>	<u>\$84,787,921</u>	<u>\$82,166,833</u>

City of Brecksville, Ohio
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2018	2017	2016	2015
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government:				
Legislative and Executive	\$354,788	\$276,352	\$344,701	\$359,173
Judicial System	19,135	16,699	19,564	17,080
Public Safety:				
Police	266,786	227,076	227,804	206,834
Fire	285,673	291,958	291,535	284,088
Public Health and Social Services	52,722	46,885	49,812	46,217
Street Construction, Maintenance, and Repair	106,521	91,515	100,066	93,240
Housing and Community Development	71,849	52,589	63,540	55,154
Basic Utility Services	255,642	174,702	171,080	130,548
Recreational Activities	1,064,322	1,079,413	1,150,592	995,080
Subtotal - Charges for Services	<u>2,477,438</u>	<u>2,257,189</u>	<u>2,418,694</u>	<u>2,187,414</u>
Operating Grants and Contributions:				
General Government:				
Legislative and Executive	4,171	5,030	3,834	5,988
Judicial System	94	105	81	115
Public Safety:				
Police	26,125	44,717	27,355	32,454
Fire	228,981	228,960	230,305	228,841
Public Health and Social Services	726	826	606	941
Street Construction, Maintenance, and Repair	726,372	745,911	749,205	763,645
Housing and Community Development	641	25,643	525	791
Basic Utility Services	6,158	4,737	30,886	5,771
Recreational Activities	9,474	10,402	10,844	4,940
Subtotal - Operating Grants and Contributions	<u>1,002,742</u>	<u>1,066,331</u>	<u>1,053,641</u>	<u>1,043,486</u>
Capital Grants and Contributions:				
General Government				
Legislative and Executive	4,450,772	0	0	0
Public Safety:				
Fire	114,636	224,133	0	0
Public Health and Social Services	1,079	0	0	0
Street Construction, Maintenance, and Repair	229,787	1,259,818	0	0
Basic Utility Services	96,438	110,805	1,271,409	2,194,237
Recreational Activities	0	0	0	13,500
Subtotal - Capital Grants and Contributions	<u>4,892,712</u>	<u>1,594,756</u>	<u>1,271,409</u>	<u>2,207,737</u>
<i>Total Governmental Program Revenues</i>	<u>\$8,372,892</u>	<u>\$4,918,276</u>	<u>\$4,743,744</u>	<u>\$5,438,637</u>

2014	2013	2012	2011	2010	2009
\$354,858	\$840,125	\$2,299,783	\$279,495	\$286,925	\$403,381
18,808	20,172	20,671	20,697	25,697	22,352
333,532	211,069	226,459	203,272	217,057	185,652
234,018	250,218	279,871	242,973	240,339	794
44,774	39,658	43,699	28,694	56,109	6,327
95,899	94,951	91,811	95,030	91,510	73,991
43,901	37,370	46,690	42,223	54,910	45,320
117,458	106,846	237,193	98,226	125,501	107,303
994,881	945,844	1,111,284	990,728	979,197	884,283
<u>2,238,129</u>	<u>2,546,253</u>	<u>4,357,461</u>	<u>2,001,338</u>	<u>2,077,245</u>	<u>1,729,403</u>
200,435	10,319	1,536	840	1,675	21,673
1,737	1,327	1,911	20	54	35
29,374	32,227	24,616	27,905	36,852	39,224
244,241	231,789	248,914	275,546	394,314	387,424
727	1,604	239	91	345	33
805,157	1,067,022	735,099	750,313	792,508	794,864
25,154	8,917	6,474	18,878	253	189
6,571	8,198	4,521	678	3,939	4,002
14,615	6,557	6,782	3,985	3,615	4,017
<u>1,328,011</u>	<u>1,367,960</u>	<u>1,030,092</u>	<u>1,078,256</u>	<u>1,233,555</u>	<u>1,251,461</u>
4,740	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
1,682,114	735,758	1,302,454	279,119	1,081,781	300,000
0	0	0	0	295,000	0
<u>1,686,854</u>	<u>735,758</u>	<u>1,302,454</u>	<u>279,119</u>	<u>1,376,781</u>	<u>300,000</u>
<u>\$5,252,994</u>	<u>\$4,649,971</u>	<u>\$6,690,007</u>	<u>\$3,358,713</u>	<u>\$4,687,581</u>	<u>\$3,280,864</u>

(continued)

City of Brecksville, Ohio
Changes in Net Position (continued)
Last Ten Years
(Accrual Basis of Accounting)

	2018	2017	2016	2015
Expenses				
Governmental Activities:				
General Government:				
Legislative and Executive	\$11,336,784	\$6,962,354	\$6,569,538	\$6,025,851
Judicial System	212,850	160,528	139,516	222,456
Public Safety:				
Police	6,725,624	5,487,502	5,028,825	4,511,969
Fire	3,400,741	2,842,061	2,761,668	2,646,098
Public Health and Social Services	1,350,715	1,345,241	1,206,467	1,608,683
Street Construction, Maintenance, and Repair	4,615,122	4,212,835	3,860,763	3,642,128
Housing and Community Development	1,121,780	1,139,785	852,380	796,624
Basic Utility Services	2,620,164	2,799,212	2,260,630	2,242,264
Recreational Activities	2,521,106	2,362,129	2,173,693	2,430,087
Interest and Fiscal Charges	535,387	388,089	297,563	297,843
<i>Total Governmental Activities Expenses</i>	<u>34,440,273</u>	<u>27,699,736</u>	<u>25,151,043</u>	<u>24,424,003</u>
Net (Expense)/Revenue				
Governmental Activities	<u>(26,067,381)</u>	<u>(22,781,460)</u>	<u>(20,407,299)</u>	<u>(18,985,366)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	1,853,125	1,880,670	1,791,350	1,687,653
Fire Department	1,795,019	1,821,727	1,735,188	1,634,162
Road Maintenance	527,936	535,794	510,360	480,721
Police Department	158,398	160,760	153,115	144,202
Debt Service	0	0	0	0
Municipal Income Taxes levied for:				
General Purposes	15,447,729	15,017,616	16,717,227	13,887,608
Capital Outlay	2,860,004	2,603,334	2,540,000	2,400,000
Grants and Entitlements not Restricted to				
Specific Programs	411,203	519,469	434,179	592,098
Investment Earnings	430,972	286,340	159,788	144,903
Gain on Sale of Capital Assets	0	4,383	65,078	0
Miscellaneous	2,171,702	653,726	450,162	476,450
<i>Total Governmental Activities General Revenues</i>	<u>25,656,088</u>	<u>23,483,819</u>	<u>24,556,447</u>	<u>21,447,797</u>
Special Item	<u>0</u>	<u>0</u>	<u>0</u>	<u>(6,199,567)</u>
Change in Net Position				
Governmental Activities	<u>(\$411,293)</u>	<u>\$702,359</u>	<u>\$4,149,148</u>	<u>(\$3,737,136)</u>

2014	2013	2012	2011	2010	2009
\$5,586,065	\$5,483,124	\$5,786,026	\$5,499,027	\$5,647,128	\$6,097,065
129,098	97,176	108,293	198,239	210,129	161,505
4,372,780	4,630,560	4,537,860	3,992,061	4,240,615	4,560,315
2,557,376	2,305,771	2,318,180	2,314,537	2,413,597	2,096,299
992,430	1,088,378	1,092,369	1,048,646	1,144,253	1,195,863
4,323,479	4,652,589	3,654,599	4,059,126	4,007,522	3,994,538
848,261	795,200	962,912	852,056	833,662	855,329
2,402,003	2,044,860	2,133,946	1,726,275	1,366,953	1,704,663
2,137,156	2,129,059	2,074,033	2,078,502	2,001,190	1,976,407
419,654	400,314	493,021	557,354	602,512	693,039
23,768,302	23,627,031	23,161,239	22,325,823	22,467,561	23,335,023
(18,515,308)	(18,977,060)	(16,471,232)	(18,967,110)	(17,779,980)	(20,054,159)
1,811,854	1,806,589	1,827,272	1,814,714	1,817,177	1,919,648
1,755,072	1,749,910	1,770,008	1,757,630	1,779,370	1,859,488
516,198	514,678	520,591	517,013	523,345	546,908
154,859	154,253	156,178	155,104	157,003	164,072
0	0	0	211	17	153,754
12,129,661	13,729,250	12,853,245	13,246,409	11,932,814	11,743,625
2,600,000	2,400,000	2,410,000	2,280,000	2,280,000	2,090,000
462,912	1,364,858	1,217,585	1,130,958	1,074,764	1,355,899
74,550	81,848	130,456	306,830	320,959	505,734
0	58,756	27,112	14,939	13,730	0
418,473	1,060,936	468,793	648,973	501,889	490,451
19,923,579	22,921,078	21,381,240	21,872,781	20,401,068	20,829,579
(2,250,000)	0	0	0	0	0
(\$841,729)	\$3,944,018	\$4,910,008	\$2,905,671	\$2,621,088	\$775,420

City of Brecksville, Ohio
Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2018	2017	2016	2015
General Fund				
Nonspendable	\$684,633	\$653,650	\$683,505	\$589,306
Committed	1,582,452	190,043	169,400	142,318
Assigned	13,472	3,406,744	2,460,460	2,704,811
Unassigned	7,516,683	5,563,611	6,516,688	5,069,907
Total General Fund	<u>9,797,240</u>	<u>9,814,048</u>	<u>9,830,053</u>	<u>8,506,342</u>
All Other Governmental Funds				
Nonspendable	146,737	134,448	105,103	107,137
Restricted	2,217,153	8,594,221	2,193,631	2,147,017
Committed	2,119,784	3,517,135	3,636,653	3,573,849
Assigned	2,014,987	1,546,073	713,255	713,353
Unassigned (Deficit)	(1,277,509)	0	(1,087,163)	(1,455,542)
Total All Other Governmental Funds	<u>5,221,152</u>	<u>13,791,877</u>	<u>5,561,479</u>	<u>5,085,814</u>
Total Governmental Funds	<u>\$15,018,392</u>	<u>\$23,605,925</u>	<u>\$15,391,532</u>	<u>\$13,592,156</u>

2014	2013	2012	2011	2010	2009
\$308,324	\$258,918	\$307,263	\$297,402	\$263,507	\$237,981
793,372	145,272	114,187	776,399	776,399	0
2,067,087	559,154	544,608	312,269	312,269	495,999
5,491,224	8,722,841	8,383,941	7,210,298	5,768,584	5,545,608
8,660,007	9,686,185	9,349,999	8,596,368	7,120,759	6,279,588
133,664	129,133	136,440	125,942	129,154	135,439
2,201,974	2,618,061	2,202,655	2,402,674	3,294,029	3,440,021
2,561,420	2,877,955	2,070,730	2,188,145	1,719,966	1,312,186
556,085	729,938	742,995	769,587	764,875	758,237
0	0	0	(836,211)	(828,692)	(921,057)
5,453,143	6,355,087	5,152,820	4,650,137	5,079,332	4,724,826
\$14,113,150	\$16,041,272	\$14,502,819	\$13,246,505	\$12,200,091	\$11,004,414

City of Brecksville, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2018	2017	2016	2015
Revenues				
Taxes (1)	\$22,713,757	\$22,875,042	\$22,820,621	\$19,698,588
Charges for Services	1,335,769	1,316,865	1,439,170	1,279,220
Licenses and Permits	574,510	497,995	479,977	441,223
Fines and Forfeitures	285,373	227,119	261,776	253,729
Intergovernmental	1,831,409	2,763,597	2,737,344	4,106,032
Special Assessments	440,629	477,980	499,052	459,522
Interest	394,589	264,667	141,358	130,922
Donations	21,287	23,989	21,036	20,482
Rentals	195,911	164,758	172,849	137,112
Miscellaneous	2,065,459	524,561	332,601	357,138
<i>Total Revenues</i>	<u>29,858,693</u>	<u>29,136,573</u>	<u>28,905,784</u>	<u>26,883,968</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	6,187,449	5,909,340	6,253,951	5,941,020
Judicial System	194,178	139,126	131,893	220,781
Public Safety:				
Police	5,438,717	5,045,643	4,544,489	4,210,229
Fire	2,594,276	2,531,150	2,405,316	2,375,886
Public Health and Social Services	1,071,758	1,076,825	987,931	949,909
Street Construction, Maintenance, and Repair	3,334,437	3,218,196	3,192,590	3,214,009
Housing and Community Development	968,608	963,735	894,594	812,040
Basic Utility Services	1,692,068	1,906,348	2,048,023	1,911,114
Recreational Activities	1,926,370	1,892,774	1,786,943	1,756,475
Capital Outlay	13,331,304	6,503,427	3,588,452	4,634,472
Debt Service:				
Principal Retirement	1,228,603	1,368,604	1,069,465	1,035,335
Interest and Fiscal Charges	528,801	359,136	282,739	286,576
Bond Issuance Costs	0	186,766	0	35,000
<i>Total Expenditures</i>	<u>38,496,569</u>	<u>31,101,070</u>	<u>27,186,386</u>	<u>27,382,846</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(8,637,876)</u>	<u>(1,964,497)</u>	<u>1,719,398</u>	<u>(498,878)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	50,343	18,113	14,900	0
Gain on Sale of Capital Assets	0	0	65,078	0
Refunding Bonds Issued	0	0	0	2,640,000
General Obligation Bonds Issued	0	9,980,000	0	0
Special Assessment Bonds Issued	0	0	0	0
Premium on Issuance of Debt	0	180,777	0	0
OPWC Loan Issued	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	(2,662,116)
Transfers In	3,499,115	4,153,161	2,468,989	2,272,467
Transfers Out	(3,499,115)	(4,153,161)	(2,468,989)	(2,272,467)
<i>Total Other Financing Sources (Uses)</i>	<u>50,343</u>	<u>10,178,890</u>	<u>79,978</u>	<u>(22,116)</u>
Special Item	0	0	0	0
<i>Net Change in Fund Balances</i>	<u>(\$8,587,533)</u>	<u>\$8,214,393</u>	<u>\$1,799,376</u>	<u>(\$520,994)</u>
Debt Service as a Percentage of Noncapital Expenditures	6.9%	7.2%	6.1%	6.2%

(1) Includes All Taxes

2014	2013	2012	2011	2010	2009
\$20,648,817	\$19,389,630	\$19,442,490	\$19,254,109	\$18,730,301	\$17,441,398
1,272,274	1,278,936	1,317,669	1,210,862	1,177,776	905,024
342,268	309,326	564,218	430,730	525,806	362,044
368,109	299,141	266,067	254,848	308,416	279,459
3,138,374	4,035,155	3,183,232	2,516,919	3,179,603	2,946,251
510,313	949,306	488,399	324,876	324,741	428,519
64,798	75,100	120,244	295,858	307,103	485,075
208,943	6,759	7,895	6,218	8,138	7,477
190,031	67,596	66,677	84,040	44,935	46,261
321,424	958,110	450,563	632,139	485,427	469,189
<u>27,065,351</u>	<u>27,369,059</u>	<u>25,907,454</u>	<u>25,010,599</u>	<u>25,092,246</u>	<u>23,370,697</u>
5,658,375	5,704,562	5,646,837	5,515,740	5,541,484	5,819,602
123,991	93,327	109,800	203,415	208,078	165,677
4,285,136	4,638,749	4,570,485	4,046,058	4,299,205	4,467,546
2,379,842	2,195,067	2,267,257	2,244,514	2,390,618	2,107,045
857,569	886,624	880,908	861,325	842,538	910,160
3,225,278	3,670,149	2,872,254	3,125,788	3,460,310	2,966,943
808,555	795,612	863,860	887,874	813,415	900,852
1,809,942	1,759,741	1,949,493	1,593,784	1,432,297	2,256,844
1,869,032	1,848,435	1,803,188	1,772,171	1,846,298	1,862,876
4,297,901	3,124,437	3,981,464	2,007,069	1,332,610	2,535,718
1,005,335	963,884	1,278,884	1,178,884	1,138,884	1,270,884
422,517	394,976	463,528	560,548	604,565	694,576
0	0	118,151	0	0	0
<u>26,743,473</u>	<u>26,075,563</u>	<u>26,806,109</u>	<u>23,997,170</u>	<u>23,910,302</u>	<u>25,958,723</u>
321,878	1,293,496	(898,655)	1,013,429	1,181,944	(2,588,026)
0	18,236	30,406	32,985	13,733	17,414
0	0	0	0	0	0
0	0	3,580,000	0	0	0
0	0	0	0	0	0
0	0	2,005,000	0	0	0
0	0	136,940	0	0	0
0	226,721	2,308	0	0	0
0	0	(3,599,685)	0	0	0
2,232,116	3,189,271	2,277,477	2,042,634	2,447,956	2,231,175
<u>(2,232,116)</u>	<u>(3,189,271)</u>	<u>(2,277,477)</u>	<u>(2,042,634)</u>	<u>(2,447,956)</u>	<u>(2,231,175)</u>
0	244,957	2,154,969	32,985	13,733	17,414
<u>(2,250,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(\$1,928,122)</u>	<u>\$1,538,453</u>	<u>\$1,256,314</u>	<u>\$1,046,414</u>	<u>\$1,195,677</u>	<u>(\$2,570,612)</u>
6.7%	6.4%	7.9%	8.4%	8.5%	9.0%

City of Brecksville, Ohio
Assessed Valuation and Estimated Actual Values of Taxable Property
Last Ten Years

Tax Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2018	\$540,608,750	\$110,240,490	\$1,859,569,257	\$20,388,440	\$23,168,682
2017	482,603,830	100,874,550	1,667,081,086	20,721,470	23,547,125
2016	476,728,340	100,946,970	1,650,500,886	20,463,690	23,254,193
2015	472,551,960	100,539,620	1,637,404,514	19,790,100	22,488,750
2014	453,626,110	124,402,550	1,651,510,457	19,695,230	22,380,943
2013	453,604,210	123,043,670	1,647,565,371	18,850,720	21,421,273
2012	469,788,160	110,239,930	1,657,223,114	17,092,360	19,423,136
2011	470,033,220	107,690,260	1,650,638,514	16,066,350	18,257,216
2010	468,585,650	107,226,880	1,645,178,657	15,680,600	17,818,864
2009	487,768,500	104,494,650	1,692,180,429	15,167,690	17,236,011

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

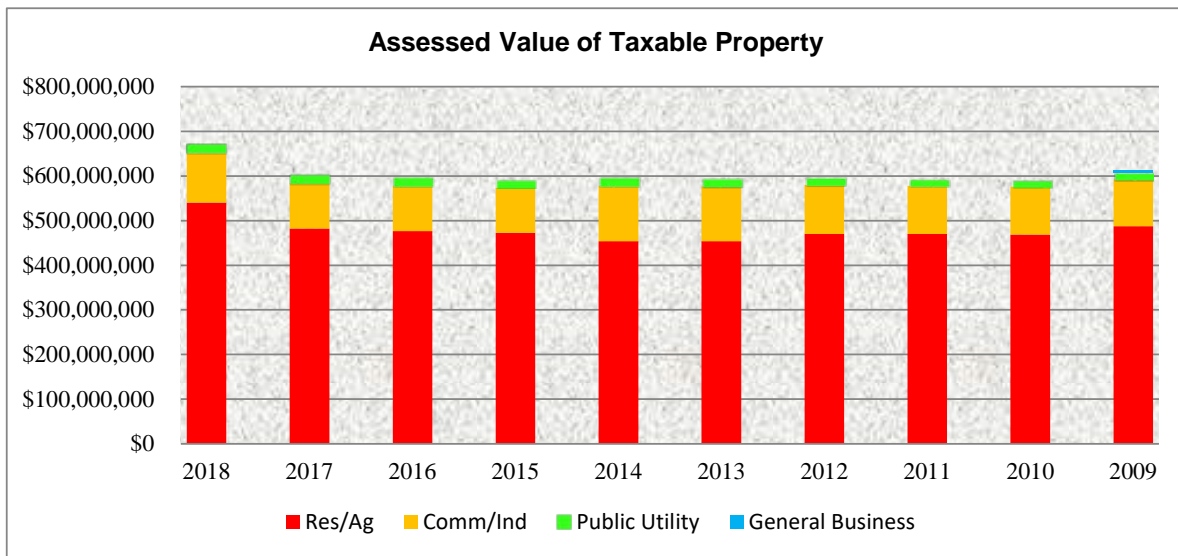
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property tax has been phased out, and during the phase out period, all general business tangible personal property was assessed at 6.25 percent for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies, at 5 percent for 2010. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers, (except telephone companies whose last year to pay tangible personal property tax was 2010).

The tangible personal property values associated with each year were the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent and a 2 1/2 percent rollback, and homestead exemptions before being billed. The 10 percent rollback for commercial/industrial property was eliminated in 2006.

Source: Cuyahoga County, Ohio; County Fiscal Officer

Tangible Personal Property

General Business		Total		Ratio	Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$0	\$0	\$671,237,680	\$1,882,737,939	35.65%	\$8.21
0	0	604,199,850	1,690,628,211	35.74	8.21
0	0	598,139,000	1,673,755,079	35.74	8.21
0	0	592,881,680	1,659,893,264	35.72	8.21
0	0	597,723,890	1,673,891,400	35.71	8.21
0	0	595,498,600	1,668,986,644	35.68	8.21
0	0	597,120,450	1,676,646,251	35.61	8.21
0	0	593,789,830	1,668,895,730	35.58	8.21
0	0	591,493,130	1,662,997,521	35.57	8.21
4,678,850	74,861,600	612,109,690	1,784,278,040	34.31	8.50



City of Brecksville, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Years

	2018	2017	2016	2015
Unvoted Millage				
Operating	\$3.5100	\$3.5100	\$3.5100	\$3.5100
Police Pension	0.3000	0.3000	0.3000	0.3000
<i>Total Unvoted Millage</i>	<u>3.8100</u>	<u>3.8100</u>	<u>3.8100</u>	<u>3.8100</u>
Charter Millage				
1982 Charter/Fire	3.4000	3.4000	3.4000	3.4000
1987 Charter/Road Improvement	1.0000	1.0000	1.0000	1.0000
<i>Total Charter Millage</i>	<u>4.4000</u>	<u>4.4000</u>	<u>4.4000</u>	<u>4.4000</u>
Voted Millage				
Library	0.0000	0.0000	0.0000	0.0000
Total Millage	<u><u>\$8.2100</u></u>	<u><u>\$8.2100</u></u>	<u><u>\$8.2100</u></u>	<u><u>\$8.2100</u></u>
Overlapping Rates by Taxing District				
Brecksville-Broadview Heights City School District				
Residential/Agricultural Real	\$42.3783	\$44.8382	\$38.9210	\$38.9563
Commerical/Industrial and Public Utility Real	49.7683	52.2282	46.2177	46.9105
General Business and Public Utility Personal	82.8900	82.8900	77.0000	77.0000
Cuyahoga Valley Career Center				
Residential/Agricultural Real	2.0000	2.0000	2.0000	2.0000
Commerical/Industrial and Public Utility Real	2.0000	2.0000	2.0000	2.0000
General Business and Public Utility Personal	2.0000	2.0000	2.0000	2.0000
Cuyahoga County Commissioner				
Residential/Agricultural Real	13.9140	13.9141	13.8800	14.0500
Commerical/Industrial and Public Utility Real	14.0061	14.0060	14.0124	13.8698
General Business and Public Utility Personal	14.0500	14.0500	14.0500	14.0500
Special Taxing Districts (1)				
Residential/Agricultural Real	9.7638	9.7637	9.2408	9.2368
Commerical/Industrial and Public Utility Real	9.8423	9.8422	9.3438	9.3676
General Business and Public Utility Personal	9.8800	9.8800	9.3800	9.3800

Source: Cuyahoga County Fiscal Officer

Note: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated to the property tax revenue billed in that year.

The City's basic property tax rate may be increased only by a majority vote of the City's residents.

Charter millage is consistently applied to all types of property as opposed to the voted levies of the overlapping taxing districts.

Overlapping rates are those of local and county governments that apply to property owners within the City.

(1) Metro Parks, Port Authority, County Library, Community College

2014	2013	2012	2011	2010	2009
\$3.5100	\$3.5100	\$3.5100	\$3.5100	\$3.5100	\$3.5100
0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
3.8100	3.8100	3.8100	3.8100	3.8100	3.8100
3.4000	3.4000	3.4000	3.4000	3.4000	3.4000
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
4.4000	4.4000	4.4000	4.4000	4.4000	4.4000
0.0000	0.0000	0.0000	0.0000	0.0000	0.2900
\$8.2100	\$8.2100	\$8.2100	\$8.2100	\$8.2100	\$8.5000

\$39.9725	\$40.1206	\$40.0657	\$39.1912	\$39.1175	\$37.2338
43.8622	43.2930	43.4617	42.8357	42.8641	43.4071
77.0000	77.2000	77.2000	77.2000	77.2000	77.1000
2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
14.0500	14.0500	13.2200	13.1182	13.1866	12.6607
14.0195	13.9495	12.9968	12.7845	12.8413	12.8153
14.0500	14.0500	13.2200	13.2200	13.3200	13.3200
9.3643	8.4639	7.5635	7.5041	7.3870	6.6597
9.3401	8.3843	7.4621	7.3648	7.3450	6.8911
9.3800	8.4800	7.5800	7.5800	7.5800	7.2800

City of Brecksville, Ohio
Property Tax Levies And Collections
Last Ten Years

Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections (1)
2018	\$4,980,791	\$4,877,119	97.92%	\$128,424	\$5,005,543
2017	4,932,190	4,774,261	96.80	114,971	4,889,232
2016	4,990,947	4,756,871	95.31	82,375	4,839,246
2015	5,165,687	4,523,952	87.58	87,656	4,611,608
2014	5,219,426	4,532,551	86.84	91,162	4,623,713
2013	4,910,392	4,547,214	92.60	119,432	4,666,646
2012	4,905,724	4,736,054	96.54	122,347	4,858,401
2011	4,884,659	4,714,666	96.52	143,718	4,858,384
2010	4,864,431	4,702,865	96.68	146,148	4,849,013
2009	5,179,840	5,013,860	96.80	113,222	5,127,082

Source: Cuyahoga County, Ohio; County Fiscal Officer

(1) State reimbursement of rollback and homestead exemptions are included.

Note: We are aware of the requirement to report delinquent tax collections by levy year rather than by collection year; however, the County is unable to provide delinquent collections by levy year. We are looking at options to improve this presentation.

<u>Percent of Total Tax Collections To Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes</u>	<u>Percentage of Delinquent Taxes to Total Tax Levy</u>
100.50%	\$131,149	2.63%
99.13	251,692	5.10
96.96	194,442	3.90
89.27	298,803	5.78
88.59	433,570	8.31
95.04	301,993	6.15
99.04	212,193	4.33
99.46	205,553	4.21
99.68	229,099	4.71
98.98	263,979	5.10

City of Brecksville, Ohio
Principal Real Property Taxpayers
2018 and 2009

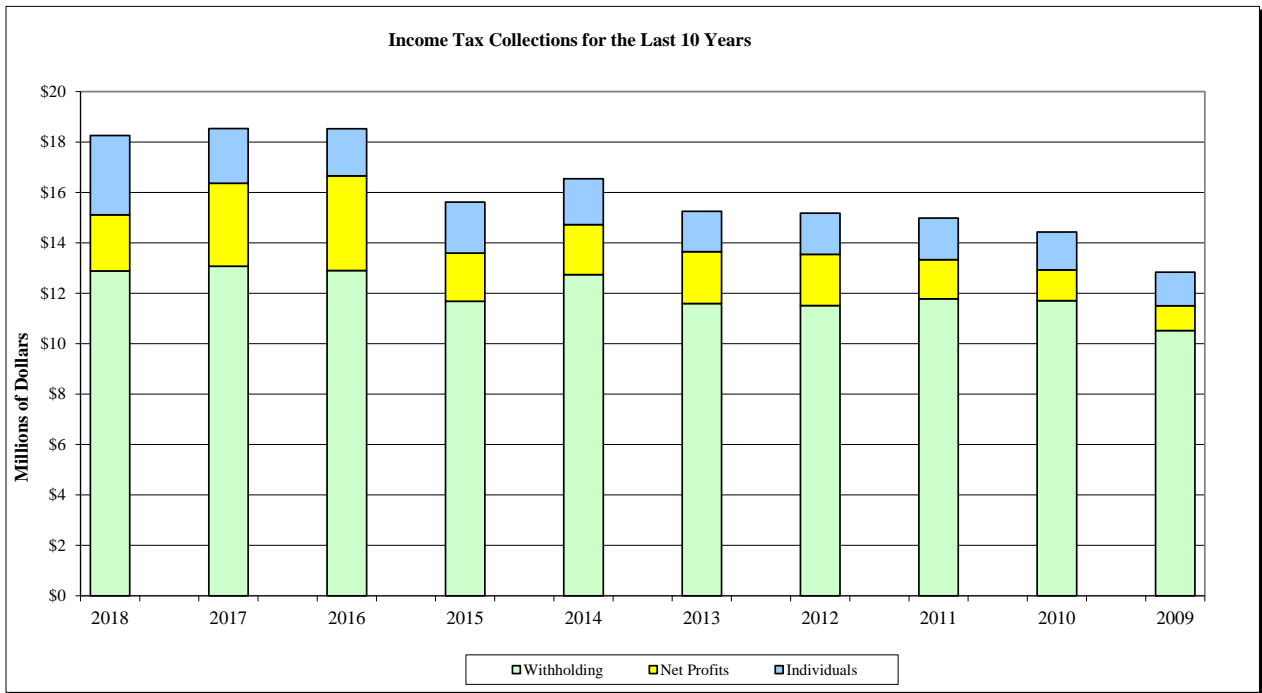
Taxpayer	2018	
	Real Property Assessed Valuation	Percentage of Real Property Assessed Valuation
Cleveland Electric Illuminating Company	\$16,276,370	2.50 %
Grand Bay of Brecksville	6,148,640	0.94
Holar Properties, LLC	5,717,250	0.88
PDM Group, Incorporated	4,935,000	0.76
Ohio Bell Telephone Company	4,126,510	0.63
DP LXI, LLC	3,570,010	0.55
Creekview Commons, LLC	3,513,200	0.54
Gateway Association	3,086,550	0.47
Treeline, Incorporated	3,025,540	0.47
MS Brecksville L.P.	2,975,000	0.46
Total	\$53,374,070	8.20 %
Total Real Property Assessed Valuation	\$650,849,240	

Taxpayer	2009	
	Real Property Assessed Valuation	Percentage of Real Property Assessed Valuation
Cleveland Electric Illuminating Company	\$13,902,010	2.34 %
Ohio Bell Telephone Company	8,461,150	1.43
PDM Group, Incorporated	7,334,740	1.24
Grand Bay of Brecksville	6,663,290	1.13
Cleveland Cuyahoga	6,413,230	1.08
Gateway Association	4,629,870	0.78
Creekview Commons, LLC	3,961,620	0.67
Treeline, Incorporated	3,779,220	0.64
CEI	3,144,050	0.53
Cintas Document	2,447,070	0.41
Total	\$60,736,250	10.25 %
Total Real Property Assessed Valuation	\$592,263,150	

Source: Cuyahoga County Fiscal Officer

City of Brecksville, Ohio
Income Tax Revenue Base and Collections
(Modified Accrual Basis)
Last Ten Years

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individuals	Percentage of Taxes from Individuals
2018	2.00%	\$18,258,736	\$12,881,538	70.55%	\$2,227,566	12.20%	\$3,149,632	17.25%
2017	2.00	18,533,341	13,071,973	70.53	3,290,873	17.76	2,170,495	11.71
2016	2.00	18,526,248	12,901,679	69.64	3,755,270	20.27	1,869,298	10.09
2015	2.00	15,617,083	11,683,140	74.81	1,909,969	12.23	2,023,974	12.96
2014	2.00	16,542,412	12,737,657	77.00	1,985,089	12.00	1,819,665	11.00
2013	2.00	15,253,849	11,591,400	75.99	2,059,270	13.50	1,603,179	10.51
2012	2.00	15,175,081	11,514,851	75.88	2,030,426	13.38	1,629,804	10.74
2011	2.00	14,978,641	11,779,203	78.64	1,554,783	10.38	1,644,655	10.98
2010	2.00	14,425,759	11,705,203	81.14	1,220,691	8.46	1,499,864	10.40
2009	2.00	12,835,856	10,516,417	81.93	990,928	7.72	1,328,511	10.35



City of Brecksville, Ohio
Income Tax Filers by Income Level
Tax Years 2017 and 2009

Tax Year 2017 (1)(2)				
Income Range	Number of Filers	Percent of Filers	Taxable Income (2)	Percent of Taxable Income
Over \$100,000	1,996	39.31 %	\$505,298,717	81.62 %
75,001-100,000	504	9.93	43,622,846	7.05
50,001-75,000	539	10.62	33,543,834	5.42
25,001-50,000	645	12.70	23,927,716	3.86
Under 25,000	1,393	27.44	12,668,430	2.05
Total	<u>5,077</u>	<u>100.00 %</u>	<u>\$619,061,543</u>	<u>100.00 %</u>

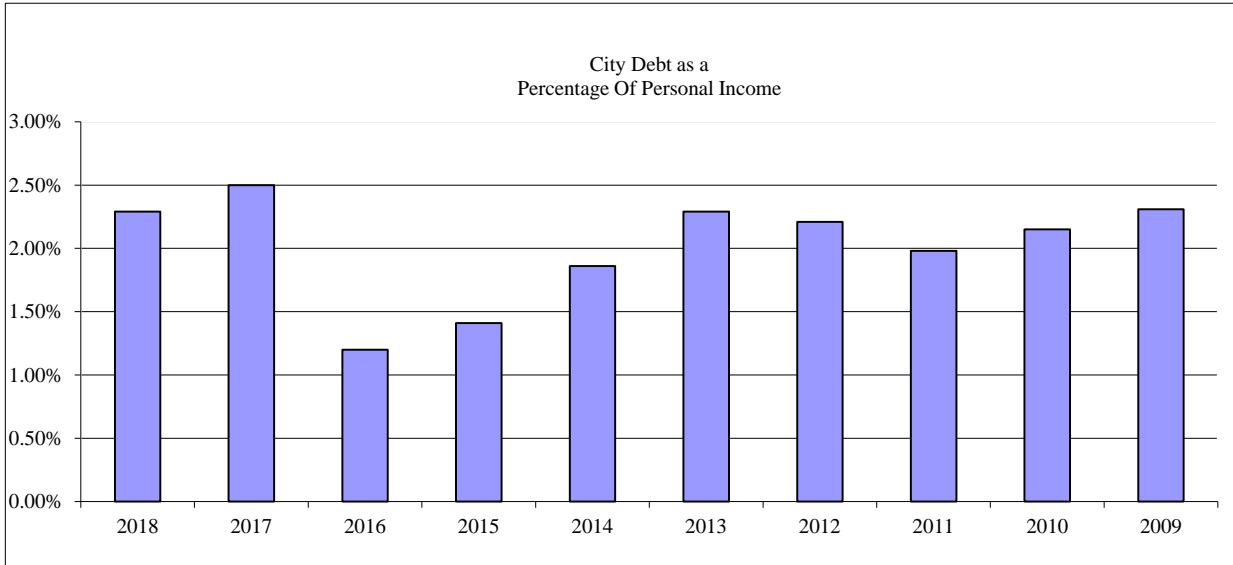
Tax Year 2009 (2)				
Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
Over \$100,000	1,688	32.39 %	\$360,970,495	74.22 %
75,001-100,000	515	9.88	44,865,308	9.22
50,001-75,000	632	12.12	39,608,388	8.15
25,001-50,000	762	14.62	28,548,144	5.87
Under 25,000	1,615	30.99	12,337,684	2.54
Total	<u>5,212</u>	<u>100.00 %</u>	<u>\$486,330,019</u>	<u>100.00 %</u>

Source: Regional Income Tax Agency Data

- (1) Information for 2018 was not available
- (2) Taxable income of residents of the City

City of Brecksville, Ohio
*Ratios of Outstanding Debt to
 Total Personal Income and Debt Per Capita
 Last Ten Years*

Year	General Obligation Bonds	Special Assessment Bonds	OPWC Loans	Total	Total Personal Income (1)	Percentage Of Personal Income	Population (2)	Total Debt Per Capita
2018	\$13,528,900	\$2,075,224	\$317,678	\$15,921,802	\$695,057,844	2.29 %	13,522	\$1,177
2017	14,346,178	2,454,031	371,281	17,171,490	686,808,360	2.50	13,470	1,275
2016	5,067,679	2,907,837	424,885	8,400,401	702,293,760	1.20	13,440	625
2015	5,660,919	3,336,643	484,350	9,481,912	670,513,930	1.41	13,543	700
2014	6,235,960	3,751,884	549,685	10,537,529	566,818,000	1.86	13,568	777
2013	6,788,673	4,160,821	615,020	11,564,514	504,512,000	2.29	13,554	853
2012	7,321,387	4,559,758	442,183	12,323,328	557,914,651	2.21	13,656	902
2011	7,856,490	2,851,828	493,759	11,202,077	565,836,360	1.98	13,656	820
2010	8,672,310	3,166,959	547,643	12,386,912	576,706,536	2.15	13,656	907
2009	9,465,056	3,467,090	601,527	13,533,673	585,948,239	2.31	13,875	975



(1) Brecksville Finance Department estimates 2009-2018;
 U.S. Census Bureau
 (2) Estimates 2009-2018; U.S. Census Bureau

City of Brecksville, Ohio
*Ratio of General Obligation Bonded Debt to Estimated True
Value of Taxable Property and Bonded Debt Per Capita
Last Ten Years*

Year	General Obligation Bonds (1)	Estimated True Value of Taxable Property	Ratio of Bonded Debt to Estimated True Value of Taxable Property	Bonded Debt per Capita
2018	\$13,528,900	\$1,882,737,939	0.72%	\$1,001
2017	14,346,178	1,690,628,211	0.85	1,065
2016	5,067,679	1,673,755,079	0.30	377
2015	5,660,919	1,659,893,264	0.34	418
2014	6,235,960	1,673,891,400	0.37	460
2013	6,788,673	1,668,986,644	0.41	497
2012	7,321,387	1,676,646,251	0.44	536
2011	7,856,490	1,668,895,730	0.47	575
2010	8,672,310	1,662,997,521	0.52	635
2009	9,465,056	1,784,278,040	0.53	682

(1) Although the general obligation bond retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal; therefore, these resources are not shown as a deduction from general obligation bonded debt.

City of Brecksville
*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2018*

	Debt Attributable to Governmental Activities	Percentage Applicable to City (1)	Amount of Direct and Overlapping Debt
Direct Debt:			
City of Brecksville			
General Obligation Bonds	\$13,528,900	100.00%	\$13,528,900
Special Assessment Bonds	2,075,224	100.00	2,075,224
OPWC Loans	<u>317,678</u>	100.00	<u>317,678</u>
Total Direct Debt	<u>15,921,802</u>		<u>15,921,802</u>
Overlapping Debt:			
Payable from Property Taxes:			
Cuyahoga County Bonds	200,766,146	2.15	4,316,472
Regional Transit Authority Bonds	80,841,963	2.15	1,738,102
Brecksville-Broadview Heights City School District Bonds	8,640,199	59.18	5,113,270
Payable from Other Sources:			
Cuyahoga County Revenue Bonds	681,206,878	2.15	14,645,948
Cuyahoga County Loans	1,416,331	2.15	30,451
Cuyahoga County Capital Leases	335,053,352	2.15	7,203,647
Brecksville-Broadview Heights City School District Capital Leases	<u>290,563</u>	59.18	<u>171,955</u>
Total Overlapping Debt	<u>1,308,215,432</u>		<u>33,219,845</u>
Total Direct and Overlapping Debt	<u>\$1,324,137,234</u>		<u>\$49,141,647</u>

Source: Office of the Fiscal Officer, Cuyahoga County, Ohio

- (1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations used were for the 2018 collection year.

City of Brecksville, Ohio
Legal Debt Margin Information
Last Ten Years
(amounts expressed in thousands)

	2018	2017	2016	2015
Overall Debt Limitation (10.5% of Assessed Valuation)	\$70,480	\$63,441	\$62,805	\$62,253
Net Debt Within 10.5% Limitations	<u>16,040</u>	<u>18,421</u>	<u>7,185</u>	<u>7,433</u>
Overall Legal Debt Margin Within 10.5% Limitations	<u>\$54,440</u>	<u>\$45,020</u>	<u>\$55,620</u>	<u>\$54,820</u>
Total net debt applicable to the limit as a percentage of debt limit	22.76%	29.04%	11.44%	11.94%
Unvoted Debt Limitation (5.5% of Assessed Valuation)	\$36,918	\$33,231	\$32,898	\$32,609
Net Debt Within 5.5% Limitations	<u>16,040</u>	<u>18,421</u>	<u>7,185</u>	<u>7,433</u>
Unvoted Legal Debt Margin Within 5.5% Limitations	<u>\$20,878</u>	<u>\$14,810</u>	<u>\$25,713</u>	<u>\$25,176</u>
Total net debt applicable to the limit as a percentage of debt limit	43.45%	55.43%	21.84%	22.79%

Legal Debt Margin Calculation for 2018

	Overall Margin Within 10.5%	Unvoted Margin Within 5.5%
Assessed property value	<u>\$671,237,680</u>	<u>\$671,237,680</u>
Overall Debt Limitation (percentage of assessed valuation)	\$70,479,956	\$36,918,072
Gross Indebtedness	18,202,678	18,202,678
Less: Special Assessment Bonds	(2,060,000)	(2,060,000)
OPWC Loans	(317,678)	(317,678)
General Obligation Bond Retirement Fund Balance	215,269	215,269
Net Debt Within Limitations	<u>\$16,040,269</u>	<u>\$16,040,269</u>
Legal Debt Margin Within Limitations	<u>\$54,439,687</u>	<u>\$20,877,803</u>

Note: Under State of Ohio finance law, the City of Brecksville's outstanding general obligation debt should not exceed 10.5 percent of total assessed property value. In addition, the outstanding general obligation debt net of voted debt should not exceed 5.5 percent of total assessed property value. By law, the general obligation debt subject to the limitation is offset by amounts set aside for repaying general obligation bonds.

2014	2013	2012	2011	2010	2009
\$62,761	\$62,527	\$62,698	\$62,348	\$62,107	\$64,272
<u>7,977</u>	<u>6,537</u>	<u>7,050</u>	<u>7,637</u>	<u>8,438</u>	<u>9,384</u>
<u>\$54,784</u>	<u>\$55,990</u>	<u>\$55,648</u>	<u>\$54,711</u>	<u>\$53,669</u>	<u>\$54,888</u>
12.71%	10.45%	11.24%	12.25%	13.59%	14.60%
\$32,875	\$32,752	\$32,842	\$32,658	\$32,532	\$33,666
<u>7,977</u>	<u>6,537</u>	<u>7,050</u>	<u>7,637</u>	<u>8,438</u>	<u>9,384</u>
<u>\$24,898</u>	<u>\$26,215</u>	<u>\$25,792</u>	<u>\$25,021</u>	<u>\$24,094</u>	<u>\$24,282</u>
24.26%	19.96%	21.47%	23.38%	25.94%	27.87%

City of Brecksville, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (2)	Median Family Income (1)	Per Capita Income (1)	Unemployment Rate (3)		City Square Miles (4)
					Cuyahoga County	State of Ohio	
2018	13,522	\$695,057,844	\$101,060	\$51,402	5.0%	4.6%	19.57
2017	13,470	686,808,360	98,345	50,988	4.8	4.7	19.57
2016	13,440	702,293,760	100,589	52,254	5.3	4.9	19.57
2015	13,543	670,513,930	93,409	49,510	4.0	4.8	19.57
2014	13,568	566,818,000	95,470	41,776	5.3	4.7	19.57
2013	13,554	504,512,000	111,667	37,222	7.5	7.4	19.57
2012	13,656	557,914,651	91,432	40,855	6.6	6.8	19.57
2011	13,656	565,836,360	92,088	41,435	7.1	8.6	19.57
2010	13,656	576,706,536	96,038	42,231	8.6	10.1	19.54
2009	13,875	585,948,239	97,415	42,231	9.0	10.2	19.54

(1) Estimates 2009-2018; U.S. Census Bureau

(2) Brecksville Finance Department estimates 2009-2018;
U.S. Census Bureau.

(3) Ohio Bureau of Employment Services; U.S. Department of Labor, Bureau of
Labor Statistics; Unemployment rate for the City is unavailable.

(4) City Records

City of Brecksville, Ohio
Principal Employers
Current Year and Nine Years Ago

2018			
Employer	Nature of Activity	Employees	Percentage of Total City Employment
PNC Bank NA	Banking Services	1,266	9.88 %
Lubrizol Corporation	Chemical Technology	508	3.97
Crosscounty Mortgage, Incorporated	Mortgage Services	489	3.82
House of LaRose	Beverage Distribution	462	3.61
American Medical Technology	Medical Equipment	459	3.58
AT&T/ Ohio Bell	Communication Services	453	3.53
Brecksville-Broadview Heights City School District	Public Education	389	3.04
First Energy/ Illuminating Company	Electric Utility	237	1.85
Curtiss-Wright Flow Control	Manufacturing	206	1.61
NVR/ Ryan Homes	Construction	169	1.32
Total		<u>4,638</u>	<u>36.21 %</u>
Total Employment within the City		<u>12,809</u>	

2009			
Employer	Nature of Activity	Employees	Percentage of Total City Employment
Department of Veteran Affairs	Medical Center	1,469	7.95 %
AT&T/ Ohio Bell	Communication Services	1,113	6.02
National City Corporation	Banking Services	847	4.59
Lubrizol Corporation	Chemical Technology	686	3.71
First Energy/ Illuminating Company	Electric Utility	556	3.01
Brecksville-Broadview Heights City School District	Public Education	436	2.37
House of LaRose	Beverage Distribution	344	1.86
Curtiss-Wright Flow Control	Manufacturing	185	1.00
City of Brecksville	Municipal Government	140	0.76
Cuyahoga Valley Joint Vocational School District	Vocational Education	114	0.62
Total		<u>5,890</u>	<u>31.89 %</u>
Total Employment within the City		<u>18,468</u>	

Source: Regional Income Tax Agency and a survey conducted by the City.

City of Brecksville, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years

Function/Program	2018	2017	2016	2015
General Government				
Council	4.5	4.5	4.5	4.5
Mayor	2.0	2.0	2.0	2.0
Finance	4.0	4.0	4.0	4.0
Income Tax	N/A	N/A	N/A	N/A
Purchasing	2.0	2.0	2.0	2.0
Legal	1.0	1.0	1.5	1.5
Mayor's Court	1.5	1.5	1.5	1.5
Technology	3.5	3.0	3.0	3.0
Engineering	0.5	0.0	1.0	1.0
Administrative Support	1.0	3.0	2.0	2.0
Public Safety				
Police	40.0	41.0	41.5	41.5
Fire	23.0	26.0	26.0	28.5
Recreational Activities				
Community Center	40.0	31.0	49.0	34.5
Senior/Community Services	4.5	5.0	4.5	5.0
Street Construction, Maintenance and Repair Service				
	52.0	42.5	43.0	46.0
Housing and Community Development				
Building Inspection	6.5	6.5	6.5	7.0
Basic Utility Services				
Housekeeping	9.5	10.5	10.5	11.0
Totals:	<u>195.5</u>	<u>183.5</u>	<u>202.5</u>	<u>195.0</u>

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee as of December 31.

Source: Finance Department

2014	2013	2012	2011	2010	2009
4.5	4.5	4.5	4.5	4.5	4.5
2.0	2.0	2.0	2.0	2.0	2.0
4.0	3.5	3.5	3.5	3.5	3.5
0.5	0.5	0.5	0.5	0.5	0.5
2.0	2.0	2.0	2.0	2.0	2.5
1.5	1.5	1.5	1.5	1.5	1.5
1.5	1.5	1.5	1.5	2.0	2.0
3.0	3.0	3.0	3.5	3.5	3.5
1.0	1.0	1.0	1.0	1.0	1.0
1.5	1.5	1.5	1.5	1.5	1.0
42.5	41.5	44.5	43.5	41.0	43.0
27.0	28.0	27.5	25.5	27.0	26.5
36.5	37.5	42.5	44.0	45.0	47.0
5.5	5.0	5.5	5.5	5.5	5.5
44.0	46.0	46.0	48.0	43.5	47.0
6.5	6.0	6.0	5.5	6.5	6.0
11.5	11.5	12.0	12.0	11.5	12.0
195.0	196.5	205.0	205.5	202.0	209.0

City of Brecksville, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2018	2017	2016	2015
General Government				
Building Department Vehicles	4	4	4	5
Other Department Vehicles	4	4	4	4
Police				
Stations	1	1	1	1
Square Footage of Building	6,577	6,577	6,577	6,577
Vehicles	23	23	22	22
Fire				
Stations	1	1	1	1
Square Footage of Building	17,674	17,674	17,674	17,674
Vehicles	14	14	13	15
Street Construction, Maintenance and Repair				
Streets (lane miles)	189	189	189	189
Urban Forestry Vehicles	3	3	3	3
Other Public Services Vehicles	64	65	64	62
Recreational Activities				
Recreation Center	1	1	1	1
Recreation Center Square Footage	65,000	65,000	65,000	65,000
Number of Parks	3	3	3	3
Number of Baseball Diamonds	10	10	10	10
Number of Playgrounds	8	8	8	8
Number of Tennis Courts	3	3	3	3
Number of Full Sized Soccer Fields	3	3	3	3
Vehicles	4	4	4	4
Housing and Community Development				
Human Services Center Square Footage	46,000	46,000	46,000	46,000
Vehicles	4	5	5	5

Source: Finance Department

2014	2013	2012	2011	2010	2009
5	4	5	5	5	6
4	5	4	3	4	5
1	1	1	1	1	1
6,577	6,577	6,577	6,577	6,577	6,577
22	22	22	22	23	23
1	1	1	1	1	1
17,674	17,674	17,674	17,674	17,674	17,674
14	14	14	15	14	13
189	189	189	189	189	189
3	3	3	3	3	3
58	59	57	54	54	53
1	1	1	1	1	1
65,000	65,000	65,000	65,000	65,000	65,000
3	3	3	3	3	3
10	10	10	10	10	10
8	8	8	8	8	8
3	3	3	3	3	3
3	3	3	3	3	2
4	4	4	4	3	3
46,000	46,000	46,000	46,000	46,000	46,000
5	5	6	6	5	5

City of Brecksville, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2018	2017	2016	2015
Police:				
Police Expenditures (in thousands)	\$5,242	\$4,747	\$4,218	\$4,030
Total Arrests	2,761	2,300	2,716	2,382
Part One Offenses	66	68	79	72
OVI Arrests	39	35	45	36
Prisoners	272	399	555	541
Motor Vehicle Accidents	211	231	243	191
Calls for Service	15,004	15,198	13,515	12,643
Incidents per Citizen	1.1096	1.3535	1.0056	0.9260
Cost per Citizen	\$387.66	\$352.41	\$313.84	\$295.11
Fire:				
Fire Expenditures (in thousands)	\$2,600	\$2,532	\$2,432	\$2,453
Emergency Responses	1,537	1,601	1,623	1,471
Fire Safety Inspections	331	322	132	484
Fire Protection Systems Inspected	46	49	47	44
Building Fire Protection Plans Reviewed	10	14	16	9
Percentage of Business Inspected	33%	32%	25%	44%
Number of Community Programs	201	197	190	184
Emergency Responses per Citizen	0.1137	0.1189	0.1208	0.1077
Cost per Citizen	\$192.28	\$187.97	\$180.95	\$179.63
Street Lights Expenditures (in thousands)	\$103	\$104	\$106	\$109
Cost per Acre of Streetlights	\$8.24	\$8.30	\$8.48	\$8.72
Public Health Services:				
Health Department (in thousands)	\$59	\$54	\$54	\$54
Health Cost per Citizen	\$4.36	\$4.01	\$4.02	\$3.95
Recreational Activities:				
Blossom Hill (in thousands)	\$284	\$281	\$264	\$285
Community Center (in thousands)	1,931	1,907	1,845	1,811
Total Leisure Service Cost (in thousands)	\$2,215	\$2,188	\$2,109	\$2,096
Cost per Citizen	\$163.81	\$162.44	\$156.92	\$153.49
Community Center Square Feet	65,000	65,000	65,000	65,000
Square Feet per Citizen	4.81	4.83	4.84	4.76
Total Recreational Revenue (in thousands)	\$1,036	\$1,035	\$1,110	\$933
Community Center Members	5,689	5,721	5,669	5,814
Total Participations	171,844	175,130	172,277	171,917
Fitness Class Participations	16,817	17,067	18,833	18,602
Participations per Citizen	12.71	13.00	12.82	12.59
Cost per Participation	\$12.89	\$10.89	\$10.71	\$10.53
Revenue per Participation	\$6.03	\$5.91	\$6.44	\$5.43
Housing and Community Development:				
Human Services (in thousands)	\$876	\$905	\$844	\$805
Cost per Citizen	\$64.78	\$67.19	\$63.00	\$59.00
Human Services Square Feet	29,000	29,000	29,000	29,000
Square Feet per Citizen	17.30	21.53	21.48	27.08
Total Human Services Revenue (in thousands)	\$104	\$97	\$116	\$87
Human Services Members	1,676	1,230	1,350	1,071
Total Participations	30,349	32,130	31,719	42,202
Participations per Citizen	2.24	2.39	2.36	3.09
Cost per Participation	\$522.67	\$735.77	\$625.19	\$751.63

2014	2013	2012	2011	2010	2009
\$4,065	\$3,916	\$3,956	\$3,645	\$3,716	\$3,516
2,534	3,308	3,009	3,036	3,658	3,181
78	74	96	85	80	85
36	50	47	56	47	39
593	857	931	901	908	1,258
188	152	206	204	215	256
12,646	14,349	13,708	15,174	14,701	14,302
0.9260	1.0510	1.0040	1.1110	1.0770	1.0308
\$297.67	\$286.76	\$289.69	\$266.92	\$272.08	\$253.41
\$2,385	\$2,355	\$2,244	\$2,304	\$2,438	\$2,159
1,398	1,246	1,318	1,395	1,351	1,346
381	337	308	284	404	249
46	78	42	59	35	49
6	3	5	3	2	3
37%	33%	31%	30%	36%	25%
188	172	140	143	197	181
0.1024	0.0912	0.0965	0.1022	0.0989	0.0975
\$174.65	\$172.42	\$164.31	\$168.72	\$178.53	\$155.60
\$108	\$129	\$116	\$101	\$108	\$98
\$8.64	\$10.28	\$9.26	\$8.08	\$8.61	\$7.60
\$54	\$52	\$52	\$50	\$50	\$50
\$3.95	\$3.84	\$3.84	\$3.62	\$3.62	\$3.57
\$261	\$279	\$223	\$254	\$253	\$305
1,931	2,054	1,808	1,762	1,843	1,791
\$2,192	\$2,333	\$2,031	\$2,016	\$2,096	\$2,096
\$160.52	\$170.89	\$148.75	\$147.61	\$153.48	\$151.03
65,000	65,000	65,000	65,000	65,000	65,000
4.76	4.76	4.76	4.76	4.76	4.68
\$1,032	\$977	\$1,157	\$1,008	\$972	\$894
5,979	6,200	6,242	6,693	6,479	6,606
173,042	173,308	192,970	171,646	169,171	199,102
16,534	22,603	23,521	20,754	21,584	21,624
12.67	12.69	14.13	12.57	12.39	14.35
\$11.16	\$11.85	\$9.37	\$10.27	\$10.89	\$10.53
\$5.96	\$5.64	\$5.99	\$5.87	\$5.74	\$4.49
\$863	\$838	\$707	\$696	\$676	\$720
\$63.00	\$61.00	\$52.00	\$51.00	\$50.00	\$51.89
29,000	29,000	29,000	29,000	29,000	29,000
19.89	23.37	15.65	24.21	25.55	26.34
\$93	\$88	\$89	\$81	\$81	\$81
1,458	1,241	1,853	1,198	1,135	1,101
51,168	50,961	42,942	38,553	37,663	46,272
3.75	3.73	3.14	2.82	2.76	3.33
\$591.91	\$675.33	\$381.33	\$580.88	\$595.59	\$653.95

(continued)

City of Brecksville, Ohio
Operating Indicators by Function/Program (continued)
Last Ten Years

Function/Program	2018	2017	2016	2015
Housing and Community Development:				
Planning and Zoning (in thousands)	\$4	\$5	\$7	\$4
Housing and Building Inspection (in thousands)	\$560	\$554	\$528	\$518
Cost per Citizen	\$41.71	\$41.50	\$40.00	\$38.00
Building Permits - Residential	966	952	859	761
Dollar Value of Permits (in thousands)	\$27,773	\$22,705	\$22,412	\$17,387
Building Permits - Commercial	150	205	202	183
Dollar Value of Permits (in thousands)	\$8,794	\$18,220	\$8,932	\$7,826
Engineering (in thousands)	\$102	\$122	\$104	\$135
Engineering Reviews				
New Topo Reviews	37	26	28	31
Revised Topo Reviews	38	23	30	36
Retaining Wall Reviews	6	9	8	3
Plat Reviews	6	8	8	3
Other Reviews	93	110	90	73
Builder Grades	57	50	31	25
Landscaping Grades	9	5	9	8
Total All Reviews	246	231	204	179
Number of Trees Planted	126	267	323	211
Number of Trees Removed	70	203	240	124
Cemetery Internments	47	41	61	31
Grave Purchases/Interment Payments (in thousands)	\$21	\$14	\$24	\$16
Street Construction, Maintenance and Repair:				
Street Maintenance (in thousands)	\$1,207	\$1,143	\$1,074	\$1,048
Snow and Ice Removal (in thousands)	\$130	\$142	\$149	\$191
Streets (lane miles)	191	191	191	189
Cost per mile of street	\$6.32	\$6.73	\$6.40	\$6.56
Feet of street per capita	74.58	74.87	75.04	73.08
Asphalt Usage (in tons)	8,407	6,090	6,755	8,062
Asphalt Cost per ton	\$60.00	\$57.75	\$54.75	\$55.00
Salt Usage (in tons)	8,323	6,501	8,553	10,950
Concrete Used (in cubic yards)	1,652	1,141	5,140	6,888
Brush/Grass/Yard Waste Collected (in cubic yard)	2,162	1,450	1,375	1,403
Leaves Collected (in cubic yards)	8,990	7,705	9,050	8,221
General Government:				
Law (in thousands)	\$292	\$262	\$256	\$252
Cost per budget dollar	\$0.0051	\$0.0048	\$0.0061	\$0.0079
Finance (in thousands)	\$424	\$430	\$411	\$393
Cost per budget dollar	\$0.0074	\$0.0079	\$0.0097	\$0.0123
Purchasing (in thousands)	\$212	\$202	\$196	\$195
Cost per employee	\$1,084.40	\$1,100.82	\$967.90	\$835.12
Lands and Buildings (in thousands)	\$1,045	\$1,054	\$1,187	\$1,090
Cost per citizen	\$77.28	\$78.25	\$88.32	\$79.82
Mayor's Office (in thousands)	\$227	\$266	\$257	\$249
Council (in thousands)	\$254	\$257	\$260	\$258

Source: Finance Department

2014	2013	2012	2011	2010	2009
\$7	\$6	\$5	\$5	\$5	\$4
\$471	\$462	\$454	\$479	\$505	\$521
\$35.00	\$34.00	\$34.00	\$35.00	\$37.00	\$37.84
742	826	853	845	895	882
\$12,356	\$4,307	\$9,648	\$3,236	\$3,654	\$5,596
167	213	208	244	207	137
\$12,140	\$12,250	\$10,818	\$4,081	\$21,592	\$3,954
\$138	\$187	\$339	\$339	\$241	\$256
8	6	7	5	5	11
14	13	9	8	8	13
2	12	7	5	39	15
2	6	4	3	6	16
56	43	51	55	13	43
12	9	6	5	9	15
6	5	3	2	4	11
100	94	87	83	84	124
134	163	92	175	168	146
757	98	157	196	190	197
45	64	54	48	43	41
\$19	\$38	\$43	\$33	\$27	\$30
\$923	\$1,182	\$1,070	\$1,185	\$892	\$1,033
\$240	\$169	\$97	\$157	\$220	\$175
189	189	189	189	189	189
\$6.15	\$7.15	\$6.18	\$7.10	\$5.88	\$7.21
73.08	73.08	73.08	73.08	73.08	72.28
12,481	9,926	5,576	7,650	5,415	7,237
\$55.00	\$60.75	\$60.75	\$68.30	\$68.50	\$56.81
11,745	10,270	4,920	7,650	6,863	8,625
10,934	6,151	5,239	44,438	3,945	1,941
2,657	1,478	1,743	3,094	2,354	2,409
8,440	7,222	7,710	6,333	6,411	7,722
\$251	\$231	\$304	\$248	\$247	\$219
\$0.0083	\$0.0072	\$0.0077	\$0.0071	\$0.0069	\$0.0054
\$352	\$339	\$319	\$308	\$325	\$342
\$0.0112	\$0.0105	\$0.0080	\$0.0088	\$0.0090	\$0.0085
\$177	\$175	\$168	\$165	\$169	\$227
\$758.03	\$747.46	\$720.77	\$706.21	\$724.63	\$1,027.15
\$818	\$742	\$651	\$563	\$602	\$785
\$59.90	\$54.35	\$47.65	\$41.23	\$44.06	\$56.58
\$237	\$235	\$234	\$233	\$218	\$217
\$249	\$249	\$250	\$248	\$238	\$234

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OHIO AUDITOR OF STATE
KEITH FABER



CITY OF BRECKSVILLE

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 9, 2019**