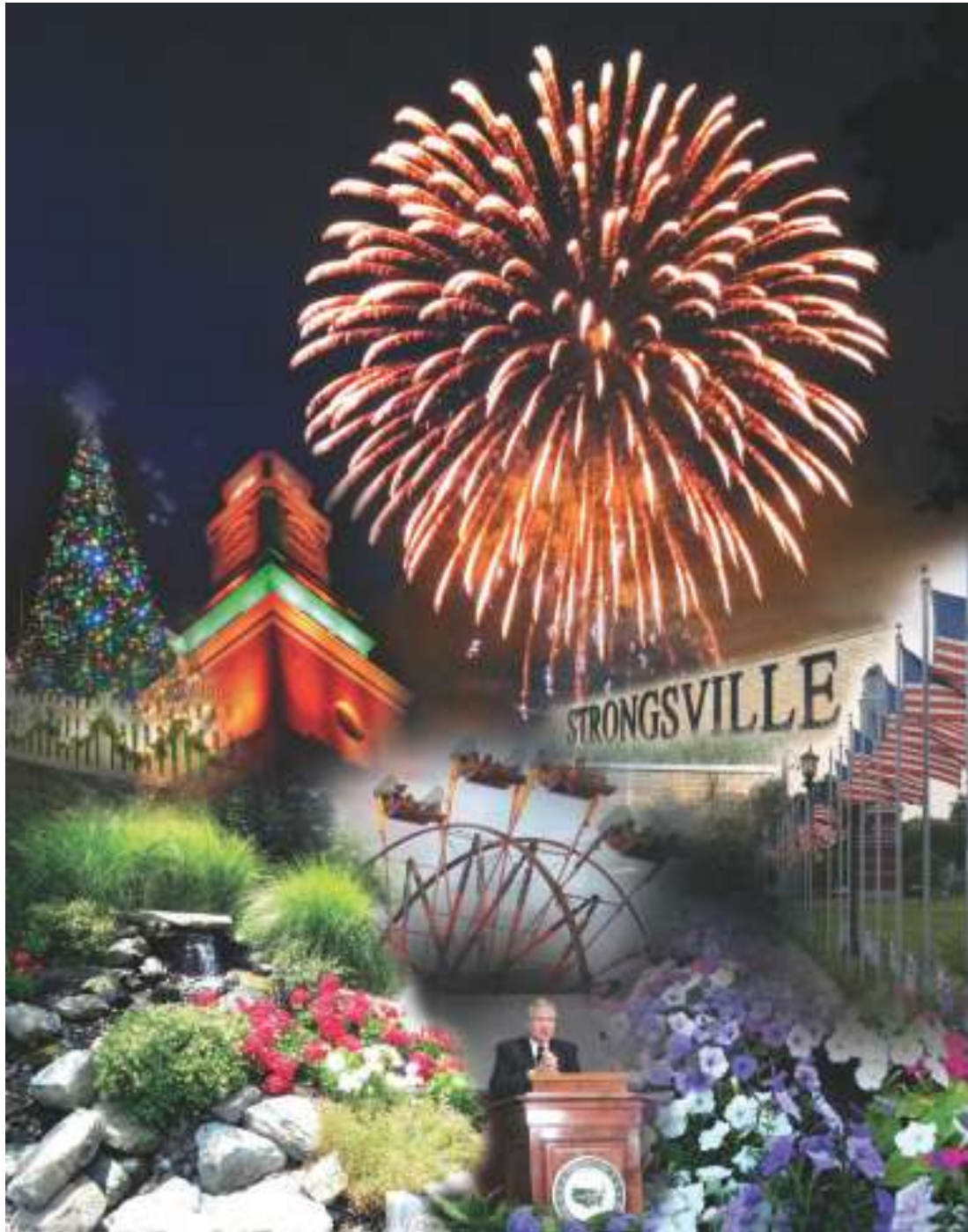


# **CITY OF STRONGSVILLE, OHIO**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2013**



# **CITY OF STRONGSVILLE, OHIO**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2013**

Issued by The Finance Department

Joseph K. Dubovec, CPA  
Director of Finance

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# INTRODUCTORY SECTION



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*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2013*  
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Thomas P. Perciak  
Mayor

# City of Strongsville

16099 Foltz Parkway  
Strongsville, Ohio 44149-5598  
Phone: 440-580-3150  
Mayor's Office Fax: 440-572-3241  
[www.strongsville.org](http://www.strongsville.org)

April 11, 2014

Members of City Council and  
Honorable Citizens of Strongsville, Ohio

We are pleased to submit the Comprehensive Annual Financial Report of the City of Strongsville for the year ended December 31, 2013.

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 to file unaudited general purpose external financial statements with the Auditor of State within 150 days of year end.

Management assumes full responsibility for both 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 anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Dave Yost, Auditor of State, has issued an unmodified ("clean") opinion on the City of Strongsville's financial statements for the year ended December 31, 2013. The independent auditor's report is located at the front of the financial section of this report.

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

## **Profile of the Government**

The City of Strongsville is approximately 25 square miles and is located in Cuyahoga County in northeastern Ohio, approximately 23 miles southwest of the City of Cleveland. Strongsville was incorporated as a village in 1818, and became a city in 1961 under the laws of the State of Ohio. In 2010 the U.S Census Bureau reported that Strongsville had a population of 44,750, up 2 percent from 43,858 in 2000.

The City of Strongsville operates and is governed by its Charter, first adopted by the voters on November 4, 1958. The Charter has been and may be amended by the voters from time to time. A nine-member Charter Review Commission reviews the Charter every five years, and most recently did so in 2013. The City is also subject to some general laws applicable to all cities. Under the State of Ohio Constitution the City may exercise all powers of local self-government and police powers to the extent not in conflict with applicable laws. The Charter provides for a mayor-council form of government.

Legislative authority is vested in a seven member council. Three members are elected at-large, and four members are elected from wards. The Council fixes compensation of City officials and employee's, enacts ordinances and resolutions relating to City services, tax levies, appropriations, borrowing money, licensing and regulating businesses and trades, and other municipal purposes. The presiding officer is the President of Council, who is elected by Council for a one year term. The Charter establishes certain administrative departments and Council may establish additional departments and divisions within departments.

The City of Strongsville's chief executive and administrative officer is the Mayor, who is elected by the voters for a four year term. The Mayor appoints, subject to approval of a majority of the members of Council, the Directors of the City's departments. The Mayor also acts as the Director of Public Safety when there is a vacancy in that position, although currently no such vacancy exists, 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.

The City provides its residents with a full range of municipal services. These services include, among other things, police, fire, emergency medical assistance, recreation and senior programs, building code enforcement, sanitary and storm sewer maintenance, street maintenance and repair, street lighting, traffic signalization, snow removal, refuse disposal, cemetery services and the maintenance of all City lands, buildings and equipment.

The City of Strongsville maintains its legal level of budgetary control at the department level, separated into the categories of Personal Service, Other than Personal Service, and Transfers and Advances. The Finance Director is authorized to allocate appropriations for function and object levels within the same department and category as explained above without prior Council approval, as long as the total appropriation for each department and category does not exceed that of the Council-approved appropriation.

## **Profile of the City**

The City of Strongsville is served by diversified transportation facilities, including two State highways, U.S. Highway 42 and 82, and Interstate Highways I-71 and I-80 (the Ohio Turnpike). It is served by CSX Railroad for freight rail services, Amtrak for passenger rail services located in nearby Cleveland, and is served by passenger and freight air services at Cleveland Hopkins International Airport, located within five miles of the City, and Burke Lakefront Airport located in downtown Cleveland. Public mass transit for the area is provided by the Greater Cleveland Regional Transit Authority.

Within a 30-minute drive from the City are the locations of the Rock and Roll Hall of Fame, Progressive Field, Quicken Loans Arena, FirstEnergy Stadium, the world-class Cleveland Orchestra, the Cleveland Museum of Art, the Natural History Museum, the Western Reserve Historical Society, the Cleveland Playhouse and Karamu House, a multi-racial performing arts center. These and other facilities in the area offer an extensive variety of cultural and educational programs to the residents of Strongsville, as well as professional sports including baseball, basketball and football.

The City of Strongsville owns three parks offering residents a variety of activities to improve health and fitness. The 57-acre Strongsville Recreation Park has three baseball diamonds and tennis courts. Surrarer Park, on the City's east side, has a baseball diamond, tennis courts and a covered pavilion. Volunteer Park, on the City's west side, has six baseball diamonds, a covered picnic area, bocce ball court and horseshoe pits. The Strongsville Business & Technology Park, home of the Strongsville Soccer Organization, offers residents many opportunities for fitness related activities. City residents can also take advantage of the Cleveland Metroparks within minutes of home. Located in the City section of the park system are the popular toboggan chutes, Mill Stream Run and a facility for year round recreational activities, the Chalet. Gardenview Horticultural Park is a botanical park located on 16 acres near the south end of the City. Visitors can view more than 500 species of trees and plants. In April 2008, the City purchased approximately 22 acres of undeveloped land on the City's west side to be used for recreational purposes. Since the land purchase, the City has built a regulation football field through public and private funding, constructed a covered picnic area, and with the assistance of a grant from the Ohio Department of Natural Resources, also constructed three youth baseball fields.

### **Major Initiatives**

Pearl Road is a major north/south thoroughfare that runs through the heart of the City of Strongsville. Early in 2000, planning began for a major rehabilitation project of a two mile stretch of Pearl Road from Shurmer Road south to the City limits at Boston Road. This project was designed to enhance public safety, as well as to alleviate congestion and improve traffic flow along this important stretch of road in the City. The complexity and estimated construction costs of this project dictated that it should be constructed in two phases. Phase I of this project was completed in the fall of 2012. Construction on Phase II of the Pearl Road Widening project began in 2013. The latter project is scheduled to be completed in May of 2015. The current construction cost estimate for Phase II of this project is \$10,907,000. To date, the City has secured nearly \$7,709,000 in grant funding and has secured a twenty year interest free loan in the amount of \$2,555,000 from the Ohio Public Works Commission (OPWC) for this phase of the project.

The City's Engineering Department has developed a proactive 10-phase Sanitary Sewer Capital Improvement Plan designed to eliminate some 663 of the 850 septic systems in place throughout the City. The first three phases of this plan have been completed at a total construction cost of \$3,366,349 and grant funding from the Ohio Public Works Commission totaled \$795,976. Loans from the Ohio Water Development Authority were obtained to pay the residents' share of the construction costs, and the loans will be repaid from the proceeds of special assessments levied against the property owners who benefitted from these projects. During 2013, the preliminary surveying and design work began for Phase IV of the 10-phase project with a total of 91 septic systems scheduled to be eliminated. Construction on this Phase of the project is scheduled to begin in early 2015. The total estimated cost of this Phase of the project is \$1,287,000.

In 2013 the City also continued with a sanitary sewer rehabilitation program that began in 2011. This program was designed to help alleviate sewer backups in basements caused by storm water inflow and infiltration into the sanitary sewer system during heavy rains. The process involves pressure testing each joint in a designated public sanitary sewer line. If the joint fails the pressure test, grout is pumped in to seal the joint and it is tested again to ensure that it has been properly sealed.

During 2012, the City expanded its wellness program, teaming up with the Cleveland Clinic, Southwest General Health Center and Medical Mutual to improve the level of service to employees and their families. For its efforts, the City was awarded a Bronze Award from Healthy Ohio. This award, issued by the Healthy Ohio Business Council, recognizes Ohio employers that demonstrate a commitment to employee health by incorporating comprehensive worksite health promotion and wellness.

The City ramped up its efforts further in 2013 by introducing a Tobacco Free policy, which prohibits the use of any type of tobacco products on all city-owned property including parks and parking lots. Other wellness efforts include twice-a-year biometric screenings intended to head off certain chronic conditions and the focus on healthy eating. The City's Recreation and Senior Center kitchen staff is working with the Cleveland Clinic to revise its menu to include healthier options to provide both employees and residents an inexpensive alternative for lunch

## **Economic Development**

The City of Strongsville is home to a diverse, growing local economy that maintains a solid tax base through established business parks and a thriving commercial sector. Development in the City of Strongsville has closely followed the City's Comprehensive Master Plan, which was first developed in the early 1960s and has been modified regularly to accommodate changes in the economic climate. As part of that plan, four industrial development areas, totaling over 2,362 acres, have been established within the City featuring large setbacks and ample green space, and resulting in a "park-like" atmosphere. A summary of each of the four business parks is listed below:

### The Strongsville Business & Technology Park

- 1,693 acres; 70% developed
- 3,052,479 SF of build-out with a 1.99% vacancy rate
- Home to over 70 companies that employ over 3,000 employees
- Ranked as the #1 industrial park in Northeast Ohio by Crain's Cleveland Business (9/2013)
- Over 500 acres of undeveloped, greenfield land available for future industrial development
- Major employers in the park: Momentive Performance Material's Quartz Division, Vitamix, Foundation Software, Clark Reliance's Corporate Headquarters, Sparton Medical Devices, CCL Design, and Eberhard Manufacturing

### The Dow Circle Research & Development Park

- 258 acres; 95% developed
- 931,820 SF of build-out with a 10.00% vacancy rate
- Home to over 30 companies that employ over 2,600 employees
- Ranked as the #11 industrial park in Northeast Ohio by Crain's Cleveland Business (9/2013)
- Major employers in the park: Regional Headquarters for Enterprise Rental Car, Lumitex, Akzo Nobel Coatings, and PNC Bank's Technology Center

### The Progress Drive Business Park

- 325 acres; 96% developed
- 1,287,307 SF of build-out with a 3.22% vacancy rate
- Home to over 40 companies that employ over 2,000 employees
- Ranked as the #8 industrial park in Northeast Ohio by Crain's Cleveland Business (9/2013)
- Major employers in the park: Corporate Headquarters of Atlantic Tool & Die, PPG Industries, and Insight/Chemical Services

### Park 82

- 86 acres; 100% developed
- 768,442 SF of build-out with 0.00% vacancy rate
- Home to 19 companies that employ over 1,000 employees
- Major employers in the park: Global Headquarters of Darice Inc., HMI, Intralot, and Simplex Grinnell

Overall, Strongsville's business parks are home to 6,040,048 SF of industrial/high tech build-out with a vacancy rate of 3.23%, as of December 31, 2013. Northeast Ohio's industrial vacancy rate for the same time period is 8.8% (*Crain's Cleveland Business: February 3, 2014*).

Job growth within the business parks continued to be robust in 2013, with over 450 new jobs announced. A highlight of several projects within the business parks include:

#### Vitamix

- Company Description:* High-end blender manufacturer
- Continued development of the 175,000 SF Strongsville Assembly/Global Distribution Center
- Over 400 employees at the facility by the end of 2013
- Announced the lease of 48,600 SF facility in Strongsville for Customer Care Center
- 130 new jobs at the Customer Care Center in early 2014

#### Foundation Software

- Company Description:* Software development firm specializing in the construction accounting industry
- Purchased former CSC Group Headquarters: 48,000 SF
- 150 new jobs
- Named One of the Fastest Growing Companies in NE Ohio by Weatherhead

#### IMARC Research

- Company Description:* Professionals that assist in clinical research for companies seeking FDA approvals
- Purchased former Edgerton Headquarters: 23,000 SF
- 25 new jobs

#### Eberhard Expansion

- Company Description:* Manufacturer of specialized parts for the automotive & military industries
- 18,000 SF expansion
- 175 employees



#### Sumitomo DeMag Technology Center

- Opened new Technology Center in April 2013 that is a showcase for cutting edge industrial equipment
- Customers from across the world visit the Strongsville facility to view potential purchases
- The facility also now works on refurbishing of injection press machinery

#### Woodpecker Inc

- Company Description:* Manufacturer of various woodworking tools
- Purchased the 40,000 SF former Safety Sign manufacturing facility on Prospect
- 30+ new employees

To facilitate the expansion and attraction of economic development projects, the City utilizes four tax incentive programs:

- **Community Reinvestment Area (CRA) Program**  
The City has established nineteen (19) Pre-1994 CRAs within and surrounding Strongsville's business parks. Improvements within these CRAs are granted an exemption from real estate property taxes for 100% of the incremental increase in assessed value for a period of up to 15 years.
- **Strongsville Job/Payroll Creation Incentive Grant Program**  
In 2013, the City of Strongsville created a new incentive program designed to attract large end-users with significant payroll to the community. Under the Strongsville Job/Payroll Creation Incentive Grant Program, a company that creates and maintains over \$6 million in new annual payroll within the City is eligible for an annual grant payment based on a percentage of the annual payroll withholding taxes generated by the project.
- **Enterprise Zone Program**  
The City's Enterprise Zone Program provides tax incentives in a designated Enterprise Zone to businesses that agree to invest in capital improvements and create or retain jobs. Tax incentives under this program are negotiated and can provide tax abatements of up to 75% for a term of up to ten years, subject to City, County and State approval.
- **Foreign Trade Zone (FTZ)**  
The City has seven (7) established FTZs within the City's business parks. FTZs allow companies to defer, reduce, or eliminate US Customs' duties.

In addition to the local tax incentive programs, the City of Strongsville utilizes County programs such as the Storefront Renovation Program and Brownfield Redevelopment Funds, as well as State programs for job creation and workforce development.

#### **Long-Term Financial Planning**

The City's entire bond portfolio is rated Aaa by Moody's Investors Service. This is the highest rating a city can receive, which attests to the City's prudent fiscal management and strong economic health.

In the past six years, the City has reduced its workforce by forty-six and found innovative ways to reduce costs without a reduction in services provided to its residents. The City continues to pay down its debt and seeks opportunities to refinance its debt in order to take advantage of any cost savings for its residents.

On January 1, 2013, the City implemented the use of the MyGov software, a web based community development software suite. It provides 24/7 access for those who interact with the City's Building Department. Contractors and residents can obtain permits electronically from any computer, I-pad or smart phone saving both time and money. The City of Strongsville is the only City in the State of Ohio and one of only 60 cities across the country that use this web based program.

Although the City has not adopted a formal minimum fund balance policy, the City has always strived to maintain fund balances that would finance at least a minimum of three months (25 percent) of operations. The Finance Department reviews all transactions on an on-going basis, balances bank accounts daily, and works diligently to manage and monitor revenues and expenditures to ensure that adequate fund balances are maintained.

The City's Tax Increment Financing (TIF) Specialist along with the Mayor and Director of Finance, have aggressively pursued the use of TIF Financing as an economic development tool. The City currently has three areas designated as TIF Financing Districts, and has most recently utilized TIF Financing to help fund the widening of Pearl Road Phase II.

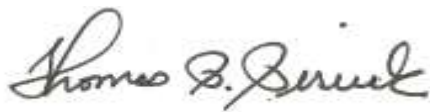
### **Awards and Acknowledgments**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Strongsville for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2012. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, the City had to publish an easily readable and efficiently organized comprehensive annual financial report that satisfied both generally accepted accounting principles (GAAP) and applicable legal requirements. A certificate is valid for a period of one year only. We believe our current report continues to meet the Certificate of Achievement Program's requirements, and are submitting it to GFOA to determine its eligibility for another certificate.

The successful completion of a report of this scope depends upon the dedicated contributions of many employees. The sincere appreciation of those primarily responsible for the completion of this CAFR is extended to all contributors, but especially those employees in the Department of Finance who have spent their time and energy on various parts of the report, and to the staff from James G. Zupka, Certified Public Accountants, Incorporated, for their assistance in compiling the Comprehensive Annual Financial Report.

In addition we would like to thank the members of Strongsville City Council, for their support in striving for excellence in financial reporting and disclosure.

Respectfully submitted,



Thomas P. Perciak  
Mayor



Joseph K. Dubovec, CPA  
Director of Finance

**City of Strongsville, Ohio**  
*Elected Officials*  
*December 31, 2013*

<u>Official</u>	<u>Term</u>	<u>Term Expiration</u>
Mayor:		
Thomas P. Perciak	4 years	December 31, 2015
Council Members:		
<u>At-Large:</u>		
Joseph C. DeMio	4 years	December 31, 2017
Kenneth M. Dooner - President Pro Tem	4 years	December 31, 2017
John D. Southworth, Jr.	4 years	December 31, 2017
<u>Wards:</u>		
Michael J. Daymut - President (Ward 1)	4 years	December 31, 2015
Matthew A. Schonhut (Ward 2)	4 years	December 31, 2015
James E. Carbone - (Ward 3)	4 years	December 31, 2015
J. Scott Maloney (Ward 4)	4 years	December 31, 2015

## City of Strongsville, Ohio

*Appointed Officials*

*December 31, 2013*

Law Director:  
Kenneth A. Kraus

Communication & Technology Director:  
John M. Bedford

Assistant Law Director:  
Daniel J. Kolick

Human Resources Director:  
Stephen F. Kilo

Finance Director:  
Joseph K. Dubovec, CPA

Recreation, Parks & Senior Services Director:  
Bryan V. Bogre

Service Director:  
Joseph M. Walker

Chief of Police:  
James D. Kobak

Economic Development Director:  
Brent T. Painter

Chief of Fire:  
Jeffrey D. Branich

City Engineer:  
Kenneth P. Mikula

Magistrate:  
Joseph A. Gambino

Building Commissioner:  
Anthony J. Biondillo

City Prosecutor:  
George F. Lonjak

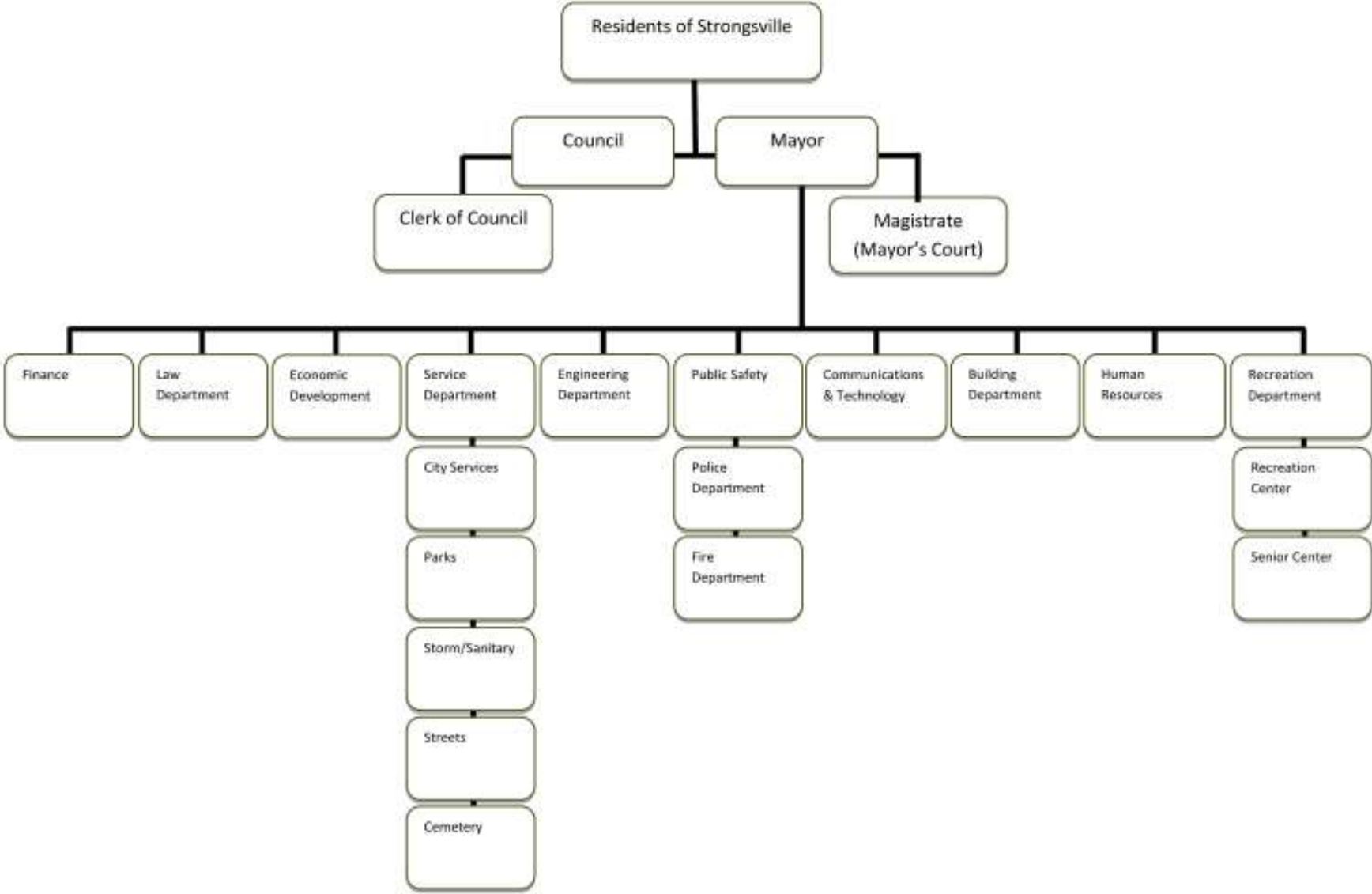
Clerk of Council (Appointed by Council):  
Leslie J. Seefried

Public Safety Director:  
Charles W. Goss

**City of Strongsville, Ohio**

*Organizational Chart*

*December 31, 2013*





Government Finance Officers Association

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

Presented to

**City of Strongsville  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2012**

Executive Director/CEO

# FINANCIAL SECTION



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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

City of Strongsville  
Cuyahoga County  
16099 Foltz Industrial Parkway  
Strongsville, Ohio 44149

To the City Council:

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Strongsville, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

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

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

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

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Strongsville, Cuyahoga County, Ohio, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, the Street Construction, Maintenance and Repair Fund, and the Fire Levy Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

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

#### *Supplementary and Other Information*

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

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated April 11, 2014, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

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

April 11, 2014

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**City of Strongsville, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2013*  
*Unaudited*

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As management of the City of Strongsville (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2013. We encourage readers to consider the information presented here in conjunction with the additional information contained in the financial statements and the notes thereof.

**Financial Highlights**

- The City's total assets and deferred outflows of resources exceeded its total liabilities and deferred inflows of resources at the close of 2013 by \$209,339,692. Of this amount, \$23,495,331 is considered unrestricted. The unrestricted net position of the City's governmental activities was \$15,942,477 and may be used to meet the City's on-going obligations. The unrestricted net position of the City's business-type activities was \$7,552,854, with net investment in capital assets accounting for \$42,665,297 or 84.96 percent of the total business-type activities' net position.
- The City's total net position increased \$129,154 or 0.06 percent in 2013. Net position of the governmental activities increased \$454,832, which represents a 0.29 percent increase from 2012. Net position of the business-type activities decreased \$325,678 or 0.64 percent from 2012.
- The General Fund reported a fund balance of \$16,676,141 at the end of the current fiscal year. The unassigned fund balance for the General Fund was \$14,567,182 or 46.78 percent of the total General Fund expenditures (including transfers out). The General Fund experienced an increase of \$927,518 in its fund balance for the year ended December 31, 2013.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

**Government-wide Financial Statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. 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 nonmajor funds presented in one column.

The *statement of net position* presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the residual being reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, security of persons and property, public health services, transportation, community environment, basic utility services, leisure time activities, and interest and fiscal charges. The business-type activities include sanitary sewer services and improvements.

The government-wide financial statements can be found starting on page 17 of this report.

**Fund Financial Statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on the *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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 financial decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 27 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Street Construction, Maintenance, and Repair Fund, Fire Levy Fund, General Bond Retirement Fund, and Pearl Road TIF Fund, all of which are considered to be major funds. Data from the other 22 governmental funds are combined into a single aggregated presentation.

The basic governmental fund financial statements can be found on pages 20-26 of this report.

**Proprietary Funds.** The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses an enterprise fund to account for its sanitary sewer operations. *Internal Service funds* are an accounting device used to accumulate and allocate costs internally to the City's various functions. The City has one Internal Service Fund to account for workers' compensation coverage.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sanitary sewer operations as it is considered a major fund and the Internal Service Fund.

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The basic proprietary fund financial statements can be found on pages 27-29 of this report.

***Fiduciary Funds.*** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 30 of this report.

***Notes to the Basic Financial Statements.*** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements and can be found on pages 31-67.

### **Government-wide Financial Analysis**

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 looks at all financial transactions and asks the question, "How did we do financially during 2013?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all nonfiduciary assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by the private sector. The accrual 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 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 capital assets will also need to be evaluated.

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

- Assets
- Deferred Outflows of Resources
- Liabilities
- Deferred Inflows of Resources
- Net Position (Assets and Deferred Outflows of Resources minus Liabilities and Deferred Inflows of Resources)
- Program Expenses and Revenues
- General Revenues
- Net Position Beginning and End of Year

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**The City of Strongsville as a Whole**

Recall that the Statement of Net Position looks at the City as a whole. The following provides a summary of the City's net position for 2013 compared to 2012.

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
<b>ASSETS</b>						
Current and other assets	\$ 50,993,350	\$ 45,730,574	\$ 8,145,068	\$ 7,482,993	\$ 59,138,418	\$ 53,213,567
Capital assets, net	179,717,459	183,792,712	45,794,850	47,188,109	225,512,309	230,980,821
<b>Total Assets</b>	<b>230,710,809</b>	<b>229,523,286</b>	<b>53,939,918</b>	<b>54,671,102</b>	<b>284,650,727</b>	<b>284,194,388</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferral on Refunding	343,450	386,381	-	-	343,450	386,381
<b>LIABILITIES</b>						
Current and other liabilities	8,192,988	8,068,355	446,109	323,965	8,639,097	8,392,320
Long-term liabilities:						
Due within one year	3,578,678	3,763,527	480,649	543,370	4,059,327	4,306,897
Due in more than one year	49,162,327	49,899,835	2,795,009	3,259,938	51,957,336	53,159,773
<b>Total Liabilities</b>	<b>60,933,993</b>	<b>61,731,717</b>	<b>3,721,767</b>	<b>4,127,273</b>	<b>64,655,760</b>	<b>65,858,990</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Property Taxes	9,699,125	8,661,241	-	-	9,699,125	8,661,241
Payments in Lieu of Taxes	1,299,600	850,000	-	-	1,299,600	850,000
<b>Total Deferred Inflows of Resources</b>	<b>10,998,725</b>	<b>9,511,241</b>	<b>-</b>	<b>-</b>	<b>10,998,725</b>	<b>9,511,241</b>
<b>NET POSITION</b>						
Net Investment in						
Capital Assets	130,311,512	132,674,654	42,665,297	43,649,981	172,976,809	176,324,635
Restricted	12,867,552	12,312,614	-	-	12,867,552	12,312,614
Unrestricted	15,942,477	13,679,441	7,552,854	6,893,848	23,495,331	20,573,289
<b>Total Net Position</b>	<b>\$ 159,121,541</b>	<b>\$ 158,666,709</b>	<b>\$ 50,218,151</b>	<b>\$ 50,543,829</b>	<b>\$ 209,339,692</b>	<b>\$ 209,210,538</b>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$209,339,692 at the close of the most recent fiscal year.

The largest portion of the City's total net position (82.63 percent) reflects its investments in capital assets (e.g., land, construction in progress, buildings, land improvements, machinery and equipment, furniture and fixtures, vehicles, and infrastructure), less any related debt used to acquire those assets that is still outstanding along with any related deferred outflows/inflows of resources. The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.



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An additional portion of the City's net position reflects resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted net position may be used to meet the government's on-going obligations to citizens and creditors. It is important to note that, although the total unrestricted net position is \$23,495,331, the unrestricted net position of the City's business-type activities, \$7,552,854, may not be used to fund governmental activities.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

Total assets increased from 2012 to 2013 in the amount of \$456,339, while the City's total liabilities decreased by \$1,203,230. Most of the increase in assets was due to increases in equity in pooled cash and cash equivalents and property taxes receivable. The decrease in liabilities can be attributed to a decrease in the City's long-term liabilities as a result of paying down the City's long-term obligations along with notes payable.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for the current year.

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
<b>REVENUES</b>						
Program Revenues:						
Charges for services	\$ 5,814,313	\$ 6,125,953	\$ 5,738,519	\$ 5,688,046	\$ 11,552,832	\$ 11,813,999
Operating grants and contributions	2,114,528	2,015,126	-	-	2,114,528	2,015,126
Capital grants and contributions	1,079,079	273,441	396,085	1,101,103	1,475,164	1,374,544
<b>Total Program Revenues</b>	<b>9,007,920</b>	<b>8,414,520</b>	<b>6,134,604</b>	<b>6,789,149</b>	<b>15,142,524</b>	<b>15,203,669</b>
General Revenues:						
Property taxes	9,302,656	9,075,104	-	-	9,302,656	9,075,104
Municipal income taxes	31,541,050	29,834,405	-	-	31,541,050	29,834,405
Other taxes	1,212,049	1,211,229	-	-	1,212,049	1,211,229
Payments in lieu of taxes	1,490,423	866,597	-	-	1,490,423	866,597
Grants and entitlements	2,638,081	3,376,078	-	-	2,638,081	3,376,078
Investment income	107,997	143,795	42,687	26,220	150,684	170,015
All other revenues	83,557	105,094	-	-	83,557	105,094
<b>Total General Revenues</b>	<b>46,375,813</b>	<b>44,612,302</b>	<b>42,687</b>	<b>26,220</b>	<b>46,418,500</b>	<b>44,638,522</b>
<b>Total Revenues</b>	<b>55,383,733</b>	<b>53,026,822</b>	<b>6,177,291</b>	<b>6,815,369</b>	<b>61,561,024</b>	<b>59,842,191</b>
<b>EXPENSES</b>						
Program Expenses:						
Security of persons and property	22,032,268	21,838,362	-	-	22,032,268	21,838,362
Public health services	609,757	588,830	-	-	609,757	588,830
Leisure time activities	5,579,473	5,436,655	-	-	5,579,473	5,436,655
Community environment	1,573,803	1,718,686	-	-	1,573,803	1,718,686
Basic utility services	2,310,738	2,047,268	-	-	2,310,738	2,047,268
Transportation	16,510,864	15,681,631	-	-	16,510,864	15,681,631
General government	4,345,550	4,302,219	-	-	4,345,550	4,302,219
Interest and fiscal charges	1,966,448	2,103,662	133,284	142,693	2,099,732	2,246,355
Sanitary sewer	-	-	6,369,685	6,572,115	6,369,685	6,572,115
<b>Total Expenses</b>	<b>54,928,901</b>	<b>53,717,313</b>	<b>6,502,969</b>	<b>6,714,808</b>	<b>61,431,870</b>	<b>60,432,121</b>
Change in Net Position	454,832	(690,491)	(325,678)	100,561	129,154	(589,930)
Net Position - Beginning of Year	158,666,709	159,357,200	50,543,829	50,443,268	209,210,538	209,800,468
<b>Net Position - End of Year</b>	<b>\$ 159,121,541</b>	<b>\$ 158,666,709</b>	<b>\$ 50,218,151</b>	<b>\$ 50,543,829</b>	<b>\$ 209,339,692</b>	<b>\$ 209,210,538</b>

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**Governmental Activities**

Governmental activities increased the City's net position by \$454,832 due to total revenues of \$55,383,733 exceeding total program expenses of \$54,928,901. Several types of revenues fund the City's governmental activities with the City's income tax being the biggest contributor. The income tax rate was 2.00 percent for 2013, the same as the prior year. Both residents of the City and non-residents who work inside the City are subject to the income tax. However, if residents work in a locality that has a municipal income tax, the City has provided a 75.00 percent credit up to 2.00 percent for those who pay income tax to another City. City Council could, by Ordinance, choose to vary that income tax credit and create additional revenues for the City.

The municipal income tax revenue for 2013 was \$31,541,050. Of the \$55,383,733 in total program and general revenues, municipal income tax accounts for 56.95 percent of that total. In 2013, the City experienced an increase in municipal income tax revenues when compared to 2012. This increase can be attributed to a variety of factors that are listed below:

- Increase in the prior years' collections received in 2013 (on a cash-basis) - \$738,702 due in part to the continuation of the Federal Tax Information (FTI) program that was implemented by RITA in 2010. This program matches income reported to the IRS with income reported to RITA to determine if taxpayers are reporting all of their income,
- Increase in income tax collections due to increased employment stemming from the City's economic development and retention efforts which helped generate 1,300 new jobs in the City.

Property taxes of \$9,302,656 account for 16.80 percent of total revenues; operating and capital grants and contributions, and general revenues from grants and entitlements account for 10.53 percent of total governmental revenues; and charges for services, investment earnings, other taxes, payments in lieu of taxes, and all other revenues make up the remaining 15.72 percent.

General revenues from grants and entitlements, such as local government funds, are also revenue generators. The combination of property tax, income tax, and intergovernmental funding, is not sufficient to cover all expenses in the governmental activities. The City monitors its sources of revenues very closely for fluctuations.

In total, the City's governmental activities experienced a modest 2.26 percent increase in 2013 expenses when compared to 2012 expenses. The largest program function for the City is security of persons and property. During 2013, 40.11 percent of program expenses relate to security of persons and property, which includes Police and Fire protection.

The second largest program function of the City is transportation. During 2013, 30.06 percent of program expenses relate to transportation, which includes road repairs and snow removal. The expenses of this program experienced the largest increase of all program functions from 2012 to 2013 by \$829,233. This increase is primarily attributable to an increase in repairs and maintenance costs associated with the 2013 Road Program. The annual depreciation expense that is included in the total transportation expense is \$6,210,244.

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**Business-Type Activities**

The business-type activities of the City, which pertain to the City's sanitary sewer operations, decreased the City's total net position by \$325,678. The operating loss decreased from (\$884,069) to (\$631,166) due to slightly higher revenues and slighter lower expenses. Most of the change in net position was due to the recognition of non-operating revenues for capital contributions from special assessments for the 2012 Drake Road East Sanitary Sewer Extension project.

**Financial Analysis of Governmental Funds**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related requirements.

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

As of December 31, 2013, the City's governmental funds reported an ending combined fund balance of \$25,052,592, an increase of \$3,680,389 in comparison with the prior year. \$12,124,157 of the ending combined fund balance for 2013 constitutes *unassigned fund balance*, which is available for spending at the City's discretion. The remainder of fund balance is *nonspendable, restricted, or committed* to indicate that it is not available for new spending because it is not in spendable form or it has already been restricted or committed by external or internal constraints.

All governmental funds had total revenues of \$55,547,167 and expenditures of \$53,158,754 (not including other financing sources and uses) with revenues exceeding expenditures by \$2,388,413. Revenues increased from the previous year primarily due to an increase in municipal income taxes. This increase can be attributed to the City's strong, diversified commercial tax base which is not reliant upon a small group of employers or a single industry. While intergovernmental revenue decreased slightly for all governmental funds; it decreased by over \$800,000 in the General Fund due to changes in State law decreasing the amounts received by the City from Estate taxes and the Local Government Fund. Most of the overall increase in intergovernmental revenue was attributable to one time receipts from Lorain and Cuyahoga counties for their portion of the Marks and Prospect Roads culvert replacements, respectively. 2013 also saw substantial increases in Payments in Lieu of Taxes receipts due to increased property values stemming from new commercial development.

Total governmental funds expenditures increased by over \$3,000,000 primarily as a result of increased investment in the City's infrastructure (Pearl Road widening project and culvert replacements), and an enhanced street maintenance program. Investment in public safety capital items increased by approximately \$239,000 from \$525,000 to \$764,000 and included a new Fire Department rescue squad and various other public safety vehicles. Also in 2013, the retirement of outstanding debt increased by \$945,000 when compared to 2012.

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**General Fund Analysis**

The General Fund is the chief operating fund of the City. At the beginning of the current year, total fund balance for the General Fund was \$15,748,623. General Fund expenditures (including transfers out) for the current year were \$31,141,467, with revenues and other financing sources of \$32,068,985, leaving a fund balance of \$16,676,141, and an unassigned balance of \$14,567,182 in the General Fund.

As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures (including transfers out). The General Fund's unassigned fund balance represents 46.78 percent of total General Fund expenditures while total fund balance represents 53.55 percent of that same amount. In 2013, the fund balance of the City's General Fund increased by \$927,518 when compared to 2012. Key factors in this increase are as follows:

- Municipal income tax revenues experienced an increase of \$1,631,508 in 2013, however, some of this increase was offset by reductions in intergovernmental revenues for Estate Taxes and from the Local Government Fund;
- While overall General Fund expenditures increased by less than one-half of one percent, most of this decrease was due to the expiration of various revenue sharing agreements;
- The amount payable to the General Fund relates to a working capital loan made to the Drainage Levy Special Revenue Fund and the Pearl Road Capital Improvement Fund. These loans will be repaid in 2014; and
- Transfers out to other funds increased by approximately \$2,700,000 to provide additional resources to enhance and/or maintain public safety, street maintenance and repair, drainage systems and recreation.

**Other Major Governmental Funds Analysis**

The City's Street Construction, Maintenance and Repair Fund experienced an increase of \$1,042,136 in its 2013 fund balance when compared to 2012. This increase was due to additional operating transfers from the General Fund, as well as increased income tax collections. Purchases of road salt for 2013 were lower due to unused inventory originally purchased in the prior year.

The City's Fire Levy Fund experienced an increase of \$720,449, in its 2013 fund balance when compared to 2012. This increase can be attributed to an increase in operating transfers from the General Fund, increased property tax collections, and the retirement and subsequent replacement of three firefighters at entry level salaries.

The City's General Bond Retirement Fund experienced an increase of \$936,851 in its 2013 fund balance when compared to 2012. The main contributor to this increase was a decrease in transfers out using the modified accrual basis of accounting as compared to the prior year.

The City's Pearl Road TIF Fund experienced an increase of \$1,195,729 in its 2013 fund balance when compared to 2012. The main contributor to this increase is an increase in payments in lieu of taxes for 2013 when compared to 2012.

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**General Fund Budgetary 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 and disbursements. The most significant budgeted fund is the General Fund. During the course of 2013, the City amended its General Fund budget on various occasions. 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 City does allow small interdepartmental budget changes that modify line items within departments within the same fund. The General Fund supports many of the City's major activities such as the Police Department, Fire Department, Service Department, and Recreation Department, as well as most legislative and executive activities. The General Fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

For the General Fund, original budgeted revenues (including other financing sources) were \$30,632,267. The final budgeted revenue amount (including other financing sources) was \$34,298,167. This increase was primarily due to an increase in the municipal income tax estimate and estimate for intergovernmental revenues. The actual revenues (including other financing sources) were slightly lower than the final budgeted amounts.

Original General Fund budgeted expenditures (including other financing uses) were \$30,806,400 and the final amended budgeted expenditures (including other financing uses) were \$35,506,594. Actual General Fund expenditures (including other financing uses) were \$33,850,798 or 4.66 percent less than the final budgeted amounts. This was most notable in basic utility services, security of persons and property and general government. The favorable variance when comparing actual expenditures to the final budget amounts is due to prudent fiscal management and a conservative budgeting strategy.

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**Capital Assets and Debt Administration**

**Capital Assets** - The City's investment in capital assets for governmental and business-type activities as of December 31, 2013, amounts to \$225,512,309 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, land improvements, machinery and equipment, furniture and fixtures, vehicles, streets, sidewalks, bridges, traffic signalization, and sanitary sewers.

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 10,608,298	\$ 10,608,298	\$ 1,508,079	\$ 1,508,079	\$ 12,116,377	\$ 12,116,377
Construction in progress	2,931,029	2,350,875	25,556	28,136	2,956,585	2,379,011
<b>Total Non-Depreciable</b>	<b>13,539,327</b>	<b>12,959,173</b>	<b>1,533,635</b>	<b>1,536,215</b>	<b>15,072,962</b>	<b>14,495,388</b>
Buildings	41,443,489	42,426,052	4,417,834	4,595,462	45,861,323	47,021,514
Land improvements	1,858,009	1,965,143	230,953	233,902	2,088,962	2,199,045
Machinery and equipment	714,411	799,809	978,616	1,046,511	1,693,027	1,846,320
Furniture and fixtures	306,489	381,483	986	986	307,475	382,469
Vehicles	2,753,917	2,517,515	151,271	209,560	2,905,188	2,727,075
Infrastructure:						
Streets	65,595,726	68,745,810	-	-	65,595,726	68,745,810
Bridges	187,551	195,265	-	-	187,551	195,265
Storm sewers	46,755,658	46,823,104	-	-	46,755,658	46,823,104
Sidewalks	2,788,720	2,983,819	-	-	2,788,720	2,983,819
Traffic signalization	3,774,162	3,995,539	-	-	3,774,162	3,995,539
Sanitary sewers	-	-	38,481,555	39,565,473	38,481,555	39,565,473
<b>Total Depreciable,</b>						
<b>  Net of Depreciation</b>	<b>166,178,132</b>	<b>170,833,539</b>	<b>44,261,215</b>	<b>45,651,894</b>	<b>210,439,347</b>	<b>216,485,433</b>
<b>Total Capital Assets,</b>						
<b>  Net of Depreciation</b>	<b>\$ 179,717,459</b>	<b>\$ 183,792,712</b>	<b>\$ 45,794,850</b>	<b>\$ 47,188,109</b>	<b>\$ 225,512,309</b>	<b>\$ 230,980,821</b>

Major capital asset events during 2013 included the following:

- Total capital assets, net of accumulated depreciation, decreased by \$5,468,512,
- Business-type activity capital assets decreased by \$1,393,259 (net of accumulated depreciation). The decrease was due to current year depreciation expense exceeding capital additions, and
- Governmental activity capital assets decreased by \$4,075,253 (net of accumulated depreciation). This was due to current year depreciation expense exceeding current year capital outlays.

Refer to Note 10 of the basic financial statements for more detail on capital asset activity.

**Debt** - The General Bond Retirement Debt Service Fund is funded primarily with 2.3 mills of the City's inside property tax millage and related intergovernmental revenues, special assessments, and General Fund transfers. At December 31, 2013, the City had \$51,228,227 of long-term bonds and loans outstanding, with \$48,098,674 in governmental activities and \$3,129,553 in business-type activities and is included herein.

**City of Strongsville, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2013*  
*Unaudited*

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
General Obligation Bonds	\$ 46,402,039	\$ 48,476,997	\$ 210,000	\$ 415,000	\$ 46,612,039	\$ 48,891,997
Special Assessment Bonds	490,000	680,000	-	-	490,000	680,000
OPWC Loan	1,206,635	-	-	-	1,206,635	-
OWDA Loans	-	-	2,919,553	3,123,128	2,919,553	3,123,128
Total Outstanding Debt	<u>\$ 48,098,674</u>	<u>\$ 49,156,997</u>	<u>\$ 3,129,553</u>	<u>\$ 3,538,128</u>	<u>\$ 51,228,227</u>	<u>\$ 52,695,125</u>

In a continuing effort to be conscientious about how taxpayer dollars are spent, the City has received the Aaa rating from Moody's Investors Service. This rating was recently reaffirmed by Moody's in conjunction with the subsequent event discussed in note 19. Strongsville remains one of the few cities in Ohio to have been awarded this rating.

The City is within all of its legal debt limitations. The Ohio Revised Code provides that the net debt (as defined in the Ohio Revised Code) of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5 percent of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5 percent of the total taxation value of property. The statutory limitations on debt are measured by the ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2013, the City's overall legal debt margin was at \$95,281,178 and the unvoted legal debt margin was at \$25,220,201. The aggregate amount of the City's unvoted debt is also subject to overlapping debt restrictions with other political subdivisions. The actual aggregate amount of the City's unvoted debt is limited to ten mills. This millage is measured against the property values in each overlapping district.

Refer to Notes 14 and 15 of the basic financial statements for more detail on short-term and long-term debt activity.

**Economic Factors**

The City's elected and appointed officials consider many factors when setting the budget parameters for each year. Budget priorities include; public safety, investment in infrastructure to promote economic development and job creation, investment in and use of technology, and maintaining adequate balances in its major funds to ensure both financial flexibility and long term stability. Continued slow economic conditions, uncertainty regarding increases in health care costs as well as known reductions in intergovernmental revenues levied by the State have dictated a conservative approach concerning all of the City's financial matters. The City keeps these objectives in mind while diligently monitoring revenue and expenditures on a daily basis. The City continues to practice measures of cost containment and will pursue any grants or donations available to fund operations and specific capital projects.

**Request for Information**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show accountability for the money it receives, spends, or invests. If you have any questions about this report or need financial information contact Director of Finance, Joseph K. Dubovec, CPA, City of Strongsville, 16099 Foltz Parkway, Strongsville, Ohio 44149, telephone 440-580-3100.

## **Basic Financial Statements**



# City of Strongsville, Ohio

## Statement of Net Position

December 31, 2013

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 27,507,981	\$ 4,769,087	\$ 32,277,068
Materials and Supplies Inventory	390,042	-	390,042
Accounts Receivable	591,063	2,121,284	2,712,347
Accrued Interest Receivable	13,506	2,754	16,260
Intergovernmental Receivable	3,196,634	25,789	3,222,423
Hotel Taxes Receivable	12,457	-	12,457
Franchise Taxes Receivable	177,695	-	177,695
Permissive Motor Vehicle Taxes Receivable	26,014	-	26,014
Prepaid Items	248,376	75,817	324,193
Municipal Income Taxes Receivable	8,277,898	-	8,277,898
Property Taxes Receivable	9,990,580	-	9,990,580
Special Assessments Receivable	561,104	1,150,337	1,711,441
Nondepreciable Capital Assets	13,539,327	1,533,635	15,072,962
Depreciable Capital Assets	166,178,132	44,261,215	210,439,347
<b>Total Assets</b>	<u>230,710,809</u>	<u>53,939,918</u>	<u>284,650,727</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferral on Refunding	343,450	-	343,450
<b>Total Deferred Outflows of Resources</b>	<u>343,450</u>	<u>-</u>	<u>343,450</u>
<b>LIABILITIES</b>			
Accounts Payable	779,235	376,137	1,155,372
Contracts Payable	560,908	-	560,908
Accrued Wages and Benefits	1,056,516	40,404	1,096,920
Intergovernmental Payable	374,027	6,158	380,185
Matured Compensated Absences Payable	36,135	-	36,135
Accrued Interest Payable	170,051	496	170,547
Retainage Payable	87,582	22,914	110,496
Notes Payable	5,128,534	-	5,128,534
Long-term Liabilities:			
Due within one year	3,578,678	480,649	4,059,327
Due in more than one year	49,162,327	2,795,009	51,957,336
<b>Total Liabilities</b>	<u>60,933,993</u>	<u>3,721,767</u>	<u>64,655,760</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	9,699,125	-	9,699,125
Payments in Lieu of Taxes	1,299,600	-	1,299,600
<b>Total Deferred Inflows of Resources</b>	<u>10,998,725</u>	<u>-</u>	<u>10,998,725</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	130,311,512	42,665,297	172,976,809
Restricted for:			
Debt Service	2,402,178	-	2,402,178
Capital Projects	1,148,233	-	1,148,233
Police and Fire	3,215,146	-	3,215,146
Streets and Highways	5,656,818	-	5,656,818
Recreation Center	107,285	-	107,285
Other Purposes	337,892	-	337,892
Unrestricted	15,942,477	7,552,854	23,495,331
<b>Total Net Position</b>	<u>\$ 159,121,541</u>	<u>\$ 50,218,151</u>	<u>\$ 209,339,692</u>

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

**City of Strongsville, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2013

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Primary Government:</b>				
<b>Governmental activities:</b>				
Security of Persons and Property	\$ 22,032,268	\$ 1,576,135	\$ 107,294	\$ 1,939
Public Health Services	609,757	57,869	-	-
Leisure Time Activities	5,579,473	2,927,501	18,827	30,672
Community Environment	1,573,803	914,601	13,750	-
Basic Utility Services	2,310,738	94,651	6,898	1,039,470
Transportation	16,510,864	3,000	1,967,759	6,998
General Government	4,345,550	240,556	-	-
Interest and Fiscal Charges	1,966,448	-	-	-
<b>Total Governmental activities</b>	<u>54,928,901</u>	<u>5,814,313</u>	<u>2,114,528</u>	<u>1,079,079</u>
<b>Business-type activities:</b>				
Sanitary Sewer	6,502,969	5,738,519	-	396,085
<b>Total Business-type activities</b>	<u>6,502,969</u>	<u>5,738,519</u>	<u>-</u>	<u>396,085</u>
<b>Total Primary Government</b>	<u>\$ 61,431,870</u>	<u>\$ 11,552,832</u>	<u>\$ 2,114,528</u>	<u>\$ 1,475,164</u>

**General Revenues:**

Property Taxes levied for:

General Purposes

Debt Service Purpose

Other Purposes

Municipal Income Taxes levied for:

General Purposes

Other Purposes

Hotel Taxes

Permissive Motor Vehicle Taxes

Franchise Taxes

Payments in Lieu of Taxes

Grants and Entitlements not Restricted to Specific Programs

Investment Income

Gain on Sale of Capital Assets

All Other Revenues

Total General Revenues

Change in Net Position

Net Position - Beginning of Year

**Net Position - End of Year**

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

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**Net (Expense) Revenue and Changes in Net Position**

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (20,346,900)	\$ -	\$ (20,346,900)
(551,888)	-	(551,888)
(2,602,473)	-	(2,602,473)
(645,452)	-	(645,452)
(1,169,719)	-	(1,169,719)
(14,533,107)	-	(14,533,107)
(4,104,994)	-	(4,104,994)
(1,966,448)	-	(1,966,448)
<u>(45,920,981)</u>	<u>-</u>	<u>(45,920,981)</u>
-	(368,365)	(368,365)
-	(368,365)	(368,365)
<u>(45,920,981)</u>	<u>(368,365)</u>	<u>(46,289,346)</u>
449,334	-	449,334
3,440,487	-	3,440,487
5,412,835	-	5,412,835
28,221,681	-	28,221,681
3,319,369	-	3,319,369
179,090	-	179,090
328,246	-	328,246
704,713	-	704,713
1,490,423	-	1,490,423
2,638,081	-	2,638,081
107,997	42,687	150,684
12,456	-	12,456
71,101	-	71,101
<u>46,375,813</u>	<u>42,687</u>	<u>46,418,500</u>
454,832	(325,678)	129,154
<u>158,666,709</u>	<u>50,543,829</u>	<u>209,210,538</u>
<u>\$ 159,121,541</u>	<u>\$ 50,218,151</u>	<u>\$ 209,339,692</u>

**City of Strongsville, Ohio**  
*Balance Sheet*  
**Governmental Funds**  
*December 31, 2013*

	General Fund	Street Construction, Maintenance & Repair	Fire Levy	General Bond Retirement	Pearl Road TIF	Other Governmental Funds
<b>ASSETS AND DEFERRED</b>						
<b>OUTFLOWS OF RESOURCES</b>						
<b>Assets:</b>						
Equity in Pooled Cash and Cash Equivalents	\$ 9,736,423	\$ 3,930,842	\$1,723,504	\$1,645,693	\$ 443,238	\$ 8,790,409
Materials and Supplies Inventory	32,292	357,500	-	-	-	250
Accrued Interest Receivable	8,321	1,873	-	1,525	355	1,432
Accounts Receivable	486,165	-	-	-	-	104,898
Interfund Receivable	2,760,000	-	-	-	-	-
Intergovernmental Receivable	328,847	856,683	270,805	263,497	1,122,400	354,402
Prepaid Items	68,099	35,447	48,236	-	-	70,246
Municipal Income Taxes Receivable	7,402,096	875,802	-	-	-	-
Property Taxes Receivable	459,013	-	4,381,984	3,568,952	-	1,580,631
Special Assessments Receivable	-	-	-	498,699	-	62,405
Hotel Taxes Receivable	12,457	-	-	-	-	-
Franchise Taxes Receivable	-	-	-	-	-	177,695
Permissive Motor Vehicle Taxes Receivable	-	-	-	-	-	26,014
<i>Total Assets</i>	<u>21,293,713</u>	<u>6,058,147</u>	<u>6,424,529</u>	<u>5,978,366</u>	<u>1,565,993</u>	<u>11,168,382</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>\$21,293,713</u>	<u>\$ 6,058,147</u>	<u>\$6,424,529</u>	<u>\$5,978,366</u>	<u>\$1,565,993</u>	<u>\$ 11,168,382</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts Payable	\$ 332,678	\$ 113,678	\$ 14,790	\$ -	\$ -	\$ 318,089
Accrued Wages and Benefits	544,937	178,093	243,249	-	-	90,237
Contracts Payable	-	-	-	-	-	560,908
Intergovernmental Payable	35,366	27,361	3,586	-	-	137,439
Matured Compensated Absences Payable	36,135	-	-	-	-	-
Accrued Interest Payable	-	-	-	2,383	4,278	2,933
Retainage Payable	-	-	-	-	-	87,582
Interfund Payable	-	-	-	-	-	2,760,000
Notes Payable	-	-	-	1,328,534	2,200,000	1,600,000
<i>Total Liabilities</i>	<u>949,116</u>	<u>319,132</u>	<u>261,625</u>	<u>1,330,917</u>	<u>2,204,278</u>	<u>5,557,188</u>
<b>Deferred Inflows of Resources:</b>						
Property Taxes and Payments in Lieu of Taxes	445,622	-	4,254,148	3,464,835	1,122,400	1,711,720
Unavailable Revenue - Delinquent Property Taxes	13,391	-	127,836	104,117	-	46,111
Unavailable Revenue - Income Taxes	3,017,094	356,977	-	-	-	-
Unavailable Revenue - Other	192,349	667,285	270,805	762,196	-	257,396
<i>Total Deferred Inflows of Resources</i>	<u>3,668,456</u>	<u>1,024,262</u>	<u>4,652,789</u>	<u>4,331,148</u>	<u>1,122,400</u>	<u>2,015,227</u>
<b>Fund Balances:</b>						
Nonspendable	100,391	392,947	48,236	-	-	70,496
Restricted	-	4,321,806	1,461,879	316,301	-	1,806,920
Committed	2,008,568	-	-	-	-	2,400,891
Unassigned	14,567,182	-	-	-	(1,760,685)	(682,340)
<i>Total Fund Balances (Deficits)</i>	<u>16,676,141</u>	<u>4,714,753</u>	<u>1,510,115</u>	<u>316,301</u>	<u>(1,760,685)</u>	<u>3,595,967</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$21,293,713</u>	<u>\$ 6,058,147</u>	<u>\$6,424,529</u>	<u>\$5,978,366</u>	<u>\$1,565,993</u>	<u>\$ 11,168,382</u>

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

**Total  
Governmental  
Funds**

*Reconciliation of Total Governmental Fund Balances to  
Net Position of Governmental Activities  
December 31, 2013*

<p>\$ 26,270,109 390,042 13,506 591,063 2,760,000 3,196,634 222,028 8,277,898 9,990,580 561,104 12,457 177,695 26,014 <u>52,489,130</u>  \$ 52,489,130</p>	<p><b>Total Governmental Funds Balance</b> <span style="float: right;">\$ 25,052,592</span></p> <p><i>Amounts reported for Governmental Activities in the Statement of Net Position are different because:</i></p> <p>Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds. <span style="float: right;">179,717,459</span></p> <p>Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable revenue in the funds:</p> <table border="0" style="width: 100%;"> <tr> <td style="padding-left: 40px;">Delinquent property taxes</td> <td style="text-align: right;">\$ 291,455</td> <td></td> </tr> <tr> <td style="padding-left: 40px;">Municipal income taxes</td> <td style="text-align: right;">3,374,071</td> <td></td> </tr> <tr> <td style="padding-left: 40px;">Special assessments</td> <td style="text-align: right;">561,104</td> <td></td> </tr> <tr> <td style="padding-left: 40px;">Intergovernmental</td> <td style="text-align: right;">1,516,233</td> <td></td> </tr> <tr> <td style="padding-left: 40px;">Charges for services</td> <td style="text-align: right;"><u>72,694</u></td> <td></td> </tr> <tr> <td style="padding-left: 40px;">Total</td> <td></td> <td style="text-align: right;">5,815,557</td> </tr> </table> <p>In the Statement of Activities, interest is accrued on outstanding bonds, whereas in Governmental funds, an interest expenditure is reported when due. <span style="float: right;">(160,457)</span></p> <p>Internal Service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The assets and liabilities of the Internal Service fund is included in Governmental Activities in the Statement of Net Position. <span style="float: right;">26,348</span></p> <p>Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:</p> <table border="0" style="width: 100%;"> <tr> <td style="padding-left: 40px;">General obligation bonds</td> <td style="text-align: right;">(45,475,000)</td> <td></td> </tr> <tr> <td style="padding-left: 40px;">Special assessment bonds</td> <td style="text-align: right;">(490,000)</td> <td></td> </tr> <tr> <td style="padding-left: 40px;">OPWC loan</td> <td style="text-align: right;">(1,206,635)</td> <td></td> </tr> <tr> <td style="padding-left: 40px;">Unamortized bond premiums</td> <td style="text-align: right;">(1,270,489)</td> <td></td> </tr> <tr> <td style="padding-left: 40px;">Deferral on refunding</td> <td style="text-align: right;">343,450</td> <td></td> </tr> <tr> <td style="padding-left: 40px;">Compensated absences</td> <td style="text-align: right;"><u>(3,231,284)</u></td> <td></td> </tr> <tr> <td style="padding-left: 40px;">Total</td> <td></td> <td style="text-align: right;"><u>(51,329,958)</u></td> </tr> </table> <p><b>Net Position of Governmental Activities</b> <span style="float: right;"><u>\$ 159,121,541</u></span></p>	Delinquent property taxes	\$ 291,455		Municipal income taxes	3,374,071		Special assessments	561,104		Intergovernmental	1,516,233		Charges for services	<u>72,694</u>		Total		5,815,557	General obligation bonds	(45,475,000)		Special assessment bonds	(490,000)		OPWC loan	(1,206,635)		Unamortized bond premiums	(1,270,489)		Deferral on refunding	343,450		Compensated absences	<u>(3,231,284)</u>		Total		<u>(51,329,958)</u>
Delinquent property taxes	\$ 291,455																																							
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Total		<u>(51,329,958)</u>																																						
<p>612,070 7,906,906 4,409,459 12,124,157 <u>25,052,592</u>  \$ 52,489,130</p>																																								

**City of Strongsville, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
**Governmental Funds**  
*For the Year Ended December 31, 2013*

	Street					
	General Fund	Construction, Maintenance & Repair	Fire Levy	General Bond Retirement	Pearl Road TIF	Other Governmental Funds
<b>REVENUES</b>						
Property Taxes	\$ 452,985	\$ -	\$4,251,615	\$ 3,469,646	\$ -	\$ 1,196,481
Municipal Income Taxes	27,989,947	3,303,840	-	-	-	-
Hotel Taxes	179,090	-	-	-	-	-
Permissive Motor Vehicle Taxes	-	-	-	-	-	328,246
Franchise Taxes	-	-	-	-	-	764,513
Payments in Lieu of Taxes	-	-	-	-	1,256,939	233,484
Intergovernmental	1,351,252	1,761,840	562,138	675,034	-	1,451,487
Interest	38,291	9,182	-	44,121	1,679	14,724
Fees, Licenses, and Permits	840,094	-	1,860	-	-	55,165
Fines and Forfeitures	576,160	-	-	-	-	17,865
Charges for Services	312,403	600	40	-	-	3,815,148
Contributions and Donations	3,625	-	1,300	-	-	38,720
Special Assessments	-	-	-	190,000	-	11,198
All Other Revenues	265,379	35,726	227	-	-	45,123
<b>Total Revenues</b>	<u>32,009,226</u>	<u>5,111,188</u>	<u>4,817,180</u>	<u>4,378,801</u>	<u>1,258,618</u>	<u>7,972,154</u>
<b>EXPENDITURES</b>						
Security of Persons and Property	11,129,774	-	6,861,731	-	-	2,855,782
Public Health Services	277,235	-	-	-	-	332,303
Leisure Time Activities	268,817	-	-	-	-	4,641,968
Community Environment	1,301,124	-	-	-	-	272,156
Basic Utility Services	2,052,374	-	-	-	-	258,364
Transportation	77,188	7,565,101	-	-	-	2,545,599
General Government	4,156,847	-	-	-	-	107,447
Capital Outlay	73,508	329,533	-	-	-	3,814,989
Debt Service:						
Principal Retirement	-	-	-	2,030,000	50,000	110,000
Interest and Fiscal Charges	-	-	-	1,672,738	315,881	19,083
Debt Issuance Costs	-	-	-	39,212	-	-
<b>Total Expenditures</b>	<u>19,336,867</u>	<u>7,894,634</u>	<u>6,861,731</u>	<u>3,741,950</u>	<u>365,881</u>	<u>14,957,691</u>
Excess of Revenues (Under) Expenditures	<u>12,672,359</u>	<u>(2,783,446)</u>	<u>(2,044,551)</u>	<u>636,851</u>	<u>892,737</u>	<u>(6,985,537)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Sale of Capital Assets	59,759	25,582	-	-	-	-
OPWC Loans Issued	-	-	-	-	-	1,206,635
Transfers In	-	3,800,000	2,765,000	300,000	302,992	4,939,600
Transfers Out	(11,804,600)	-	-	-	-	(302,992)
<b>Total Other Financing Sources (Uses)</b>	<u>(11,744,841)</u>	<u>3,825,582</u>	<u>2,765,000</u>	<u>300,000</u>	<u>302,992</u>	<u>5,843,243</u>
Net Change in Fund Balances	927,518	1,042,136	720,449	936,851	1,195,729	(1,142,294)
Fund Balances - Beginning of Year	15,748,623	3,672,617	789,666	(620,550)	(2,956,414)	4,738,261
<b>Fund Balances - End of Year</b>	<u>\$16,676,141</u>	<u>\$ 4,714,753</u>	<u>\$1,510,115</u>	<u>\$ 316,301</u>	<u>\$(1,760,685)</u>	<u>\$ 3,595,967</u>

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

<b>Total Governmental Funds</b>	<i>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, 2013</i>	
\$ 9,370,727 31,293,787 179,090 328,246 764,513 1,490,423 5,801,751 107,997 897,119 594,025 4,128,191 43,645 201,198 346,455 <hr/> 55,547,167  20,847,287 609,538 4,910,785 1,573,280 2,310,738 10,187,888 4,264,294 4,218,030  2,190,000 2,007,702 39,212 <hr/> 53,158,754 <hr/> 2,388,413  85,341 1,206,635 12,107,592 (12,107,592) <hr/> 1,291,976 <hr/> 3,680,389  21,372,203 <hr/> \$ 25,052,592	<b>Net Change in Fund Balances-Total Governmental Funds</b>	<b>\$ 3,680,389</b>
	<i>Amounts reported for Governmental Activities in the Statement of Activities are different because:</i>	
	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 \$4,218,030 Depreciation <u>(8,220,398)</u> Total (4,002,368)	(4,002,368)
	In the Statement of Activities, only the loss on the disposal of capital assets is reported, whereas, in the Governmental Funds, the proceeds from the disposals increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets.	(72,885)
	Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	
	Delinquent property taxes (68,071) Municipal income taxes 247,263 Special assessments (194,200) Intergovernmental (28,647) Franchise taxes (59,800) Charges for services <u>(72,435)</u> Total (175,890)	(175,890)
	Repayment of bond principal is an expenditure in the Governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	2,190,000
	Other financing sources in the Governmental funds increase long-term liabilities in the Statement of Net Position. These sources were attributed to the issuance of an OPWC loan.	(1,206,635)
	Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in Governmental funds.	
	Compensated absences (37,325) Accrued interest on bonds 5,508 Amortization of bond premiums 117,889 Amortization of deferral on refunding <u>(42,931)</u> Total 43,141	43,141
	Internal Service funds are used by management to charge costs to certain activities, such as insurance to individual funds. The net revenue (expense) of the Internal Service fund is reported in the Governmental Activities.	(920)
	<b>Change in Net Position of Governmental Activities</b>	<b><u>\$ 454,832</u></b>

**City of Strongsville, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances –  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
Municipal Income Taxes	\$ 25,750,000	\$ 27,900,000	\$ 27,792,898	\$ (107,102)
Property Taxes	418,642	452,772	452,985	213
Hotel Taxes	160,000	180,000	177,639	(2,361)
Intergovernmental Revenues	1,039,725	1,404,499	1,403,485	(1,014)
Charges for Services	294,400	344,800	315,561	(29,239)
Fees, Licenses, and Permits	676,300	841,200	840,094	(1,106)
Fines and Forfeitures	571,000	564,800	560,027	(4,773)
Interest Income	40,000	40,000	36,625	(3,375)
Contributions and Donations	3,000	3,700	3,625	(75)
Miscellaneous	469,200	706,300	703,788	(2,512)
<i>Total Revenues</i>	<u>29,422,267</u>	<u>32,438,071</u>	<u>32,286,727</u>	<u>(151,344)</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	11,534,400	11,455,800	10,835,878	619,922
Public Health Services	289,700	289,000	276,572	12,428
Leisure Time Activities	254,500	282,094	261,592	20,502
Community Environment	1,739,200	1,405,500	1,281,564	123,936
Basic Utility Services	2,357,000	2,357,000	2,061,074	295,926
General Government	5,150,300	5,142,600	4,559,518	583,082
<i>Total Expenditures</i>	<u>21,325,100</u>	<u>20,931,994</u>	<u>19,276,198</u>	<u>1,655,796</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	8,097,167	11,506,077	13,010,529	1,504,452
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	10,000	60,096	59,759	(337)
Advances In	1,200,000	1,800,000	1,800,000	-
Advances Out	(150,000)	(1,870,000)	(1,870,000)	-
Transfers Out	(9,331,300)	(12,704,600)	(12,704,600)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(8,271,300)</u>	<u>(12,714,504)</u>	<u>(12,714,841)</u>	<u>(337)</u>
<i>Net Change in Fund Balance</i>	(174,133)	(1,208,427)	295,688	1,504,115
<i>Fund Balance - Beginning of Year</i>	7,432,167	7,432,167	7,432,167	-
<i>Fund Balance - End of Year</i>	<u>\$ 7,258,034</u>	<u>\$ 6,223,740</u>	<u>\$ 7,727,855</u>	<u>\$ 1,504,115</u>

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



**City of Strongsville, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances –  
 Budget (Non-GAAP Basis) and Actual  
 Street Construction, Maintenance and Repair Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Municipal Income Taxes	\$ 3,150,000	\$ 3,300,000	\$ 3,300,614	\$ 614
Intergovernmental Revenues	1,620,000	1,753,000	1,751,202	(1,798)
Charges for Services	-	600	600	-
Interest Income	4,200	8,300	8,243	(57)
Miscellaneous	-	106,600	103,892	(2,708)
<i>Total Revenues</i>	<u>4,774,200</u>	<u>5,168,500</u>	<u>5,164,551</u>	<u>(3,949)</u>
<b>Expenditures:</b>				
Current:				
Transportation	8,683,700	8,835,700	7,908,501	927,199
<i>Excess of Revenues Over (Under) Expenditures</i>	(3,909,500)	(3,667,200)	(2,743,950)	923,250
<b>Other Financing Sources</b>				
Sale of Capital Assets	-	30,300	30,282	(18)
Transfers In	3,470,000	3,800,000	3,800,000	-
<i>Total Other Financing Sources</i>	<u>3,470,000</u>	<u>3,830,300</u>	<u>3,830,282</u>	<u>(18)</u>
<i>Net Change in Fund Balance</i>	(439,500)	163,100	1,086,332	923,232
<i>Fund Balance - Beginning of Year</i>	2,844,510	2,844,510	2,844,510	-
<i>Fund Balance - End of Year</i>	<u>\$ 2,405,010</u>	<u>\$ 3,007,610</u>	<u>\$ 3,930,842</u>	<u>\$ 923,232</u>

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

**City of Strongsville, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances –  
 Budget (Non-GAAP Basis) and Actual  
 Fire Levy Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 3,898,197	\$ 4,251,115	\$ 4,251,615	\$ 500
Intergovernmental Revenues	553,983	562,330	562,138	(192)
Charges for Services	300	100	40	(60)
Fees, Licenses, and Permits	1,800	2,500	1,860	(640)
Contributions and Donations	-	1,300	1,300	-
Miscellaneous	500	1,300	1,255	(45)
<i>Total Revenues</i>	<u>4,454,780</u>	<u>4,818,645</u>	<u>4,818,208</u>	<u>(437)</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	<u>7,812,000</u>	<u>7,354,200</u>	<u>6,870,491</u>	<u>483,709</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(3,357,220)	(2,535,555)	(2,052,283)	483,272
<b>Other Financing Sources</b>				
Transfers In	<u>2,565,000</u>	<u>2,765,000</u>	<u>2,765,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(792,220)	229,445	712,717	483,272
<i>Fund Balance - Beginning of Year</i>	<u>1,010,787</u>	<u>1,010,787</u>	<u>1,010,787</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u>\$ 218,567</u>	<u>\$ 1,240,232</u>	<u>\$ 1,723,504</u>	<u>\$ 483,272</u>

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

**City of Strongsville, Ohio**  
*Statement of Net Position*  
*Proprietary Funds*  
*December 31, 2013*

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Sanitary Sewer Fund</b>	<b>Internal Service Fund</b>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Equity in Pooled Cash and Cash Equivalents	\$ 4,769,087	\$ 1,237,872
Accrued Interest Receivable	2,754	-
Accounts Receivable	2,121,284	-
Intergovernmental Receivable	25,789	-
Prepaid Items	75,817	26,348
Special Assessments Receivable	1,150,337	-
<i>Total Current Assets</i>	<u>8,145,068</u>	<u>1,264,220</u>
<b>Noncurrent Assets:</b>		
Capital Assets:		
Land	1,508,079	-
Construction in Progress	25,556	-
Depreciable Assets, Net of Depreciation	44,261,215	-
<i>Total Noncurrent Assets</i>	<u>45,794,850</u>	<u>-</u>
<b>Total Assets</b>	<u>53,939,918</u>	<u>1,264,220</u>
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Accounts Payable	376,137	-
Accrued Wages and Benefits	40,404	-
Retainage Payable	22,914	-
Intergovernmental Payable	6,158	170,275
Accrued Interest Payable	496	-
Compensated Absences Payable	58,478	-
Claims Payable	-	23,205
General Obligation Bonds Payable	210,000	-
OWDA Loans Payable	212,171	-
<i>Total Current Liabilities</i>	<u>926,758</u>	<u>193,480</u>
<b>Noncurrent Liabilities:</b>		
Compensated Absences Payable	87,627	-
Claims Payable	-	1,044,392
OWDA Loans Payable	2,707,382	-
<i>Total Noncurrent Liabilities</i>	<u>2,795,009</u>	<u>1,044,392</u>
<b>Total Liabilities</b>	<u>3,721,767</u>	<u>1,237,872</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	42,665,297	-
Unrestricted	7,552,854	26,348
<b>Total Net Position</b>	<u>\$ 50,218,151</u>	<u>\$ 26,348</u>

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

**City of Strongsville, Ohio**  
*Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Proprietary Funds*  
*For the Year Ended December 31, 2013*

	<u>Business-Type Activities Sanitary Sewer Fund</u>	<u>Governmental Activities Internal Service Fund</u>
<b>OPERATING REVENUES</b>		
Charges for Services	\$ 5,621,118	\$ 243,545
Other Services	117,401	-
<b>Total Operating Revenues</b>	<u>5,738,519</u>	<u>243,545</u>
<b>OPERATING EXPENSES</b>		
Salaries	787,064	-
Fringe Benefits	338,475	-
Materials and Supplies	162,651	-
Utilities	2,046	-
Contractual Services	2,858,269	56,548
Depreciation	2,212,092	-
Claims	-	187,917
Other	9,088	-
<b>Total Operating Expense</b>	<u>6,369,685</u>	<u>244,465</u>
Operating Income (Loss)	<u>(631,166)</u>	<u>(920)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest	42,687	-
Interest and Fiscal Charges	<u>(133,284)</u>	<u>-</u>
<b>Total Nonoperating Revenues (Expenses)</b>	<u>(90,597)</u>	<u>-</u>
Capital Contributions from Grants	241,121	-
Capital Contributions from Tap In Fees	154,964	-
Change in Net Position	<u>(325,678)</u>	<u>(920)</u>
Net Position - Beginning of Year	50,543,829	27,268
<b>Net Position - End of Year</b>	<u>\$ 50,218,151</u>	<u>\$ 26,348</u>

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

**City of Strongsville, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2013

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Sanitary Sewer Fund</b>	<b>Internal Service Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Charges for Services	\$ 5,828,408	\$ 243,545
Other Cash Receipts	463	176,448
Cash Payments to Employees for Services	(946,601)	-
Cash Payments for Employee Benefits	(338,909)	-
Cash Payments for Goods and Services	(2,907,821)	(258,911)
Cash Payments for Claims	-	(46,345)
Other Cash Payments	(9,088)	-
Net Cash Provided by Operating Activities	1,626,452	114,737
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Capital Grants Received	215,332	-
Capital Contributions from Tap In Fees	154,964	-
Capital Contributions from Special Assessments	88,435	-
Principal Paid on Debt	(408,575)	-
Interest Paid on Debt	(133,755)	-
Payments for Capital Acquisitions	(793,277)	-
Net Cash Used for Capital and Related Financing Activities	(876,876)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on Investments	12,119	-
Net Cash Provided by Investing Activities	12,119	-
Net Increase in Cash and Cash Equivalents	761,695	114,737
Cash and Cash Equivalents - Beginning of Year	4,007,392	1,123,135
<b>Cash and Cash Equivalents - End of Year</b>	<b>\$ 4,769,087</b>	<b>\$ 1,237,872</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating Income (Loss)	\$ (631,166)	\$ (920)
Adjustments:		
Depreciation	2,212,092	-
(Increase) Decrease in Assets:		
Accounts Receivable	89,889	-
Prepaid Items	(22,347)	920
Increase (Decrease) in Liabilities:		
Accounts Payable	115,041	-
Accrued Wages	(2,897)	-
Matured Compensated Absences Payable	(37,565)	-
Retainage Payable	22,914	-
Intergovernmental Payable	(434)	(26,835)
Claims Payable	-	141,572
Compensated Absences Payable	(119,075)	-
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 1,626,452</b>	<b>\$ 114,737</b>

**NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES**

The Sanitary Sewer Fund recorded an intergovernmental receivable in the amount of \$25,789, which impacted the amount of capital grants recognized during 2013.

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

**City of Strongsville, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Fiduciary Funds*  
*December 31, 2013*

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	<u>Agency Funds</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 447,713
Cash and Cash Equivalents:	
in Segregated Accounts	<u>49,428</u>
Total Assets	<u><u>\$ 497,141</u></u>
<b>Liabilities</b>	
Deposits Held and Due to Others	<u>\$ 497,141</u>
Total Liabilities	<u><u>\$ 497,141</u></u>

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

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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**Note 1 – Description of the City and Reporting Entity**

The City of Strongsville, Cuyahoga County, Ohio (City) was incorporated under the laws of the State of Ohio in 1958. The City operates under and is governed by a Mayor/Council form of government in accordance with the general laws of the State of Ohio. In addition, the City may exercise all powers of local self-government under the Ohio Constitution, to the extent not in conflict with the applicable general laws of Ohio.

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. This definition of reporting entity is found in GASB Statement No. 14, *The Financial Reporting Entity* as amended by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and 34*.

The City's primary government consists of all funds, departments, boards, and agencies that are not legally separate from the City. The City provides the following services as authorized by its Charter: police and fire protection, road maintenance and repair, snow removal, traffic signalization, street lighting, storm and sanitary sewers, waste collection and general administrative services. None of these services are provided by legally separate organizations; therefore, these operations are included in the primary government. 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 which are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. The reporting entity of the City does not include any component units.

The City's financial statements include all organizations, activities, and functions for which the City is financially accountable.

Also, the City is associated with five jointly governed organizations that are further described in Note 18.

**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 reporting principles. The more significant of the City's accounting policies are described below.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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**A. Basis of Presentation**

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

**Government-wide Financial Statements** - The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. As a general rule, the activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. An exception to this general rule is that interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

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

**B. Fund Accounting**

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

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



**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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*General Fund* – This fund is used to account for all financial resources, except for those required to be accounted for in another fund. Major revenue sources of this fund include: municipal income taxes, estate taxes, local government assistance funds; and to a lesser degree, various fees, licenses and permits, property taxes, and fines and forfeitures. This fund is the primary operating fund of the City.

*Street Construction, Maintenance, and Repair (SCMR) Fund* - This fund is required by the Ohio Revised Code to account for revenue from the state gasoline tax and motor vehicle registration fees. The Ohio Revised Code requires that 92.50% of these revenues be used for the maintenance and repair of streets within the City. As provided in the Codified Ordinance Section 880.34, this fund is credited with one-sixth of the proceeds realized from the first 1.50% (referred to as the Base Tax) of the 2.00% municipal income tax. Operating deficiencies are subsidized by an operating transfer from the General Fund.

*Fire Levy Fund* - This fund is used to account for the proceeds of two voted property tax levies (gross and effective millage are both 3.50 for tax year 2012/collection year 2013) approved for the purpose of providing and maintaining a full-time Fire Department. Transfers from the General Fund are necessary to cover the operating costs in excess of operating revenues.

*General Bond Retirement Fund* – This fund accounts for the proceeds of a 2.30 mill inside property tax levy, a 0.5 mill voted (Library) property tax levy, and the proceeds of various special assessments levied against the benefitting property owners to accumulate resources for the payment of principal, interest and fiscal charges on general obligation and special assessment debt.

*Pearl Road TIF Fund* - This fund accounts for the receipt of service payments in lieu of taxes (PILOTs) that are legally restricted for the payment of public improvements described in City ordinance. The general area affected by this TIF is Pearl Road between Route 82 and Boston Road and the area along Route 82 between Pearl and Howe Roads.

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

**Proprietary Funds** - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds are classified as either enterprise or internal service.

*Enterprise Funds* - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The City's only enterprise fund is the Sanitary Sewer Fund which accounts for sewer construction projects and sanitary sewer services provided to the residential and commercial users in the City.

*Internal Service Funds* - Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's only internal service fund is the Workers' Compensation Reserve Fund. This fund accounts for the accumulation of funds to pay workers' compensation claims.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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**Fiduciary Funds** - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: *pension trust funds*, *investment trust funds*, *private-purpose trust funds*, and *agency funds*. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds account for the activities of the Mayor's court and for deposits received from contractors and developers which will be refunded upon successful completion of the projects.

**C. Measurement Focus**

**Government-wide Financial Statements** - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the City are included on the Statement of Net Position. 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 along with current liabilities and deferred inflows of resources generally are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources along with all liabilities and deferred inflows of resources associated with the operation of these funds are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Fund Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The Statement of Cash Flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

**D. Basis of Accounting**

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

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
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**Revenues - Exchange and Nonexchange Transactions** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within forty-five days of year end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (see Note 8). 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 the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: income tax, state-levied locally shared taxes (including gasoline tax and motor vehicle license tax), fines and forfeitures, interest, grants and entitlements, 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 a deferral on refunding reported in the government-wide statement of net position. A deferral on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the 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 as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenues. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2013, but which were levied to finance year 2014 operations. These amounts have been recorded as deferred inflows 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 delinquent property taxes (\$291,455), income taxes (\$3,374,071), intergovernmental grants (\$1,516,233), special assessments (\$561,104), and charges for services (\$72,694). These amounts are deferred and recognized as inflows of resources in the period the amounts become available.

**Expenses/Expenditures** - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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

***E. Cash and Cash Equivalents***

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the City's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

During 2013, the portfolio of the City was limited to a municipal bond and nonparticipating interest-earning investment contracts (e.g., Certificates of Deposit). Nonparticipating investment contracts such as Certificates of Deposit are reported at cost.

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

Following Ohio statutes, the City has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2013 amounted to \$38,291, which includes \$12,057 assigned from other City funds.

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

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

***F. Receivables***

Receivables at December 31, 2013, consist of income taxes, property taxes, other local taxes, amounts due from other governments, accounts (billings for user charged services), and special assessments. All are deemed collectible in full.

***G. Inventory***

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental funds when consumed. Inventories of the proprietary funds are expensed when used.

Inventory consists of expendable supplies held for consumption.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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**H. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2013, 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.

**I. 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. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$5,000. The City's infrastructure consists of roads, bridges, water mains, storm sewers, culverts, sidewalks, and traffic signals. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of proprietary fund capital assets is also capitalized.

All capital assets are depreciated except for land 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>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	15-20 years	15-20 years
Buildings	50 years	50 years
Furniture and Fixtures	7-10 years	7-10 years
Machinery and Equipment	5-20 years	5-20 years
Vehicles	3-6 years	3-6 years
Infrastructure	25-50 years	50 years

**J. 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, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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***K. Compensated Absences***

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Leave time that has been earned but is unavailable for use as paid time off, or as some other form of compensation, because an employee has not met the minimum service time requirement, is accrued to the extent that it is considered to be probable that conditions for compensation will be met in the future.

The criteria for determining vested vacation and sick leave benefits are derived from negotiated agreements and State laws. Employees earn vacation and sick leave at different rates depending upon length of service and type of employment. Vacation leave is recognized when earned. All full-time City employees earn vacation at varying rates based upon length of service. An employee's vacation leave balance will carry over into the next fiscal year if it is not used. Upon retirement, termination, lay-off or death, employees or their estate are paid accumulated vacation leave. Full-time employees earn sick leave at a rate of 4.60 hours per 80 hours of service up to a maximum of 120 hours per year. Staff firefighters earn sick leave at a rate of 12 hours per month up to a maximum of 144 hours per year. Unused sick leave shall accumulate without limit. Upon retirement, employees can be paid varying amounts of their unused sick leave balance based on criteria contained in union agreements and the City's codified ordinances. Beginning in 2013, some employees having 25 or more years of service with the City may annually elect to convert to cash up to one-half of the value of their accumulated sick leave balance that exceeds 1,000 hours.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported.

***L. Accrued Liabilities and Long-term Obligations***

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences, and special termination benefits 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.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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***M. Fund Balance***

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

*Nonspendable* – The nonspendable fund balance classification includes amounts that cannot be spent because they are not spendable in form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

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

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

*Assigned* – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts would represent intended uses established by City Council.

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

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

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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***N. Net Position***

Net Position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. The restricted component of net position is reported when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

The government-wide statement of net position reports \$12,867,552 of the restricted component of net position, none of which is restricted by enabling legislation. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted components of net position are available.

***O. Grants and Intergovernmental Revenues***

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

***P. Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for sewer services and the interfund charges of the workers' compensation program. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

***Q. Contributions of Capital***

Contributions of capital in governmental and proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

***R. Interfund Activity***

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

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



**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
(Continued)

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**S. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2013.

**T. Estimates**

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

**U. 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 resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution 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 control has been established by Council at the personal service and other expenditure level for all funds. Budgetary modifications may only be made by resolution of the City Council at the legal level of control.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during 2013.

**Encumbrances** - Encumbrances outstanding at year end represent the estimated amount of expenditures that will ultimately result if unperformed contracts in process (for example, purchase orders and contracted services) are completed. Encumbrances outstanding at year end are reported as part of restricted, committed, or assigned fund balance for subsequent year expenditures in the governmental funds. The City had no outstanding encumbrances at December 31, 2013.

**Lapsing of Appropriations** - At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations.

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 Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
(Continued)

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**Note 3 – Changes in Accounting Principles**

GASB Statement Number 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*. The objective of this Statement is to improve financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues that have arisen since the issuance of those Statements. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2012 and have been implemented by the City.

GASB Statement Number 66, *Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62*. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2012 and have been implemented by the City.

**Note 4 – Accountability**

Fund balances at December 31, 2013 included the following individual fund deficits:

	Deficit
Major Governmental Fund:	
Pearl Road TIF	\$ 1,760,685
Nonmajor Governmental Funds:	
Drainage Levy	329,632
Pearl Road Capital Improvement	352,708
Total Nonmajor Governmental Funds:	682,340
Total Governmental Funds:	\$ 2,443,025

The General Fund is liable for any deficits in these funds and provides transfers when cash is required not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities in accordance with generally accepted accounting principles (GAAP).

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
(Continued)

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**Note 5 – Budgetary Basis of Accounting**

While the City is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP basis), the budgetary basis as provided by law is based upon accounting for transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual presented for the General Fund and the major special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are:

- Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- Encumbrances are treated as expenditures (budget basis) rather than as a part of restricted, committed, and assigned fund balances (GAAP basis);
- Some funds are included in the General Fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund and the major special revenue funds.

	General	Street Construction, Maintenance and Repair	Fire Levy
Net Change in Fund Balance - GAAP Basis	\$927,518	\$1,042,136	\$720,449
Net Adjustment			
Revenue Accruals	2,077,501	58,063	1,028
Expenditure Accruals	(2,288,150)	(13,867)	(8,760)
Funds with Separate Legally Adopted Budgets	(421,181)	0	0
Net Change in Fund Balance - Budgetary Basis	<u>\$295,688</u>	<u>\$1,086,332</u>	<u>\$712,717</u>

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
(Continued)

**Note 6 – Fund Balance**

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

Fund Balances	General	Street Construction, Maintenance & Repair	Fire Levy	General Bond Retirement	Pearl Road TIF	Other Governmental Funds	Total
<i>Nonspendable</i>							
Prepaid Items	\$ 68,099	\$ 35,447	\$ 48,236	\$ -	\$ -	\$ 70,246	\$ 222,028
Inventories	32,292	357,500	-	-	-	250	390,042
<i>Total Nonspendable</i>	<u>100,391</u>	<u>392,947</u>	<u>48,236</u>	<u>-</u>	<u>-</u>	<u>70,496</u>	<u>612,070</u>
<i>Restricted for</i>							
Police Pension	-	-	-	-	-	69,641	69,641
Fire Pension	-	-	-	-	-	65,417	65,417
Fire Services	-	-	1,461,879	-	-	-	1,461,879
Other Law Enforcement	-	-	-	-	-	90,377	90,377
Streets and Highways	-	4,321,806	-	-	-	440,519	4,762,325
Clerk of Court Computerization	-	-	-	-	-	194,014	194,014
General Bond Retirement	-	-	-	316,301	-	-	316,301
Royalton Road TIF	-	-	-	-	-	11,723	11,723
Pearl Road TIF #2	-	-	-	-	-	36,536	36,536
Capital Improvements	-	-	-	-	-	898,693	898,693
<i>Total Restricted</i>	<u>-</u>	<u>4,321,806</u>	<u>1,461,879</u>	<u>316,301</u>	<u>-</u>	<u>1,806,920</u>	<u>7,906,906</u>
<i>Committed to</i>							
Termination Benefits	2,008,568	-	-	-	-	-	2,008,568
Emergency Vehicles	-	-	-	-	-	1,894,403	1,894,403
Recreation Center	-	-	-	-	-	203,314	203,314
Tree Maintenance	-	-	-	-	-	116,039	116,039
Recreation Capital Improvements	-	-	-	-	-	187,135	187,135
<i>Total Committed</i>	<u>2,008,568</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,400,891</u>	<u>4,409,459</u>
<i>Unassigned (Deficit)</i>	14,567,182	-	-	-	(1,760,685)	(682,340)	12,124,157
<b>Total Fund Balances</b>	<u><u>\$ 16,676,141</u></u>	<u><u>\$ 4,714,753</u></u>	<u><u>\$ 1,510,115</u></u>	<u><u>\$ 316,301</u></u>	<u><u>\$ (1,760,685)</u></u>	<u><u>\$ 3,595,967</u></u>	<u><u>\$ 25,052,592</u></u>

**Note 7 - Deposits and Investments**

State statutes classify monies held by the City into three categories:

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

Inactive deposits are 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.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
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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 may be deposited or invested in the following securities:

1. United States Treasury notes, bills, bonds, or other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any Federal government agency or instrumentality including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All Federal agency securities shall be direct issuances of Federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and that the term of the agreement must not exceed 30 days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) and (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and,
6. The State Treasury Asset Reserve of Ohio (STAR Ohio).

The City may also invest any monies not required to be used for a period of 6 months or more in the following:

1. 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,
2. Obligations of the City.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within 5 years from the date of purchase, unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payments for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
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Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

**Cash on Hand**

At December 31, 2013, the City had \$10,777 in undeposited cash on hand, which is included on the balance sheet of the City as part of "Equity in Pooled Cash and Cash Equivalents."

**Deposits**

At December 31, 2013, the carrying amount of the City's deposits was \$32,506,061 (including \$17,500,000 in certificates of deposit and \$49,428 in cash in segregated accounts of the court). Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of December 31, 2013, \$18,056,948 of the City's bank balance of \$33,195,173 was covered by Federal Depository Insurance and \$15,138,225 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. The City's policy is to place deposits with major local banks approved by the City Council. All deposits are collateralized with eligible securities in amounts equal to at least 105 percent of the carrying value of the deposits. Such collateral, as permitted by Chapter 135 of the Ohio Revised Code, is held in financial institution pools at Federal Reserve banks, or at member banks of the Federal Reserve system in the name of the respective depository bank, and pledged as a pool of collateral against all of the public deposits it holds, or as specific collateral held at a Federal Reserve Bank in the name of the City.

**Investments**

The City has a formal investment policy. The City follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all its investments at fair value. Fair value is determined by quoted market prices and acceptable other pricing methodologies. As of December 31, 2013, the City's only investment as defined by GASB Statement No. 31 was a municipal bond with the City of Westlake, Ohio, in the amount \$257,371.

**Interest Rate Risk**

As a means of limiting its exposure to fair value of losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within 5 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. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
(Continued)

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**Credit Risk**

The City has no investment policy that would further limit its investment choices other than the limitations imposed by the Ohio Revised Code. As of December 31, 2013, the City's investment in a municipal bond was rated Aaa by Moody's.

**Custodial Credit Risk**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

**Concentration of Credit Risk**

The City places no limit on the amount it may invest in any one issuer. As of December 31, 2013, the City's only investment was in a municipal bond.

**Reconciliation of Cash and Investments per the Note to the Statements**

The following is a reconciliation of cash and investments as reported in the note above to cash and investments reported on the statement of net position as of December 31, 2013.

<b><u>Cash and Investments per Note</u></b>	
Carrying Amount of Deposits	\$ 32,506,061
Investments	257,371
Cash on Hand	<u>10,777</u>
<b>Total Cash and Investments per Note</b>	<b><u>\$32,774,209</u></b>
<b><u>Cash and Investments per Statements</u></b>	
Governmental Activities	\$ 27,507,981
Business-Type Activities	4,769,087
Agency Funds	<u>497,141</u>
<b>Total Cash and Investments per Statements</b>	<b><u>\$32,774,209</u></b>

**Note 8 - Receivables**

Receivables at December 31, 2013, consisted primarily of municipal income taxes, property and other local taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, and accounts (billing for utility services). No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
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**Property Taxes**

Property taxes include amounts levied against all real and public utility property, and tangible personal (used in business) property located in the City. Taxes collected on real property (other than public utility) in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values for real property are established by State law at 35 percent of appraised market value. All property is required to be reevaluated every six years. The latest revaluation was completed in 2012. Public utility real and tangible personal property tax collected in one calendar year is levied in the preceding calendar year on assessed values determined as of December 31 of the year preceding the tax collection year, the lien date. Public utility tangible personal property currently is assessed by varying percentages of true value; public utility real property taxes are assessed at 35 percent of true value. 2013 public utility property taxes which became a lien at December 31, 2012, are levied after October 1, 2013, and are collected in 2014 with real property taxes.

The 2012 assessed value upon which the 2013 tax receipts were based on was \$1,401,219,540. The full tax rate for all City operations applied to taxable property for the year ended December 31, 2012, was \$9.9 per \$1,000 of assessed valuation.

Real and public utility 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 30. Under certain circumstances, State Statute permits earlier or later payment dates to be established.

Public Utility tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

The County Treasurer collects property tax on behalf of all taxing districts within the County. The County Fiscal Officer periodically remits to the taxing districts their portions of the taxes collected.

**Municipal Income Taxes**

The City's municipal income tax of 2.0 percent is levied on gross salaries, wages and other personal service compensation earned by residents both in and out of the City and on the earnings of nonresidents (except certain transients) earned in the City. This tax also applies to net income of business organizations within the City. Residents of the City are granted a 75 percent credit up to 2.0 percent of the income taxes paid to another municipality.

Employers within the City are required to withhold income tax on employee earnings and remit the tax to the Regional Income Tax Agency (RITA) at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. The tax is collected by RITA and remitted to the City monthly.

Municipal income taxes are allocated by City ordinance as follows: 16.67 percent of the first 1.50 percent of the total of 2.00 percent of the City income tax is credited to the Street Construction, Maintenance and Repair Fund with the remainder credited to the General Fund.



**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
(Continued)

**Special Assessments**

Special assessments include assessments for debt obligations. Special assessments for debt obligations are levied against specific property owners who primarily benefitted from the project.

Special assessments are payable by the timetable and in the manner stipulated in the assessing ordinance and are a lien from the date of the passage of the ordinance.

The City's assessments include sidewalk repair, sewer maintenance, sewer rehabilitation, paving and curbing, and water main tap-ins which are billed and collected by the County Fiscal Officer. The County Fiscal Officer periodically remits these collections to the City. Special assessments collected in one calendar year are levied and certified in the preceding calendar year. Since all assessment collections are remitted to the City outside of the available period, the entire amount has been deferred on the fund financial statements.

At December 31, 2013, governmental and business-type activities reported special assessments receivable in the amounts of \$561,104 and \$1,150,337, respectively. Of these amounts reported, delinquent special assessments for governmental and business-type activities are \$9,855 and \$2,496, respectively.

**Intergovernmental Receivables**

A summary of the principal items of intergovernmental receivables follows:

	Amount
<b>Governmental Activities:</b>	
Local Government	\$ 226,190
Estate Tax	3,158
Homestead and Rollback	617,415
Gasoline Tax	754,468
Auto Registration	171,676
Public Utility Reimb. and Commercial Activity Tax	47,752
Payment in Lieu of Taxes	1,299,600
Other	76,375
<i>Total Governmental Activities Intergovernmental Receivables</i>	3,196,634
 <b>Business-Type Activities:</b>	
OPWC - Webster Rd./W. 130th St. Sanitary Sewer	25,789
<i>Total Government-wide Intergovernmental Receivables</i>	\$ 3,222,423

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
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**Payments in Lieu of Taxes**

According to State law, the City has established three tax incremental financing districts within the City, under which the City has granted property tax exemptions and agreed to construct certain infrastructure improvements. The property owners have agreed to make payments to the City to help pay the costs of the infrastructure improvements. The amount of those payments would generally reflect all or a portion of the property taxes which the property owners would have paid if the property had not been declared exempt. The property owners' contractual promise to make these payments in lieu of taxes generally continues until the cost of the improvement has been paid or the agreement expires, whichever comes first. Future development by these owners to others may result in subsequent agreements to make payments in lieu of taxes and may therefore spread the cost of the improvements to a larger number of property owners.

**Note 9 – Interfund Balances and Transfers**

As of the year ended December 31, 2013, interfund balances are as follows:

	Receivable	Payable
Governmental Activities:		
<u>General</u>	\$2,760,000	\$0
<u>Special Revenue Fund:</u>		
Drainage Levy	0	760,000
<u>Capital Projects Fund:</u>		
Pearl Road Capital Improvement	0	2,000,000
Total	\$2,760,000	\$2,760,000

The amount payable to the General Fund relates to a working capital loan made to the Drainage Levy Special Revenue Fund and the Pearl Road Capital Improvement Fund. These loans will be repaid in 2014.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
(Continued)

Transfers made during the year ended December 31, 2013 were as follows:

	<b>TRANSFERS OUT</b>		
	Governmental activities		
	Major Fund	Nonmajor Fund	
	General	Royalton Road TIF	Total
<b>TRANSFERS IN</b>			
Governmental Activities			
<u>Major Funds:</u>			
Street Construction, Maintenance and Repair	\$3,800,000	\$0	\$3,800,000
Fire Levy	2,765,000	0	2,765,000
General Bond Retirement	300,000	0	300,000
Pearl Road TIF	0	302,992	302,992
General Capital Improvement	1,200,000	0	1,200,000
<u>Nonmajor Funds:</u>			
Police Pension	763,300	0	763,300
Fire Pension	856,300	0	856,300
Drainage Levy	300,000	0	300,000
Multi-Purpose Complex	1,720,000	0	1,720,000
Recreation Capital Improvement	100,000	0	100,000
Total Governmental Activities	<u>\$11,804,600</u>	<u>\$302,992</u>	<u>\$12,107,592</u>

Transfers made from the General Fund to various other funds provided additional resources for current operations. All transfers were made in accordance with Ohio Revised Code Sections 5705.14, 5705.15, and 5705.16. Transfers between governmental funds are eliminated on the governmental activities' statement of activities.

During 2013, GAAP transfers were required to reflect the pay down of Bond Anticipation Notes in the amount of \$300,000 and related interest of \$2,992. These transfers were necessary to record the retirement in the proper governmental funds.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
(Continued)

**Note 10 - Capital Assets**

Capital asset activity for the year ended December 31, 2013, was as follows:

	Balance 1/1/2013	Additions	Deletions	Balance 12/31/13
<b>Governmental Activities</b>				
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$10,608,298	\$0	\$0	\$10,608,298
Construction in Progress	2,350,875	2,809,349	(2,229,195)	2,931,029
<i>Total Capital Assets, Not Being Depreciated</i>	<u>12,959,173</u>	<u>2,809,349</u>	<u>(2,229,195)</u>	<u>13,539,327</u>
<i>Capital Assets, Being Depreciated:</i>				
Buildings	51,714,030	0	0	51,714,030
Land Improvements	3,124,473	30,672	0	3,155,145
Machinery and Equipment	2,687,241	141,977	0	2,829,218
Furniture and Fixtures	915,009	0	0	915,009
Vehicles	12,145,043	1,111,850	(562,461)	12,694,432
Infrastructure:				
Streets	163,094,563	781,400	0	163,875,963
Bridges	203,000	0	0	203,000
Storm Sewers	83,520,476	1,532,099	0	85,052,575
Sidewalks	8,219,426	39,878	0	8,259,304
Traffic Signalization	5,825,719	0	0	5,825,719
<i>Total Capital Assets, Being Depreciated</i>	<u>331,448,980</u>	<u>3,637,876</u>	<u>(562,461)</u>	<u>334,524,395</u>
Less Accumulated Depreciation:				
Buildings	(9,287,978)	(982,563)	0	(10,270,541)
Land Improvements	(1,159,330)	(137,806)	0	(1,297,136)
Machinery and Equipment	(1,887,432)	(227,375)	0	(2,114,807)
Furniture and Fixtures	(533,526)	(74,994)	0	(608,520)
Vehicles	(9,627,528)	(802,563)	489,576	(9,940,515)
Infrastructure:				
Streets	(94,348,753)	(3,931,484)	0	(98,280,237)
Bridges	(7,735)	(7,714)	0	(15,449)
Storm Sewers	(36,697,372)	(1,599,545)	0	(38,296,917)
Sidewalks	(5,235,607)	(234,977)	0	(5,470,584)
Traffic Signalization	(1,830,180)	(221,377)	0	(2,051,557)
<i>Total Accumulated Depreciation</i>	<u>(160,615,441)</u>	<u>(8,220,398) *</u>	<u>489,576</u>	<u>(168,346,263)</u>
Total Capital Assets, Being Depreciated, Net	<u>170,833,539</u>	<u>(4,582,522)</u>	<u>(72,885)</u>	<u>166,178,132</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$183,792,712</u>	<u>(\$1,773,173)</u>	<u>(\$2,302,080)</u>	<u>\$179,717,459</u>

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
(Continued)

\* Depreciation expense was charged to governmental functions as follows:

<u>Governmental Activities</u>				
Security of Persons and Property	\$1,202,753			
Leisure Time Activities	660,982			
Transportation	6,210,244			
General Government	<u>146,419</u>			
Total Depreciation Expense	<u><u>\$8,220,398</u></u>			
		<u>Balance</u>		<u>Balance</u>
		1/1/2013	<u>Additions</u>	12/31/13
			<u>Deletions</u>	
<b>Business-Type Activities</b>				
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$1,508,079	\$0	\$0	\$1,508,079
Construction in Progress	<u>28,136</u>	<u>818,833</u>	<u>(821,413)</u>	<u>25,556</u>
<i>Total Capital Assets, Not Being Depreciated</i>	<u>1,536,215</u>	<u>818,833</u>	<u>(821,413)</u>	<u>1,533,635</u>
<i>Capital Assets, Being Depreciated:</i>				
Buildings	9,910,501	0	0	9,910,501
Land Improvements	3,852,402	0	0	3,852,402
Machinery and Equipment	8,965,454	34,078	0	8,999,532
Furniture and Fixtures	19,748	0	0	19,748
Vehicles	1,651,812	0	0	1,651,812
Infrastructure:				
Sanitary Sewers	<u>98,446,332</u>	<u>787,335</u>	<u>0</u>	<u>99,233,667</u>
<i>Total Capital Assets, Being Depreciated</i>	<u>122,846,249</u>	<u>821,413</u>	<u>0</u>	<u>123,667,662</u>
Less Accumulated Depreciation:				
Buildings	(5,315,039)	(177,628)	0	(5,492,667)
Land Improvements	(3,618,500)	(2,949)	0	(3,621,449)
Machinery and Equipment	(7,918,943)	(101,973)	0	(8,020,916)
Furniture and Fixtures	(18,762)	0	0	(18,762)
Vehicles	(1,442,252)	(58,289)	0	(1,500,541)
Infrastructure:				
Sanitary Sewers	<u>(58,880,859)</u>	<u>(1,871,253)</u>	<u>0</u>	<u>(60,752,112)</u>
<i>Total Accumulated Depreciation</i>	<u>(77,194,355)</u>	<u>(2,212,092)</u>	<u>0</u>	<u>(79,406,447)</u>
Total Capital Assets, Being Depreciated, Net	<u>45,651,894</u>	<u>(1,390,679)</u>	<u>0</u>	<u>44,261,215</u>
<b>Business-Type Activities Capital Assets, Net</b>	<u><u>\$47,188,109</u></u>	<u><u>(\$571,846)</u></u>	<u><u>(\$821,413)</u></u>	<u><u>\$45,794,850</u></u>

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
(Continued)

**Note 11 – Risk Management**

**Commercial Insurance**

The City maintains comprehensive insurance coverage with private carriers for real property, building contents, vehicles, and general liability risks including public officials' 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 2013, the City contracted with the Fedeli Group to manage its insurance coverage through Travelers Insurance Companies as follows:

Type of Coverage	Coverage Limits		Deductible
	Per Occurrence	Aggregate	
Commercial and Personal Property Coverage (Includes Boiler and Machinery Coverage)	\$104,546,244		\$1,000
Ancillary Equipment (Rented)	\$1,000,000		\$1,000
Earthquake Damage	\$1,000,000		\$50,000
Flood Damage	\$1,000,000		\$50,000
Inland Marine	\$2,811,825		\$1,000
Crime Coverage			
Theft, Disappearance and Destruction	\$25,000		\$1,000
Employee Dishonesty	\$100,000		\$1,000
Forgery and Alteration	\$100,000		\$1,000
Computer Fraud	\$50,000		\$1,000
Comprehensive General Liability	\$1,000,000	\$3,000,000	\$0
Employee Benefits Liability	\$1,000,000	\$3,000,000	\$1,000
Stop Gap	\$1,000,000		
Public Officials Liability	\$1,000,000	\$3,000,000	\$25,000
Police Professional Liability	\$1,000,000	\$3,000,000	\$25,000
Property Liability	\$1,000,000	\$3,000,000	\$0
Pesticide/Herbicide Liability	\$1,000,000	\$3,000,000	\$0
Cemetery Professional Liability	Included		Included
EMT/Paramedic Malpractice Liability	Included		Included
Sewer Liability	Included		Included
Certified Acts of Terrorism	Included		Included
Automobile Liability and Physical Damage Coverage	\$1,000,000		\$0
Auto Liability Comprehensive			
Fire Vehicles	Replacement Cost		\$1,000/\$2,000
Other Vehicles	Actual Cash Value		\$1,000/\$2,000
Auto Liability Collision			
Fire Vehicles	Replacement Cost		\$1,000/\$2,000
Other Vehicles	Actual Cash Value		\$1,000/\$2,000
Hired or Borrowed Vehicle Rentals	\$50,000		\$1,000
Miscellaneous			
Electronic Data Processing	\$1,267,925		\$1,000
Umbrella Coverage	\$10,000,000		\$0
Cyber Liability	\$1,000,000	\$1,000,000	\$10,000

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

The City also carries flood insurance through the National Flood Insurance Plan (NFIP). A portion of the City has been mapped and designated an “A” area (an area close to a river, lake, or stream) by the Federal Emergency Management Agency, and thus the City is eligible to purchase coverage of \$500,000 for both Building and Contents with a \$1,000 deductible.

The City continues to carry commercial insurance for other risks of loss, including employee health and life insurance. There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverage limits in any of the past five fiscal years.

**Workers’ Compensation Retrospective Rating Plan**

The City has established a formal self-insurance program for liabilities arising from the City’s participation in the Workers’ Compensation Retrospective Rating Plan. This exposure is accounted for in the Workers Compensation Reserve Internal Service Fund, which is responsible for collecting interfund premiums from other City funds and departments, paying claim settlements, and purchasing other specified insurance policies.

The claims liability of \$1,067,597 reported in the fund at December 31, 2013, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claim, be reported. The estimate was not affected by incremental claims adjustment expense and does not include other allocated or unallocated claims adjustment expense. Changes in the fund’s claims liability amount in 2012 and 2013 were as follows:

	Balance at Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Balance at End of Year
2012	\$ 696,717	\$ 334,294	\$ 104,986	\$ 926,025
2013	926,025	187,917	46,345	1,067,597

**Note 12 - Pension Plans**

**Ohio Public Employees Retirement System**

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

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
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OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by visiting [www.opers.org/investments/cafr.shtml](http://www.opers.org/investments/cafr.shtml), by writing to OPERS, 277 E. Town Street, Columbus, OH 43215-4642, or by calling (614) 222-5601 or (800) 222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2013, the members of all three plans were required to contribute 10.00 percent of their annual covered salaries. The City's contribution rate was 14.00 percent of covered payroll. The pension allocation for the Traditional and Combined Plans was 13.00 percent during calendar year 2013. The City's required pension contributions for the Traditional Pension and Combined plans for the years ended December 31, 2013, 2012, and 2011 were \$1,383,987, \$1,058,908, and \$1,089,128, respectively; 100 percent has been contributed for 2013, 2012 and 2011.

**Ohio Police and Fire Pension Fund**

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

From January 1, 2013 thru July 1, 2013, Plan members were required to contribute 10.00 percent of their annual covered salary. From July 2, 2013 thru December 31, 2013, Plan members were required to contribute 10.75 percent of their annual covered salary. Throughout 2013, the City was required to contribute 19.50 percent and 24.0 percent for police officers and firefighters, respectively.

The portion of the City's contributions to fund pension obligations from January 1, 2013 thru May 31, 2013, for both police officers and firefighters was 14.81 percent and 19.31 percent, respectively. The portion of the City's contributions to fund pension obligations from June 1, 2013 thru December 31, 2013 for both police officers and firefighters was 16.65 percent and 21.15 percent, respectively. The City's contributions for pension obligations to the OP&F for police and firefighters were \$956,428 and \$1,057,138 for the year ended December 31, 2013, \$729,404 and \$895,979 for the year ended December 31, 2012, and \$751,204 and \$927,285 for the year ended December 31, 2011. The full amount has been contributed for 2013, 2012 and 2011.



**City of Strongsville, Ohio**  
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*For the Year Ended December 31, 2013*  
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**Note 13 – Post-Employment Benefits**

**Ohio Public Employees Retirement System**

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

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

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

The Ohio Revised Code permits, but does not mandate, OPERS to provide the OPEB Plan to its eligible members and beneficiaries. Authority to establish and amend the OPEB Plan is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by visiting [www.opers.org/investments/cafr.shtml](http://www.opers.org/investments/cafr.shtml), by writing to OPERS, 277 E. Town Street, Columbus, OH 43215-4642, or by calling (614) 222-5601 or (800) 222-7377.

*Funding Policy* - The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care coverage. The 2013 local government employer contribution rate was 14.00 percent of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.00 percent of covered payroll for local government employers. Active members do not make contributions to the OPEB Plan.

OPERS' Post-employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 1.00 percent during calendar year 2013. The portion of employer contributions allocated to health care for members in the Combined Plan was 1.00 percent during calendar year 2013. Effective January 1, 2014, the portion of employer contributions allocated to health care was raised to 2.00 percent for both plans, as recommended by the OPERS Actuary. The OPERS Board of Trustees is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The City's actual employer contributions for December 31, 2013, 2012 and 2011 which were used to fund post-employment benefits were \$106,461, \$423,563, and \$435,651, respectively; 100 percent has been contributed for 2013, 2012 and 2011.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
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Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4.00 percent of the employer contributions toward the health care fund after the end of the transition period.

**Ohio Police and Fire Pension Fund**

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

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

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

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

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 Trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was 4.69 percent of covered payroll from January 1, 2013 thru May 31, 2013 and 2.85 percent of covered payroll from June 1, 2013 thru December 31, 2013. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of the Sections 115 and 401(h).

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
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The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$215,635 and \$182,984 for the year ended December 31, 2013, \$386,155 and \$350,600 for the year ended December 31, 2012, and \$397,696 and \$362,850 for the year ended December 31, 2011, respectively. The full amount has been contributed for 2013, 2012 and 2011.

**Note 14 – Short-Term Notes Payable**

The City's note activity, including the amount outstanding and the interest rate, is as follows:

	Balance 1/1/2013	Additions	Deletions	Balance 12/31/2013
<b>Governmental Activities:</b>				
<i>Various Purpose Improvement Notes, Series 2012</i>				
2010 Street Improvements - 1.00%, 10/23/2013 - 2nd Renewal	\$3,500,000	\$0	(\$3,500,000)	\$0
<i>Library Refunding Notes, Series 2012</i>				
2011 Library - 1.00%, 10/23/2013 - 1st Renewal	1,950,000	0	(1,950,000)	0
<i>Various Purpose Improvement Notes, Series 2013</i>				
2010 Street Improvements - 1.00%, 10/21/2014 - 3rd Renewal	0	2,200,000	0	2,200,000
2013 Recreation Center Roof - 1.00%, 10/21/2014	0	300,000	0	300,000
2013 Street Improvements - 1.00%, 10/21/2014	0	1,300,000	0	1,300,000
<i>Library Refunding Notes, Series 2013</i>				
2011 Library - 1.00%, 10/21/2014 - 2nd Renewal	0	1,300,000	0	1,300,000
Unamortized Premiums on Notes	30,914	35,445	(37,825)	28,534
<b>Total Governmental Activities</b>	<u>\$ 5,480,914</u>	<u>\$ 5,135,445</u>	<u>\$ (5,487,825)</u>	<u>\$ 5,128,534</u>

In 2013, the City issued \$3,800,000 in Various Purpose Improvement Notes. The Notes were used to retire the 2012 Street Improvement Notes that matured during 2013 along with providing new funds for additional street improvements and repairs to the recreation center roof. These Notes will mature on October 21, 2014. The original proceeds from the street improvement Notes were not used for capital related activities. However, the proceeds related to the recreation center roof Note will be used for capital related activities. As of December 31, 2013, the City has not utilized these proceeds for the recreation center roof.

In 2013, the City issued \$1,300,000 in Library Refunding Notes. The proceeds from these Notes were used to retire the 2012 Library Refunding Notes. These Notes will mature on October 21, 2014.

The notes are backed by the full faith and credit of the City and mature within one year. The note liabilities are reflected in the funds which received the proceeds. The premium and issuance costs are recorded in the General Bond Retirement Fund.

**City of Strongsville, Ohio**  
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**Note 15 – Long-Term Obligations**

The original issuance date, maturity date, interest rate, and original issuance amounts for the City’s long-term obligations were as follows:

	Original Issuance Date	Maturity Date	Interest Rate	Original Issuance Amount
<b>Governmental Activities:</b>				
<u>General Obligation Bonds</u>				
<i>Various Purpose Improvements, Series 2005:</i>				
Service Department Vehicles/Equipment	6/29/2005	12/1/2010	3.000 - 3.200%	\$ 790,000
Aerial Platform Fire Truck	6/29/2005	12/1/2015	3.000 - 5.000%	835,000
Street Improvements	6/29/2005	12/1/2015	3.000 - 5.000%	1,305,000
Foltz Industrial Parkway Extension	6/29/2005	12/1/2025	3.000 - 5.000%	1,285,000
Royalton Road Improvements	6/29/2005	12/1/2025	3.000 - 5.000%	2,470,000
<i>Total Various Purpose Improvements, Series 2005</i>				<u>6,685,000</u>
<i>Various Purpose Improvements, Series 2006:</i>				
Service Department Motor Vehicles	9/14/2006	12/1/2011	3.750%	755,000
Technology Project	9/14/2006	12/1/2016	3.750 - 4.000%	860,000
Safety System (911 Equipment and Generator)	9/14/2006	12/1/2016	3.750 - 4.000%	575,000
Police/City Hall	9/14/2006	12/1/2026	3.750 - 5.125%	550,000
Municipal Service Center	9/14/2006	12/1/2026	3.750 - 5.125%	1,000,000
New Fire Station Ward 4	9/14/2006	12/1/2026	3.750 - 5.125%	8,000,000
<i>Total Various Purpose Improvements, Series 2006</i>				<u>11,740,000</u>
<i>Various Purpose Improvements, Series 2009-01:</i>				
Street Improvements Refunding	5/13/2009	12/1/2009	2.500%	460,000
Police Station, Jail, and Mayor's Court	5/13/2009	12/1/2034	2.250 - 5.000%	13,000,000
Intersection of Drake & Howe Roads	5/13/2009	12/1/2029	2.250 - 5.000%	1,550,000
Recreation Land Acquisition (Lunn Road)	5/13/2009	12/1/2029	2.250 - 5.000%	1,455,000
Intersection of Royalton Road and W. 130th	5/13/2009	12/1/2029	2.250 - 5.000%	445,000
<i>Total Various Purpose Improvements, Series 2009-01</i>				<u>16,910,000</u>
<i>Various Purpose Improvements, Series 2009-02:</i>				
Street Improvements (Pearl Road Widening)	12/8/2009	12/1/2029	1.500 - 5.000%	7,000,000
<i>Various Purpose Refundings, Series 2011:</i>				
Multi-Purpose Complex Refunding	9/6/2011	12/1/2021	2.000 - 4.000%	8,300,000
Police & Fire Communications Equipment	9/6/2011	12/1/2016	2.00%	485,000
Service Center Complex Renovations	9/6/2011	12/1/2021	2.000 - 4.000%	365,000
Fire Station #3	9/6/2011	12/1/2021	2.000 - 4.000%	1,585,000
<i>Total Various Purpose Refundings, Series 2011</i>				<u>10,735,000</u>

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
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	Original Issuance Date	Maturity Date	Interest Rate	Original Issuance Amount
<b>Governmental Activities:</b>				
<u>Special Assessment Bonds</u>				
<i>Various Purpose Improvements, Series 1994:</i>				
Brady Lane	8/15/1994	12/1/2014	4.000 - 6.000%	112,000
Howe Road	8/15/1994	12/1/2014	4.000 - 6.000%	630,000
Royalton Road	8/15/1994	12/1/2014	4.000 - 6.000%	428,000
<i>Total Various Purpose Improvements, Series 1994</i>				1,170,000
 <i>Various Purpose Improvements, Series 1996:</i>				
Drake Road	8/15/1996	12/1/2016	4.000 - 6.700%	35,000
Lunn Road	8/15/1996	12/1/2016	4.000 - 6.700%	488,000
Howe and Royalton Roads	8/15/1996	12/1/2016	4.000 - 6.700%	732,000
<i>Total Various Purpose Improvements, Series 1996</i>				1,255,000
 <i>Street Improvements, Series 1998:</i>				
Foltz Parkway	8/15/1998	12/1/2018	4.550 - 5.500%	305,000
 <u>Ohio Public Works Commission (OPWC) Loan</u>				
Pearl Road Widening - Phase II	7/13/2013	12/1/2033	0.000%	2,555,750
 <b>Business-Type Activities:</b>				
<u>General Obligation Bonds</u>				
<i>Various Purpose Improvements, Series 1994:</i>				
Sanitary Sewer System	8/15/1994	12/1/2014	4.000 - 8.700%	2,565,000
 <i>Various Purpose Improvements, Series 2009-01:</i>				
Sanitary Sewer Refunding, Series 1997	5/13/2009	12/1/2014	2.250 - 2.500%	1,075,000
 <u>Ohio Water Development Authority (OWDA) Loans</u>				
Westwood Park Sanitary Sewer	6/27/2002	7/1/2022	4.700%	948,523
Force Main, Pump Station and Sanitary Sewers	1/30/2003	7/1/2023	4.400%	2,259,707
Sewer Construction	5/27/2010	7/1/2030	3.390%	544,038
Drake Road East Sanitary Sewer Extension	12/9/2010	7/1/2032	2.870%	655,678
<i>Total OWDA Loans</i>				4,407,946

**City of Strongsville, Ohio**  
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*For the Year Ended December 31, 2013*  
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Changes in the long-term obligations of the City during 2013 were as follows:

	Balance 1/1/2013	Additions	Deletions	Balance 12/31/2013	Amounts Due in One Year
<b>Governmental Activities:</b>					
<u>General Obligation Bonds</u>					
<i>Various Purpose Improvements, Series 2005:</i>					
Aerial Platform Fire Truck	\$ 345,000	\$ -	\$ (110,000)	\$ 235,000	\$ 115,000
Street Improvements	540,000	-	(180,000)	360,000	180,000
Foltz Industrial Parkway Extension	1,165,000	-	(50,000)	1,115,000	50,000
Royalton Road Improvements	2,275,000	-	(90,000)	2,185,000	95,000
<i>Total Various Purpose Improvements, Series 2005</i>	4,325,000	-	(430,000)	3,895,000	440,000
<i>Various Purpose Improvements, Series 2006:</i>					
Technology Project	475,000	-	(65,000)	410,000	80,000
Safety System (911 Equipment and Generator)	255,000	-	(60,000)	195,000	65,000
Police/City Hall	445,000	-	(20,000)	425,000	25,000
Municipal Service Center	820,000	-	(35,000)	785,000	50,000
New Fire Station Ward 4	7,515,000	-	(135,000)	7,380,000	145,000
<i>Total Various Purpose Improvements, Series 2006</i>	9,510,000	-	(315,000)	9,195,000	365,000
<i>Various Purpose Improvements, Series 2009-01:</i>					
Police Station, Jail, and Mayor's Court	12,970,000	-	(10,000)	12,960,000	10,000
Intersection of Drake & Howe Roads	1,515,000	-	(20,000)	1,495,000	25,000
Recreation Land Acquisition (Lunn Road)	1,425,000	-	(10,000)	1,415,000	10,000
Intersection of Royalton Road and W. 130th	415,000	-	(10,000)	405,000	10,000
<i>Total Various Purpose Improvements, Series 2009-01</i>	16,325,000	-	(50,000)	16,275,000	55,000
<i>Various Purpose Improvements, Series 2009-02:</i>					
Street Improvements (Pearl Road Widening)	6,875,000	-	(50,000)	6,825,000	65,000
<i>Various Purpose Refundings, Series 2011:</i>					
Multi-Purpose Complex Refunding, Series 2001	8,175,000	-	(835,000)	7,340,000	850,000
Police & Fire Communications Equipment	395,000	-	(110,000)	285,000	100,000
Service Center Complex Renovations	325,000	-	(60,000)	265,000	40,000
Fire Station #3	1,545,000	-	(150,000)	1,395,000	140,000
<i>Total Various Purpose Refunding, Series 2011</i>	10,440,000	-	(1,155,000)	9,285,000	1,130,000
<i>Total General Obligation Bonds</i>	47,475,000	-	(2,000,000)	45,475,000	2,055,000
<u>Special Assessment Bonds</u>					
<i>Various Purpose Improvements, Series 1994:</i>					
Brady Lane	20,000	-	(10,000)	10,000	10,000
Howe Road	95,000	-	(45,000)	50,000	50,000
Royalton Road	65,000	-	(30,000)	35,000	35,000
<i>Total Various Purpose Improvements, Series 1994</i>	180,000	-	(85,000)	95,000	95,000
<i>Various Purpose Improvements, Series 1996:</i>					
Drake Road	11,000	-	(2,000)	9,000	3,000
Lunn Road	144,000	-	(33,000)	111,000	35,000
Howe and Royalton Roads	215,000	-	(50,000)	165,000	52,000
<i>Total Various Purpose Improvements, Series 1996</i>	370,000	-	(85,000)	285,000	90,000
<i>Street Improvements, Series 1998:</i>					
Foltz Parkway	130,000	-	(20,000)	110,000	20,000
<i>Total Special Assessment Bonds</i>	680,000	-	(190,000)	490,000	205,000

**City of Strongsville, Ohio**  
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	Balance 1/1/2013	Additions	Deletions	Balance 12/31/2013	Amounts Due in One Year
<b>Governmental Activities (Continued):</b>					
<u>Ohio Public Works Commission (OPWC) Loan</u>	\$ -	\$ 1,206,635	\$ -	\$ 1,206,635	\$ -
Pearl Road Widening - Phase II					
<u>Other Long-Term Obligations</u>					
Unamortized Bond Premiums	1,388,378	-	(117,889)	1,270,489	-
Workers' Compensation Claims	926,025	187,917	(46,345)	1,067,597	23,205
Compensated Absences	3,193,959	1,781,148	(1,743,823)	3,231,284	1,295,473
<i>Total Other Long-Term Obligations</i>	<u>5,508,362</u>	<u>1,969,065</u>	<u>(1,908,057)</u>	<u>5,569,370</u>	<u>1,318,678</u>
<b>Total Governmental Activities</b>					
<b>Long-Term Obligations</b>	<u>\$ 53,663,362</u>	<u>\$ 3,175,700</u>	<u>\$ (4,098,057)</u>	<u>\$ 52,741,005</u>	<u>\$ 3,578,678</u>
<b>Business-Type Activities:</b>					
<u>General Obligation Bonds</u>					
<i>Various Purpose Improvements, Series 1994:</i>					
Sanitary Sewer System	\$ 35,000	\$ -	\$ (15,000)	\$ 20,000	\$ 20,000
<i>Various Purpose Improvements, Series 2009-01:</i>					
Sanitary Sewer Refunding, Series 1997	380,000	-	(190,000)	190,000	190,000
<i>Total General Obligation Bonds</i>	<u>415,000</u>	<u>-</u>	<u>(205,000)</u>	<u>210,000</u>	<u>210,000</u>
<u>Ohio Water Development Authority (OWDA) Loans</u>					
Westwood Park Sanitary Sewer	559,335	-	(47,943)	511,392	50,222
Force Main, Pump Station and Sanitary Sewers	1,426,074	-	(109,504)	1,316,570	114,376
Sewer Construction	494,290	-	(21,100)	473,190	21,821
Drake Road East Sanitary Sewer Extension	643,429	-	(25,028)	618,401	25,752
<i>Total OWDA Loans</i>	<u>3,123,128</u>	<u>-</u>	<u>(203,575)</u>	<u>2,919,553</u>	<u>212,171</u>
<u>Other Long-Term Obligations</u>					
Compensated Absences	265,180	20,954	(140,029)	146,105	58,478
<i>Total Other Long-Term Obligations</i>	<u>265,180</u>	<u>20,954</u>	<u>(140,029)</u>	<u>146,105</u>	<u>58,478</u>
<b>Total Business-Type Activities</b>					
<b>Long-Term Obligations</b>	<u>\$ 3,803,308</u>	<u>\$ 20,954</u>	<u>\$ (548,604)</u>	<u>\$ 3,275,658</u>	<u>\$ 480,649</u>
<b>Total Entity-Wide Long-Term Obligations</b>	<u>\$ 57,466,670</u>	<u>\$ 3,196,654</u>	<u>\$ (4,646,661)</u>	<u>\$ 56,016,663</u>	<u>\$ 4,059,327</u>

The Ohio Water Development Authority (OWDA) loans are revenue obligations (not general obligations) of the City, payable from the revenue of the systems that are improved with the OWDA loans and from special assessments that relate to those improvements. The OWDA does not require that the City generate "coverage" (revenues in excess of the amounts needed for system operations and loan payments), nor does the OWDA require the creation or funding of any reserve funds. The OWDA loans will be paid from the Sanitary Sewer Fund. The Ohio Public Works Commission (OPWC) loan will be paid from the General Bond Retirement Fund. General obligation bonds will be paid from the General Bond Retirement Fund, Emergency Vehicle Fund, Pearl Road TIF Fund, and Sanitary Sewer Fund. Special assessment bonds will be paid from the proceeds of special assessments levied against benefitted property owners paid from the General Bond Retirement Fund. In the event that a property owner would fail to pay the assessment, payment would be made by the City. Workers' Compensation claims will be paid from the Workers' Compensation Reserve Fund (refer to Note 11 for further information). The compensated absences liability will primarily be paid from the General Fund.

In July 2013, the City entered into a loan agreement with the OPWC. The loan is in the amount of \$2,555,750 with an annual interest rate of zero percent and will mature in twenty years from the completion of the project. The loan proceeds will be utilized for phase II of the Pearl Road Widening project. As of December 31, 2013, the City has received \$1,206,635 in loan proceeds. Upon completion of the project, OPWC will provide a final amortization schedule.

**City of Strongsville, Ohio**  
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**Principal and Interest Requirements**

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2013 are as follows:

Years	Governmental Activities					
	General Obligation Bonds		Special Assessment Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$2,055,000	\$1,896,873	\$205,000	\$28,616	\$2,260,000	\$1,925,489
2015	2,115,000	1,835,829	115,000	16,506	2,230,000	1,852,335
2016	2,180,000	1,770,769	120,000	9,801	2,300,000	1,780,570
2017	2,340,000	1,708,719	25,000	2,750	2,365,000	1,711,469
2018	2,460,000	1,624,544	25,000	1,375	2,485,000	1,625,919
2019-2023	12,960,000	6,654,710	0	0	12,960,000	6,654,710
2024-2028	13,210,000	3,629,934	0	0	13,210,000	3,629,934
2029-2033	6,865,000	1,156,144	0	0	6,865,000	1,156,144
2034-2037	1,290,000	59,663	0	0	1,290,000	59,663
Total	<u>\$45,475,000</u>	<u>\$20,337,185</u>	<u>\$490,000</u>	<u>\$59,048</u>	<u>\$45,965,000</u>	<u>\$20,396,233</u>

Years	Business-Type Activities					
	General Obligation Bonds		OWDA Loans		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$210,000	\$5,950	\$212,171	\$113,560	\$422,171	\$119,510
2015	0	0	221,137	104,593	221,137	104,593
2016	0	0	230,491	95,239	230,491	95,239
2017	0	0	240,247	85,482	240,247	85,482
2018	0	0	250,427	75,303	250,427	75,303
2019-2023	0	0	1,222,255	210,355	1,222,255	210,355
2024-2028	0	0	344,904	60,073	344,904	60,073
2029-2032	0	0	197,921	10,204	197,921	10,204
Total	<u>\$210,000</u>	<u>\$5,950</u>	<u>\$2,919,553</u>	<u>\$754,809</u>	<u>\$3,129,553</u>	<u>\$760,759</u>

**Note 16 – Construction Commitments and Operating Lease**

As of December 31, 2013, the City had the following significant commitments with respect to capital-related projects:

	<u>Remaining Construction Commitment</u>
<u>Capital Project</u>	
Pearl Road Widening Phase II	\$ 8,204,658
Recreation Roof Replacement	306,000
<u>Enterprise</u>	
Prospect Sanitary Sewer Replacement	<u>218,500</u>
<b>Total Government-wide Construction Commitments</b>	<b><u>\$ 8,729,158</u></b>



**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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**Operating Lease**

In September 2002, the City entered in a 15 year lease agreement for the use of portions of a privately owned ice rink facility. The lease expires on August 31, 2017 and the City has the option to renew the lease at that time. Based on accounting for leases, this lease is accounted for as an operating lease. Operating leases do not give rise to property rights or lease obligations. During 2013, expenditures for the operating lease totaled \$275,000.

The following is a schedule of future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of December 31, 2013.

<u>Year Ending</u> <u>December 31,</u>	<u>Amount</u>
2014	\$ 275,000
2015	275,000
2016	275,000
2017	206,250
Total	<u>\$ 1,031,250</u>

**Note 17 – Contingent Liabilities**

There are several lawsuits pending in which the City is involved. City management estimates that the potential claims against the City not covered by insurance resulting from such litigation would not materially affect the financial statements of the City.

Under the terms of federal and state grants, periodic audits are required and certain expenditures may be questioned as not appropriate under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. City management believes disallowances, if any, will be immaterial.

**Note 18 - Jointly Governed Organizations**

**Southwest General Health Center**

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

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

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
(Continued)

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The Board exercises total control over the operation of the Health Center including budgeting, appropriating, contracting and designating management. Each City's control is limited to its representation on the Board. In 2013, the City of Strongsville contributed \$332,303 to the Health Center. Financial information may be obtained by writing to the Southwest General Health Center, 18697 Bagley Road, Middleburg Heights, Ohio 44130-3497.

**Regional Income Tax Agency**

In 1971, thirty-eight municipalities joined together to organize a Regional Council of Governments (RCOG) to administer tax collection and enforcement concerns facing the cities and villages. The first official act of the RCOG was to form the Regional Income Tax Agency (RITA). Today RITA serves as the income tax collection agency for 227 municipalities throughout the State of Ohio. The City was one of the original members of RCOG. Financial information may be obtained by writing to RITA, 10107 Brecksville Road, Brecksville, Ohio, 44141.

**Southwest Council of Governments**

The Southwest Council of Governments helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions, and regional development. The Council's Board is comprised of one member from each of the 19 participating cities. 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. The Council has established two subsidiary organizations, the Hazardous Material Response Team ("HAZMAT"), which provides hazardous material protection and assistance, and the Southwest Enforcement Bureau, which provides extra assistance to cities in the form of a SWAT team. In 2013, the City of Strongsville contributed \$15,000 to the Council. Financial information may be obtained by writing to the Finance Director of the City of Berea, at 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 174 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. 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 ten-member NOPEC Board of Directors. 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 should be directed to NOPEC, 31360 Solon Road, Suite 33, Solon, Ohio 44139.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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**Southwest Regional Communications**

The Southwest Regional Communications is a jointly-governed organization between the City and three other communities. Formed as a Regional Council of Governments as permitted under Ohio Revised Code Section 167.01, the intent of the Southwest Regional Communications is to establish, own, operate, maintain, and administer, a regional communications network for public safety and public service purposes for the mutual benefit of the participating communities. This organization is controlled by a governing body consisting of each participating community's mayor or his/her delegate or representative. The degree of control exercised by any member is limited to its representation on the governing board. All members agree to contribute the sums of money on a shared basis as agreed per the requirements set forth in the Articles of Understanding. In accordance with GASB Statement No. 14 and amended by GASB Statement No. 61, the City does not have an equity interest in the organization. Financial information may be obtained by writing to the Finance Director of the City of Brook Park, at 6161 Engle Road, Brook Park, Ohio 44142 or by calling 216-433-1300.

**Note 19 – Subsequent Events**

On March 3, 2014, City Council passed Ordinances 2014-027 and 2014-028 authorizing the issuance and sale of bonds in the maximum aggregate principal amounts of \$3,400,000 and \$9,160,000 for the purpose of advance refunding certain maturities of the general obligation bonds of the City originally issued in 2005 and 2006, respectively.

## **Combining Statements**

## *Fund Descriptions – Nonmajor Governmental Funds*

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### *Non-Major Special Revenue Funds*

Special Revenue funds are established to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. A description of the City's special revenue funds follows:

*Police Pension Fund* - This fund accounts for the revenue from property taxes levied and expenditures relative to payment of the City's share (19.50 percent) of the current police pension liability to the Ohio Police & Fire Pension Fund. The Ohio Revised Code requires that the City levy 0.3 mills of property tax annually for the partial payment of this liability. The remaining liability is financed by a transfer from the General Fund.

*State Highway Maintenance Fund* - This fund accounts for a percentage of the revenue from the City's share of State gasoline taxes and motor vehicle registration fees. State law requires that these taxes be used for maintenance and repair of the state highways within the City.

*Motor Vehicle License Tax Fund* - This fund accounts for the additional \$5 tax levied upon the vehicles registered within the City to be used specifically for the maintenance of public roads and highways within the City.

*Emergency Vehicle Fund* - This fund accounts for the revenues generated by the charges for emergency medical services to be used for the acquisition of emergency medical service vehicles, or any other equipment related to or required for emergency medical services operations, and any other public safety related vehicles or equipment utilized at the time of and in conjunction with calls for emergency medical services.

*Fire Pension Fund* - This fund accounts for the revenue from property taxes levied and expenditures relative to payment of the City's share (24.00 percent) of the current fire pension liability to the Ohio Police & Fire Pension Fund. The Ohio Revised Code requires that the City levy 0.3 mills of property tax annually for the partial payment of this liability. The remaining liability is financed by a transfer from the General Fund.

*Clerk of Courts Computerization Fund* - This fund accounts for the revenue received from court costs assessed under the authority of Ohio Revised Code Section 1901.261(b) by the Mayor's Court on the filing of each cause of action or appeal, certificate of judgment or modifications of judgment for the purpose of procuring or maintaining computer systems of the office of the clerk of the Mayor's Court.

*Drainage Levy Fund* - This fund accounts for the revenue received from a voted property tax levy (gross millage 0.5, effective millage 0.096569 for tax year 2012/collection year 2013) approved for the purpose of constructing, reconstructing and renovating storm sewers and storm drainage facilities.

*FEMA Fund* - This fund accounts for the 2013 reimbursement of 2012 expenses related to Hurricane Sandy received from the Federal Emergency Management Agency (FEMA) and Ohio Emergency Management Agency.

*Multi-Purpose Complex Fund* – This fund accounts for the revenue received from various recreation/senior membership and user fees. Transfers are made from the General Fund to provide additional resources.

*Southwest General Hospital Levy Fund* - This fund accounts for the revenue received from a voted property tax levy (gross millage 1.0, effective millage 0.193138 for tax year 2012/collection year 2013) approved for the use, maintenance and support of Southwest General Hospital by the residents of Strongsville.

## ***Fund Descriptions – Nonmajor Governmental Funds***

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

*Law Enforcement Federal Seizure Fund* - This fund accounts for seized and/or forfeited cash and tangible property received from the United States government that was relinquished in accordance with the Comprehensive Drug Penalty Act of 1984 to be used by local law enforcement.

*Law Enforcement State Seizure Fund* - This fund accounts for seized and/or forfeited cash and tangible property received from the Cuyahoga County Common Pleas Court with the State of Ohio, which was relinquished in accordance with Section (D) (1) to (8) of Ohio Revised Code Section 2933.41. Eighty percent of the seizure or forfeiture is to be used by local law enforcement while the remaining twenty percent is forwarded to the Cuyahoga County Prosecuting Attorney's Office.

*Law Enforcement Drug Fine Fund* – This fund accounts for all fines imposed and bail forfeited by an individual convicted of certain drug offenses to be used by local law enforcement.

*Law Enforcement DWI/DUI Fund* - This fund accounts for fines and penalties received for DWI/DUI violations. These funds are to be used for costs incurred in enforcing DWI/DUI laws, incarceration costs and public education.

*Tree Fund* - This fund accounts for various fees and permits charged pursuant to City Ordinances for the purpose of planting, replacing, maintaining, protecting and promoting trees within the City.

*Community Diversion Fund* - This fund accounts for the revenue received from the Juvenile Court Division of the Cuyahoga County Court of Common Pleas. The purpose of this program is to divert local youth who are juvenile offenders of misdemeanor and status offenses from formal court action and to utilize community resources to ameliorate the situations.

*Earned Benefits Fund* - This fund accounts for the revenue set-aside by City Council used for the payment of accumulated sick and vacation leave balances upon the termination of employment by employees of the City and to provide funds for the payment of salaries and related fringes during a twenty-seven pay per year per Ohio Revised Code Section 5705.13. Due to the implementation of GASB Statement No. 54, this fund was combined with the General Fund on the governmental fund financial statements but remained a separate fund in the budgetary schedules because it has a separate legally adopted budget.

### ***Nonmajor Debt Service Funds***

Debt Service funds are established to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest and to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. A description of the City's debt service fund follows:

*Royalton Road TIF Fund* – This fund accounts for the revenue received by Service Payments in Lieu of Taxes (PILOTs) that are legally restricted for the payment of the public improvements described in Ordinance 2008-220. The general area affected by this TIF is north of Route 82 and Howe Road intersection.

*Pearl Road TIF #2 Fund* – This fund accounts for the revenue received by Service Payments in Lieu of Taxes (PILOTs) that are legally restricted for the payment of the public improvements described in Ordinance 2010-196. The general area affected by this TIF is Pearl Road between Route 82 and Boston Road.

## *Fund Descriptions – Nonmajor Governmental Funds*

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### *Non-Major Capital Project Funds*

Capital Project funds are established to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. A description of the City's capital project funds follows:

*Recreation Capital Improvement Fund* – This fund accounts for resources restricted for recreation improvements. Resources include federal, state, and local grants, dedicated building fees and debt proceeds.

*General Capital Improvement Fund* - This fund accounts for the Cable TV Franchise fees and other resources that are used to construct, equip and furnish the capital assets used by the various departments of the city, as well as for various infrastructure projects.

*Pearl Road Capital Improvement Fund* – This fund accounts for federal, state, and local grants, debt proceeds and other resources used to make major improvements to Pearl Road.

**City of Strongsville, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2013*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>ASSETS AND DEFERRED</b>				
<b>OUTFLOWS OF RESOURCES</b>				
<b>Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 3,727,123	\$ 48,222	\$ 5,015,064	\$ 8,790,409
Materials and Supplies Inventory	250	-	-	250
Accrued Interest Receivable	1,395	37	-	1,432
Accounts Receivable	104,898	-	-	104,898
Intergovernmental Receivable	177,202	177,200	-	354,402
Prepaid Items	70,246	-	-	70,246
Property Taxes Receivable	1,580,631	-	-	1,580,631
Special Assessments Receivable	-	-	62,405	62,405
Franchise Taxes Receivable	-	-	177,695	177,695
Permissive Motor Vehicle Taxes Receivable	26,014	-	-	26,014
<i>Total Assets</i>	<u>5,687,759</u>	<u>225,459</u>	<u>5,255,164</u>	<u>11,168,382</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>\$ 5,687,759</u>	<u>\$ 225,459</u>	<u>\$ 5,255,164</u>	<u>\$ 11,168,382</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 98,441	\$ -	\$ 219,648	\$ 318,089
Accrued Wages and Benefits	90,237	-	-	90,237
Contracts Payable	-	-	560,908	560,908
Intergovernmental Payable	137,439	-	-	137,439
Accrued Interest Payable	-	-	2,933	2,933
Retainage Payable	11,432	-	76,150	87,582
Interfund Payable	760,000	-	2,000,000	2,760,000
Notes Payable	-	-	1,600,000	1,600,000
<i>Total Liabilities</i>	<u>1,097,549</u>	<u>-</u>	<u>4,459,639</u>	<u>5,557,188</u>
<b>Deferred Inflows of Resources:</b>				
Property Taxes and Payments in Lieu of Taxes	1,534,520	177,200	-	1,711,720
Unavailable Revenue - Delinquent Property Taxes	46,111	-	-	46,111
Unavailable Revenue - Other	194,991	-	62,405	257,396
<i>Total Deferred Inflows of Resources</i>	<u>1,775,622</u>	<u>177,200</u>	<u>62,405</u>	<u>2,015,227</u>
<b>Fund Balances:</b>				
Nonspendable	70,496	-	-	70,496
Restricted	859,968	48,259	898,693	1,806,920
Committed	2,213,756	-	187,135	2,400,891
Unassigned	(329,632)	-	(352,708)	(682,340)
<i>Total Fund Balances (Deficits)</i>	<u>2,814,588</u>	<u>48,259</u>	<u>733,120</u>	<u>3,595,967</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 5,687,759</u>	<u>\$ 225,459</u>	<u>\$ 5,255,164</u>	<u>\$ 11,168,382</u>



**City of Strongsville, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2013*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>REVENUES</b>				
Property Taxes	\$ 1,196,481	\$ -	\$ -	\$ 1,196,481
Permissive Motor Vehicle Taxes	328,246	-	-	328,246
Franchise Taxes	-	-	764,513	764,513
Payments in Lieu of Taxes	-	233,484	-	233,484
Intergovernmental	1,451,487	-	-	1,451,487
Interest	6,469	188	8,067	14,724
Fees, Licenses, and Permits	55,165	-	-	55,165
Fines and Forfeitures	17,865	-	-	17,865
Charges for Services	3,773,448	-	41,700	3,815,148
Contributions and Donations	38,720	-	-	38,720
Special Assessments	-	-	11,198	11,198
All Other Revenues	34,148	-	10,975	45,123
<b>Total Revenues</b>	<u>6,902,029</u>	<u>233,672</u>	<u>836,453</u>	<u>7,972,154</u>
<b>EXPENDITURES</b>				
Security of Persons and Property	2,855,782	-	-	2,855,782
Public Health Services	332,303	-	-	332,303
Leisure Time Activities	4,522,820	-	119,148	4,641,968
Community Environment	96,337	-	175,819	272,156
Basic Utility Services	153,199	-	105,165	258,364
Transportation	513,098	-	2,032,501	2,545,599
General Government	28,183	-	79,264	107,447
Capital Outlay	1,998,757	-	1,816,232	3,814,989
Debt Service:				
Principal Retirement	110,000	-	-	110,000
Interest and Fiscal Charges	16,150	-	2,933	19,083
<b>Total Expenditures</b>	<u>10,626,629</u>	<u>-</u>	<u>4,331,062</u>	<u>14,957,691</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,724,600)</u>	<u>233,672</u>	<u>(3,494,609)</u>	<u>(6,985,537)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
OPWC Loans Issued	-	-	1,206,635	1,206,635
Transfers In	3,639,600	-	1,300,000	4,939,600
Transfers Out	-	(302,992)	-	(302,992)
<b>Total Other Financing Sources (Uses)</b>	<u>3,639,600</u>	<u>(302,992)</u>	<u>2,506,635</u>	<u>5,843,243</u>
Net Change in Fund Balances	(85,000)	(69,320)	(987,974)	(1,142,294)
Fund Balances - Beginning of Year	2,899,588	117,579	1,721,094	4,738,261
<b>Fund Balances - End of Year</b>	<u>\$ 2,814,588</u>	<u>\$ 48,259</u>	<u>\$ 733,120</u>	<u>\$ 3,595,967</u>

**City of Strongsville, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2013*

	<u>Police Pension</u>	<u>State Highway Maintenance</u>	<u>Motor Vehicle License Tax</u>	<u>Emergency Vehicle</u>	<u>Fire Pension</u>
<b>ASSETS AND DEFERRED</b>					
<b>OUTFLOWS OF RESOURCES</b>					
<b>Assets:</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 135,284	\$ 209,870	\$ 189,030	\$ 1,831,199	\$ 123,287
Materials and Supplies Inventory	-	-	-	-	-
Accrued Interest Receivable	-	148	100	1,147	-
Accounts Receivable	-	-	-	104,898	-
Intergovernmental Receivable	24,945	69,461	-	1,686	24,945
Prepaid Items	-	-	-	-	-
Property Taxes Receivable	382,387	-	-	-	382,387
Permissive Motor Vehicle Taxes Receivable	-	-	26,014	-	-
<i>Total Assets</i>	<u>542,616</u>	<u>279,479</u>	<u>215,144</u>	<u>1,938,930</u>	<u>530,619</u>
<b>Total Assets and Deferred</b>					
<b>Outflows of Resources</b>	<u>\$ 542,616</u>	<u>\$ 279,479</u>	<u>\$ 215,144</u>	<u>\$ 1,938,930</u>	<u>\$ 530,619</u>
<b>LIABILITIES, DEFERRED INFLOWS OF</b>					
<b>RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ -	\$ -	\$ -	\$ 6,140	\$ -
Accrued Wages and Benefits	-	-	-	-	-
Intergovernmental Payable	65,643	-	-	-	57,870
Retainage Payable	-	-	-	-	-
Interfund Payable	-	-	-	-	-
<i>Total Liabilities</i>	<u>65,643</u>	<u>-</u>	<u>-</u>	<u>6,140</u>	<u>57,870</u>
<b>Deferred Inflows of Resources:</b>					
Property Taxes	371,232	-	-	-	371,232
Unavailable Revenue - Delinquent Property Taxes	11,155	-	-	-	11,155
Unavailable Revenue - Other	24,945	54,104	-	38,387	24,945
<i>Total Deferred Inflows of Resources</i>	<u>407,332</u>	<u>54,104</u>	<u>-</u>	<u>38,387</u>	<u>407,332</u>
<b>Fund Balances:</b>					
Nonspendable	-	-	-	-	-
Restricted	69,641	225,375	215,144	-	65,417
Committed	-	-	-	1,894,403	-
Unassigned	-	-	-	-	-
<i>Total Fund Balances (Deficit)</i>	<u>69,641</u>	<u>225,375</u>	<u>215,144</u>	<u>1,894,403</u>	<u>65,417</u>
<b>Total Liabilities, Deferred Inflows of</b>					
<b>Resources and Fund Balances</b>	<u>\$ 542,616</u>	<u>\$ 279,479</u>	<u>\$ 215,144</u>	<u>\$ 1,938,930</u>	<u>\$ 530,619</u>

<u>Clerk of Courts Computerization</u>	<u>Drainage Levy</u>	<u>Multi- Purpose Complex</u>	<u>Southwest General Hospital Levy</u>	<u>Law Enforcement Federal Seizure</u>	<u>Law Enforcement State Seizure</u>	<u>Law Enforcement Drug Fine</u>
\$ 194,333	\$ 486,079	\$ 350,930	\$ -	\$ 40,794	\$ 24,933	\$ 927
-	-	250	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,230	33,698	-	18,912	-	-	-
-	-	70,246	-	-	-	-
-	509,851	-	306,006	-	-	-
-	-	-	-	-	-	-
<u>195,563</u>	<u>1,029,628</u>	<u>421,426</u>	<u>324,918</u>	<u>40,794</u>	<u>24,933</u>	<u>927</u>
<u>\$ 195,563</u>	<u>\$ 1,029,628</u>	<u>\$ 421,426</u>	<u>\$ 324,918</u>	<u>\$ 40,794</u>	<u>\$ 24,933</u>	<u>\$ 927</u>
\$ 1,549	\$ 44,279	\$ 43,453	\$ -	\$ -	\$ -	\$ -
-	-	90,237	-	-	-	-
-	-	13,926	-	-	-	-
-	11,432	-	-	-	-	-
-	760,000	-	-	-	-	-
<u>1,549</u>	<u>815,711</u>	<u>147,616</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	494,977	-	297,079	-	-	-
-	14,874	-	8,927	-	-	-
-	33,698	-	18,912	-	-	-
<u>-</u>	<u>543,549</u>	<u>-</u>	<u>324,918</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	70,496	-	-	-	-
194,014	-	-	-	40,794	24,933	927
-	-	203,314	-	-	-	-
-	(329,632)	-	-	-	-	-
<u>194,014</u>	<u>(329,632)</u>	<u>273,810</u>	<u>-</u>	<u>40,794</u>	<u>24,933</u>	<u>927</u>
<u>\$ 195,563</u>	<u>\$ 1,029,628</u>	<u>\$ 421,426</u>	<u>\$ 324,918</u>	<u>\$ 40,794</u>	<u>\$ 24,933</u>	<u>\$ 927</u>

(Continued)

**City of Strongsville, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2013*

	<b>Law Enforcement DWI/DUI</b>	<b>Tree</b>	<b>Community Diversion</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>ASSETS AND DEFERRED</b>				
<b>OUTFLOWS OF RESOURCES</b>				
<b>Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 20,284	\$ 119,059	\$ 1,114	\$ 3,727,123
Materials and Supplies Inventory	-	-	-	250
Accrued Interest Receivable	-	-	-	1,395
Accounts Receivable	-	-	-	104,898
Intergovernmental Receivable	75	-	2,250	177,202
Prepaid Items	-	-	-	70,246
Property Taxes Receivable	-	-	-	1,580,631
Permissive Motor Vehicle Taxes Receivable	-	-	-	26,014
<i>Total Assets</i>	<u>20,359</u>	<u>119,059</u>	<u>3,364</u>	<u>5,687,759</u>
<b>Total Assets and Deferred</b>				
<b>Outflows of Resources</b>	<u>\$ 20,359</u>	<u>\$ 119,059</u>	<u>\$ 3,364</u>	<u>\$ 5,687,759</u>
<b>LIABILITIES, DEFERRED INFLOWS OF</b>				
<b>RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ -	\$ 3,020	\$ -	\$ 98,441
Accrued Wages and Benefits	-	-	-	90,237
Intergovernmental Payable	-	-	-	137,439
Retainage Payable	-	-	-	11,432
Interfund Payable	-	-	-	760,000
<i>Total Liabilities</i>	<u>-</u>	<u>3,020</u>	<u>-</u>	<u>1,097,549</u>
<b>Deferred Inflows of Resources:</b>				
Property Taxes	-	-	-	1,534,520
Unavailable Revenue - Delinquent Property Taxes	-	-	-	46,111
Unavailable Revenue - Other	-	-	-	194,991
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,775,622</u>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	70,496
Restricted	20,359	-	3,364	859,968
Committed	-	116,039	-	2,213,756
Unassigned	-	-	-	(329,632)
<i>Total Fund Balances (Deficit)</i>	<u>20,359</u>	<u>116,039</u>	<u>3,364</u>	<u>2,814,588</u>
<b>Total Liabilities, Deferred Inflows of</b>				
<b>Resources and Fund Balances</b>	<u>\$ 20,359</u>	<u>\$ 119,059</u>	<u>\$ 3,364</u>	<u>\$ 5,687,759</u>

**City of Strongsville, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2013*

	<b>Police Pension</b>	<b>State Highway Maintenance</b>	<b>Motor Vehicle License Tax</b>	<b>Emergency Vehicle</b>	<b>Fire Pension</b>
<b>REVENUES</b>					
Property Taxes	\$ 371,748	\$ -	\$ -	\$ -	\$ 371,748
Permissive Motor Vehicle Taxes	-	-	328,246	-	-
Intergovernmental	54,548	142,853	-	5,058	54,548
Interest	-	736	416	5,317	-
Fees, Licenses, and Permits	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Charges for Services	-	-	-	887,281	-
Contributions and Donations	-	-	-	-	-
All Other Revenues	-	-	-	22,744	-
<b>Total Revenues</b>	<u>426,296</u>	<u>143,589</u>	<u>328,662</u>	<u>920,400</u>	<u>426,296</u>
<b>EXPENDITURES</b>					
Security of Persons and Property	1,176,753	-	-	412,727	1,243,840
Public Health Services	-	-	-	-	-
Leisure Time Activities	-	-	-	-	-
Community Environment	-	-	-	-	-
Basic Utility Services	-	-	-	-	-
Transportation	-	144,932	300,000	-	-
General Government	-	-	-	-	-
Capital Outlay	-	-	-	764,730	-
Debt Service:					
Principal Retirement	-	-	-	110,000	-
Interest and Fiscal Charges	-	-	-	16,150	-
<b>Total Expenditures</b>	<u>1,176,753</u>	<u>144,932</u>	<u>300,000</u>	<u>1,303,607</u>	<u>1,243,840</u>
Excess of Revenues Over (Under) Expenditures	<u>(750,457)</u>	<u>(1,343)</u>	<u>28,662</u>	<u>(383,207)</u>	<u>(817,544)</u>
<b>OTHER FINANCING SOURCES</b>					
Transfer In	763,300	-	-	-	856,300
<b>Total Other Financing Sources</b>	<u>763,300</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>856,300</u>
Net Change in Fund Balances	12,843	(1,343)	28,662	(383,207)	38,756
Fund Balances (Deficit) - Beginning of Year	56,798	226,718	186,482	2,277,610	26,661
<b>Fund Balances (Deficit) - End of Year</b>	<u>\$ 69,641</u>	<u>\$ 225,375</u>	<u>\$215,144</u>	<u>\$1,894,403</u>	<u>\$ 65,417</u>

(Continued)

**City of Strongsville, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Year Ended December 31, 2013*

	<b>Clerk of Courts Computerization</b>	<b>Drainage Levy</b>	<b>FEMA Grants</b>	<b>Multi- Purpose Complex</b>
<b>REVENUES</b>				
Property Taxes	\$ -	\$ 150,995	\$ -	\$ -
Permissive Motor Vehicle Taxes	-	-	-	-
Intergovernmental	-	1,067,065	76,514	2,838
Interest	-	-	-	-
Fees, Licenses, and Permits	-	-	-	-
Fines and Forfeitures	14,235	-	-	-
Charges for Services	-	-	-	2,886,167
Contributions and Donations	-	-	-	38,720
All Other Revenues	-	-	-	11,404
<b>Total Revenues</b>	<b>14,235</b>	<b>1,218,060</b>	<b>76,514</b>	<b>2,939,129</b>
<b>EXPENDITURES</b>				
Security of Persons and Property	-	-	1,450	-
Public Health Services	-	-	-	-
Leisure Time Activities	-	-	-	4,522,820
Community Environment	-	-	-	-
Basic Utility Services	-	146,301	6,898	-
Transportation	-	-	68,166	-
General Government	28,183	-	-	-
Capital Outlay	-	1,195,177	-	38,850
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
<b>Total Expenditures</b>	<b>28,183</b>	<b>1,341,478</b>	<b>76,514</b>	<b>4,561,670</b>
Excess of Revenues Over (Under) Expenditures	(13,948)	(123,418)	-	(1,622,541)
<b>OTHER FINANCING SOURCES</b>				
Transfer In	-	300,000	-	1,720,000
<b>Total Other Financing Sources</b>	<b>-</b>	<b>300,000</b>	<b>-</b>	<b>1,720,000</b>
Net Change in Fund Balances	(13,948)	176,582	-	97,459
Fund Balances (Deficit) - Beginning of Year	207,962	(506,214)	-	176,351
<b>Fund Balances (Deficit) - End of Year</b>	<b>\$ 194,014</b>	<b>\$(329,632)</b>	<b>\$ -</b>	<b>\$ 273,810</b>

<b>Southwest General Hospital Levy</b>	<b>Law Enforcement Federal Seizure</b>	<b>Law Enforcement State Seizure</b>	<b>Law Enforcement Drug Fine</b>	<b>Law Enforcement DWI/DUI</b>	<b>Tree</b>	<b>Community Diversion</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ 301,990	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,196,481
-	-	-	-	-	-	-	328,246
30,313	-	-	-	-	8,750	9,000	1,451,487
-	-	-	-	-	-	-	6,469
-	-	-	-	-	55,165	-	55,165
-	-	-	200	1,180	-	2,250	17,865
-	-	-	-	-	-	-	3,773,448
-	-	-	-	-	-	-	38,720
-	-	-	-	-	-	-	34,148
<u>332,303</u>	<u>-</u>	<u>-</u>	<u>200</u>	<u>1,180</u>	<u>63,915</u>	<u>11,250</u>	<u>6,902,029</u>
-	-	-	-	9,057	-	11,955	2,855,782
332,303	-	-	-	-	-	-	332,303
-	-	-	-	-	-	-	4,522,820
-	-	-	-	-	96,337	-	96,337
-	-	-	-	-	-	-	153,199
-	-	-	-	-	-	-	513,098
-	-	-	-	-	-	-	28,183
-	-	-	-	-	-	-	1,998,757
-	-	-	-	-	-	-	110,000
-	-	-	-	-	-	-	16,150
<u>332,303</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,057</u>	<u>96,337</u>	<u>11,955</u>	<u>10,626,629</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>200</u>	<u>(7,877)</u>	<u>(32,422)</u>	<u>(705)</u>	<u>(3,724,600)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,639,600</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,639,600</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>200</u>	<u>(7,877)</u>	<u>(32,422)</u>	<u>(705)</u>	<u>(85,000)</u>
<u>-</u>	<u>40,794</u>	<u>24,933</u>	<u>727</u>	<u>28,236</u>	<u>148,461</u>	<u>4,069</u>	<u>2,899,588</u>
<u>\$ -</u>	<u>\$ 40,794</u>	<u>\$ 24,933</u>	<u>\$ 927</u>	<u>\$ 20,359</u>	<u>\$116,039</u>	<u>\$ 3,364</u>	<u>\$2,814,588</u>

**City of Strongsville, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Debt Service Funds*  
*December 31, 2013*

	<b>Royalton Road TIF</b>	<b>Pearl Road TIF #2</b>	<b>Total Nonmajor Debt Service Funds</b>
<b>ASSETS AND DEFERRED</b>			
<b>OUTFLOWS OF RESOURCES</b>			
<b>Assets:</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 11,686	\$ 36,536	\$ 48,222
Accrued Interest Receivable	37	-	37
Intergovernmental Receivable	166,600	10,600	177,200
<i>Total Assets</i>	178,323	47,136	225,459
<b>Total Assets and Deferred</b>			
<b>Outflows of Resources</b>	\$ 178,323	\$ 47,136	\$ 225,459
 <b>LIABILITIES, DEFERRED INFLOWS OF</b>			
<b>RESOURCES AND FUND BALANCES</b>			
<b>Deferred Inflows of Resources:</b>			
Payments in Lieu of Taxes	\$ 166,600	\$ 10,600	\$ 177,200
<i>Total Deferred Inflows of Resources</i>	166,600	10,600	177,200
 <b>Fund Balances:</b>			
Restricted	11,723	36,536	48,259
<i>Total Fund Balances</i>	11,723	36,536	48,259
<b>Total Liabilities, Deferred Inflows of</b>			
<b>Resources and Fund Balances</b>	\$ 178,323	\$ 47,136	\$ 225,459



**City of Strongsville, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Debt Service Funds*  
*For the Year Ended December 31, 2013*

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	<b>Royalton Road TIF</b>	<b>Pearl Road TIF #2</b>	<b>Total Nonmajor Debt Service Funds</b>
<b>REVENUES</b>			
Payment in Lieu of Taxes	\$ 196,948	\$ 36,536	\$ 233,484
Interest	188	-	188
<b>Total Revenues</b>	197,136	36,536	233,672
<b>OTHER FINANCING (USES)</b>			
Transfer Out	(302,992)	-	(302,992)
<b>Total Other Financing (Uses)</b>	(302,992)	-	(302,992)
Net Change in Fund Balances	(105,856)	36,536	(69,320)
Fund Balances - Beginning of Year	117,579	-	117,579
<b>Fund Balances - End of Year</b>	\$ 11,723	\$ 36,536	\$ 48,259

**City of Strongsville, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2013*

	<u>Recreation Capital Improvement</u>	<u>General Capital Improvement</u>	<u>Pearl Road Capital Improvement</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>ASSETS AND DEFERRED</b>				
<b>OUTFLOWS OF RESOURCES</b>				
<b>Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 487,685	\$ 2,243,029	\$ 2,284,350	\$5,015,064
Special Assessments Receivable	-	62,405	-	62,405
Franchise Taxes Receivable	-	177,695	-	177,695
<i>Total Assets</i>	<u>487,685</u>	<u>2,483,129</u>	<u>2,284,350</u>	<u>5,255,164</u>
<b>Total Assets and Deferred</b>				
<b>Outflows of Resources</b>	<u>\$ 487,685</u>	<u>\$ 2,483,129</u>	<u>\$ 2,284,350</u>	<u>\$5,255,164</u>
<b>LIABILITIES, DEFERRED INFLOWS OF</b>				
<b>RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ -	\$ 219,648	\$ -	\$ 219,648
Contracts Payable	-	-	560,908	560,908
Accrued Interest Payable	550	2,383	-	2,933
Retainage Payable	-	-	76,150	76,150
Interfund Payable	-	-	2,000,000	2,000,000
Notes Payable	300,000	1,300,000	-	1,600,000
<i>Total Liabilities</i>	<u>300,550</u>	<u>1,522,031</u>	<u>2,637,058</u>	<u>4,459,639</u>
<b>Deferred Inflows of Resources:</b>				
Unavailable Revenue - Other	-	62,405	-	62,405
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>62,405</u>	<u>-</u>	<u>62,405</u>
<b>Fund Balances:</b>				
Restricted	-	898,693	-	898,693
Committed	187,135	-	-	187,135
Unassigned	-	-	(352,708)	(352,708)
<i>Total Fund Balances (Deficit)</i>	<u>187,135</u>	<u>898,693</u>	<u>(352,708)</u>	<u>733,120</u>
<b>Total Liabilities, Deferred Inflows of</b>				
<b>Resources and Fund Balances</b>	<u>\$ 487,685</u>	<u>\$ 2,483,129</u>	<u>\$ 2,284,350</u>	<u>\$5,255,164</u>

**City of Strongsville, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2013*

	<b>Recreation Capital Improvement</b>	<b>General Capital Improvement</b>	<b>Pearl Road Capital Improvement</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>REVENUES</b>				
Franchise Taxes	\$ -	\$ 764,513	\$ -	\$ 764,513
Interest	-	8,067	-	8,067
Charges for Services	39,300	900	1,500	41,700
Special Assessments	-	11,198	-	11,198
All Other Revenues	9,975	1,000	-	10,975
<b>Total Revenues</b>	<u>49,275</u>	<u>785,678</u>	<u>1,500</u>	<u>836,453</u>
<b>EXPENDITURES</b>				
Leisure Time Activities	119,148	-	-	119,148
Community Environment	-	175,819	-	175,819
Basic Utility Services	-	105,165	-	105,165
Transportation	-	2,032,501	-	2,032,501
General Government	-	79,264	-	79,264
Capital Outlay	60,600	42,181	1,713,451	1,816,232
Debt Service:				
Interest and Fiscal Charges	550	2,383	-	2,933
<b>Total Expenditures</b>	<u>180,298</u>	<u>2,437,313</u>	<u>1,713,451</u>	<u>4,331,062</u>
Excess of Revenues (Under) Expenditures	<u>(131,023)</u>	<u>(1,651,635)</u>	<u>(1,711,951)</u>	<u>(3,494,609)</u>
<b>OTHER FINANCING SOURCES</b>				
OPWC Loans Issued	-	-	1,206,635	1,206,635
Transfer In	100,000	1,200,000	-	1,300,000
<b>Total Other Financing Sources</b>	<u>100,000</u>	<u>1,200,000</u>	<u>1,206,635</u>	<u>2,506,635</u>
Net Change in Fund Balances	(31,023)	(451,635)	(505,316)	(987,974)
Fund Balances - Beginning of Year	218,158	1,350,328	152,608	1,721,094
<b>Fund Balances (Deficit) - End of Year</b>	<u>\$ 187,135</u>	<u>\$ 898,693</u>	<u>\$ (352,708)</u>	<u>\$ 733,120</u>

## *Fund Descriptions – Fiduciary Funds*

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### *Fiduciary Funds*

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

### *Agency Funds*

*Bond Escrow Fund* – This fund is used to account for the receipt of refundable deposits required of contractors, builders, residents or others to insure compliance with various City ordinances.

*Mayor's Court Fund* – This fund is used to account for the receipt of fines collected through the Mayor's Court established by the Ohio Revised Code and City ordinances.

**City of Strongsville, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
*For the Year Ended December 31, 2013*

	<u>Balance 1/1/2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2013</u>
<b>Bond Escrow</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$ 377,011</u>	<u>\$ 456,688</u>	<u>\$ 385,986</u>	<u>\$ 447,713</u>
<b>Liabilities</b>				
Deposits Held and Due to Others	<u>\$ 377,011</u>	<u>\$ 456,688</u>	<u>\$ 385,986</u>	<u>\$ 447,713</u>
<b>Mayor's Court</b>				
<b>Assets</b>				
Cash and Cash Equivalents: in Segregated Accounts	<u>\$ 32,456</u>	<u>\$ 679,337</u>	<u>\$ 662,365</u>	<u>\$ 49,428</u>
<b>Liabilities</b>				
Deposits Held and Due to Others	<u>\$ 32,456</u>	<u>\$ 679,337</u>	<u>\$ 662,365</u>	<u>\$ 49,428</u>
<b>Total - All Agency Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 377,011	\$ 456,688	\$ 385,986	\$ 447,713
Cash and Cash Equivalents: in Segregated Accounts	<u>32,456</u>	<u>679,337</u>	<u>662,365</u>	<u>49,428</u>
Total Assets	<u>\$ 409,467</u>	<u>\$1,136,025</u>	<u>\$1,048,351</u>	<u>\$ 497,141</u>
<b>Liabilities</b>				
Deposits Held and Due to Others	<u>\$ 409,467</u>	<u>\$1,136,025</u>	<u>\$1,048,351</u>	<u>\$ 497,141</u>

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

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Municipal Income Taxes	\$ 25,750,000	\$ 27,900,000	\$ 27,792,898	\$ (107,102)
Property Taxes	418,642	452,772	452,985	213
Hotel Taxes	160,000	180,000	177,639	(2,361)
Intergovernmental Revenues	1,039,725	1,404,499	1,403,485	(1,014)
Charges for Services	294,400	344,800	315,561	(29,239)
Fees, Licenses, and Permits	676,300	841,200	840,094	(1,106)
Fines and Forfeitures	571,000	564,800	560,027	(4,773)
Interest Income	40,000	40,000	36,625	(3,375)
Contributions and Donations	3,000	3,700	3,625	(75)
Miscellaneous	469,200	706,300	703,788	(2,512)
<i>Total Revenues</i>	<u>29,422,267</u>	<u>32,438,071</u>	<u>32,286,727</u>	<u>(151,344)</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Public Safety Director:				
Personal Services	125,800	133,200	130,485	2,715
Other	7,500	7,500	926	6,574
Total Public Safety Director	<u>133,300</u>	<u>140,700</u>	<u>131,411</u>	<u>9,289</u>
Police:				
Personal Services	10,005,100	9,839,100	9,438,038	401,062
Other	996,000	1,076,000	914,637	161,363
Total Police	<u>11,001,100</u>	<u>10,915,100</u>	<u>10,352,675</u>	<u>562,425</u>
Street Lighting:				
Other	400,000	400,000	351,792	48,208
Total Security of Persons and Property	<u>11,534,400</u>	<u>11,455,800</u>	<u>10,835,878</u>	<u>619,922</u>
Public Health Services:				
Cemetery:				
Personal Services	105,500	104,800	97,268	7,532
Other	12,200	12,200	7,464	4,736
Total Cemetery	<u>117,700</u>	<u>117,000</u>	<u>104,732</u>	<u>12,268</u>
County Board of Health:				
Other	172,000	172,000	171,840	160
Total Public Health Services	<u>289,700</u>	<u>289,000</u>	<u>276,572</u>	<u>12,428</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2013  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Leisure Time Activities:				
Parks:				
Personal Services	94,500	94,400	93,578	822
Other	160,000	187,694	168,014	19,680
Total Leisure Time Activities	<u>254,500</u>	<u>282,094</u>	<u>261,592</u>	<u>20,502</u>
Community Environment:				
Building:				
Personal Services	834,500	875,700	838,629	37,071
Other	195,700	170,700	132,164	38,536
Total Building	<u>1,030,200</u>	<u>1,046,400</u>	<u>970,793</u>	<u>75,607</u>
Architectural Board of Review:				
Other	6,000	6,000	1,101	4,899
Planning Commission:				
Personal Services	93,900	95,500	93,546	1,954
Other	71,800	70,000	60,052	9,948
Total Planning Commission	<u>165,700</u>	<u>165,500</u>	<u>153,598</u>	<u>11,902</u>
Board of Appeals:				
Other	10,500	11,300	8,901	2,399
Board of Building Standards:				
Other	2,000	300	201	99
Economic Development:				
Personal Services	120,200	131,400	128,117	3,283
Other	44,600	44,600	18,853	25,747
Total Economic Development	<u>164,800</u>	<u>176,000</u>	<u>146,970</u>	<u>29,030</u>
Strongsville City Schools Revenue Sharing:				
Other	360,000	-	-	-
Total Community Environment	<u>1,739,200</u>	<u>1,405,500</u>	<u>1,281,564</u>	<u>123,936</u>
Basic Utility Services:				
Rubbish:				
Other	2,357,000	2,357,000	2,061,074	295,926
Total Basic Utility Services	<u>2,357,000</u>	<u>2,357,000</u>	<u>2,061,074</u>	<u>295,926</u>

(Continued)



**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2013  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
General Government:				
Council:				
Personal Services	313,800	312,700	310,838	1,862
Other	22,000	42,000	24,650	17,350
Total Council	<u>335,800</u>	<u>354,700</u>	<u>335,488</u>	<u>19,212</u>
Mayor's Office:				
Personal Services	351,800	316,000	309,581	6,419
Other	15,300	15,300	7,269	8,031
Total Mayor's Office	<u>367,100</u>	<u>331,300</u>	<u>316,850</u>	<u>14,450</u>
Human Resources:				
Personal Services	137,400	189,600	185,554	4,046
Other	55,400	101,900	83,328	18,572
Total Human Resources	<u>192,800</u>	<u>291,500</u>	<u>268,882</u>	<u>22,618</u>
Finance:				
Personal Services	492,100	499,300	480,082	19,218
Other	23,400	25,500	12,463	13,037
Total Finance	<u>515,500</u>	<u>524,800</u>	<u>492,545</u>	<u>32,255</u>
Law:				
Personal Services	418,800	419,200	415,940	3,260
Other	186,300	186,300	45,711	140,589
Total Legal	<u>605,100</u>	<u>605,500</u>	<u>461,651</u>	<u>143,849</u>
Communication and Technology:				
Personal Services	452,700	465,600	454,362	11,238
Other	917,500	917,500	878,658	38,842
Total Communication and Technology	<u>1,370,200</u>	<u>1,383,100</u>	<u>1,333,020</u>	<u>50,080</u>
Mayor's Court:				
Personal Services	99,700	115,600	106,381	9,219
Other	79,900	79,900	57,634	22,266
Total Mayor's Court	<u>179,600</u>	<u>195,500</u>	<u>164,015</u>	<u>31,485</u>
Civil Service:				
Other	25,000	47,000	45,916	1,084

(Continued)

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2013  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
General Miscellaneous:				
Other	1,559,200	1,409,200	1,141,151	268,049
Total General Government	5,150,300	5,142,600	4,559,518	583,082
<i>Total Expenditures</i>	<u>21,325,100</u>	<u>20,931,994</u>	<u>19,276,198</u>	<u>1,655,796</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	8,097,167	11,506,077	13,010,529	1,504,452
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	10,000	60,096	59,759	(337)
Advances In	1,200,000	1,800,000	1,800,000	-
Advances Out	(150,000)	(1,870,000)	(1,870,000)	-
Transfers Out	(9,331,300)	(12,704,600)	(12,704,600)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(8,271,300)</u>	<u>(12,714,504)</u>	<u>(12,714,841)</u>	<u>(337)</u>
<i>Net Change in Fund Balance</i>	(174,133)	(1,208,427)	295,688	1,504,115
<i>Fund Balance - Beginning of Year</i>	7,432,167	7,432,167	7,432,167	-
<i>Fund Balance - End of Year</i>	<u>\$ 7,258,034</u>	<u>\$ 6,223,740</u>	<u>\$ 7,727,855</u>	<u>\$ 1,504,115</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Street Construction, Maintenance and Repair Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Municipal Income Taxes	\$ 3,150,000	\$ 3,300,000	\$ 3,300,614	\$ 614
Intergovernmental Revenues	1,620,000	1,753,000	1,751,202	(1,798)
Charges for Services	-	600	600	-
Interest Income	4,200	8,300	8,243	(57)
Miscellaneous	-	106,600	103,892	(2,708)
<i>Total Revenues</i>	<u>4,774,200</u>	<u>5,168,500</u>	<u>5,164,551</u>	<u>(3,949)</u>
<b>Expenditures:</b>				
Current:				
Transportation:				
Street Repairs:				
Personal Services	4,122,500	4,086,700	3,891,994	194,706
Other	2,038,400	2,200,700	1,827,841	372,859
Total Street Repairs	<u>6,160,900</u>	<u>6,287,400</u>	<u>5,719,835</u>	<u>567,565</u>
Traffic Signal Maintenance:				
Personal Services	210,600	208,600	192,326	16,274
Other	246,800	246,800	188,107	58,693
Total Traffic Signal Maintenance	<u>457,400</u>	<u>455,400</u>	<u>380,433</u>	<u>74,967</u>
Snow Removal:				
Other	<u>562,600</u>	<u>594,400</u>	<u>526,000</u>	<u>68,400</u>
Municipal Garage:				
Personal Services	634,300	630,000	578,271	51,729
Other	868,500	868,500	703,962	164,538
Total Municipal Garage	<u>1,502,800</u>	<u>1,498,500</u>	<u>1,282,233</u>	<u>216,267</u>
<i>Total Expenditures</i>	<u>8,683,700</u>	<u>8,835,700</u>	<u>7,908,501</u>	<u>927,199</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(3,909,500)	(3,667,200)	(2,743,950)	923,250
<b>Other Financing Sources</b>				
Sale of Capital Assets	-	30,300	30,282	(18)
Transfers In	3,470,000	3,800,000	3,800,000	-
<i>Total Other Financing Sources</i>	<u>3,470,000</u>	<u>3,830,300</u>	<u>3,830,282</u>	<u>(18)</u>
<i>Net Change in Fund Balance</i>	(439,500)	163,100	1,086,332	923,232
<i>Fund Balance - Beginning of Year</i>	2,844,510	2,844,510	2,844,510	-
<i>Fund Balance - End of Year</i>	<u>\$ 2,405,010</u>	<u>\$ 3,007,610</u>	<u>\$ 3,930,842</u>	<u>\$ 923,232</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Fire Levy Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 3,898,197	\$ 4,251,115	\$ 4,251,615	\$ 500
Intergovernmental Revenues	553,983	562,330	562,138	(192)
Charges for Services	300	100	40	(60)
Fees, Licenses, and Permits	1,800	2,500	1,860	(640)
Contributions and Donations	-	1,300	1,300	-
Miscellaneous	500	1,300	1,255	(45)
<i>Total Revenues</i>	<u>4,454,780</u>	<u>4,818,645</u>	<u>4,818,208</u>	<u>(437)</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Fire:				
Personal Services	7,022,700	6,695,400	6,378,636	316,764
Other	567,900	427,900	344,280	83,620
Total Fire	<u>7,590,600</u>	<u>7,123,300</u>	<u>6,722,916</u>	<u>400,384</u>
Fire Station Ward 1:				
Other	<u>37,800</u>	<u>50,200</u>	<u>37,551</u>	<u>12,649</u>
Fire Station Ward 2:				
Other	<u>38,600</u>	<u>44,400</u>	<u>27,987</u>	<u>16,413</u>
Fire Station Ward 3:				
Other	<u>39,700</u>	<u>38,400</u>	<u>25,314</u>	<u>13,086</u>
Fire Station Ward 4:				
Other	<u>105,300</u>	<u>97,900</u>	<u>56,723</u>	<u>41,177</u>
<i>Total Expenditures</i>	<u>7,812,000</u>	<u>7,354,200</u>	<u>6,870,491</u>	<u>483,709</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(3,357,220)	(2,535,555)	(2,052,283)	483,272
<b>Other Financing Sources</b>				
Transfers In	<u>2,565,000</u>	<u>2,765,000</u>	<u>2,765,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(792,220)	229,445	712,717	483,272
<i>Fund Balance - Beginning of Year</i>	<u>1,010,787</u>	<u>1,010,787</u>	<u>1,010,787</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u>\$ 218,567</u>	<u>\$ 1,240,232</u>	<u>\$ 1,723,504</u>	<u>\$ 483,272</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Bond Retirement Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 3,177,131	\$ 3,469,247	\$ 3,469,646	\$ 399
Intergovernmental Revenues	682,319	675,035	675,034	(1)
Special Assessments	218,700	227,300	226,986	(314)
Interest Income	6,000	7,000	6,714	(286)
<i>Total Revenues</i>	<u>4,084,150</u>	<u>4,378,582</u>	<u>4,378,380</u>	<u>(202)</u>
<b>Expenditures:</b>				
Debt Service:				
Principal	4,380,000	3,980,000	3,980,000	-
Interest & Fiscal Charges	1,731,510	1,711,810	1,711,755	55
Debt Issuance Costs	42,000	61,700	39,212	22,488
<i>Total Expenditures</i>	<u>6,153,510</u>	<u>5,753,510</u>	<u>5,730,967</u>	<u>22,543</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,069,360)	(1,374,928)	(1,352,587)	22,341
<b>Other Financing Sources</b>				
General Obligation Notes Issued	1,300,000	1,300,000	1,300,000	-
Premium on Debt Issuance	-	35,500	35,445	(55)
Transfers In	200,000	300,000	300,000	-
<i>Total Other Financing Sources</i>	<u>1,500,000</u>	<u>1,635,500</u>	<u>1,635,445</u>	<u>(55)</u>
<i>Net Change in Fund Balance</i>	(569,360)	260,572	282,858	22,286
<i>Fund Balance - Beginning of Year</i>	<u>1,362,835</u>	<u>1,362,835</u>	<u>1,362,835</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u>\$ 793,475</u>	<u>\$ 1,623,407</u>	<u>\$ 1,645,693</u>	<u>\$ 22,286</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Pearl Road TIF Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Payment in Lieu of Taxes	\$ 711,000	\$ 1,257,000	\$ 1,256,939	\$ (61)
Interest Income	2,000	2,000	1,560	(440)
<i>Total Revenues</i>	<u>713,000</u>	<u>1,259,000</u>	<u>1,258,499</u>	<u>(501)</u>
<b>Expenditures:</b>				
Debt Service:				
Principal	3,110,000	3,250,000	3,250,000	-
Interest & Fiscal Charges	321,367	315,117	315,028	89
<i>Total Expenditures</i>	<u>3,431,367</u>	<u>3,565,117</u>	<u>3,565,028</u>	<u>89</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,718,367)	(2,306,117)	(2,306,529)	(412)
<b>Other Financing Sources</b>				
General Obligation Notes Issued	2,650,000	2,200,000	2,200,000	-
<i>Net Change in Fund Balance</i>	(68,367)	(106,117)	(106,529)	(412)
<i>Fund Balance - Beginning of Year</i>	549,767	549,767	549,767	-
<i>Fund Balance - End of Year</i>	<u>\$ 481,400</u>	<u>\$ 443,650</u>	<u>\$ 443,238</u>	<u>\$ (412)</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Sanitary Sewer Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for Services	\$ 5,240,100	\$ 5,735,100	\$ 5,711,007	\$ (24,093)
Interest Income	10,000	12,200	12,119	(81)
Other Services	90,600	121,600	117,401	(4,199)
Miscellaneous	-	500	463	(37)
<i>Total Revenues</i>	<u>5,340,700</u>	<u>5,869,400</u>	<u>5,840,990</u>	<u>(28,410)</u>
<b>Expenses</b>				
Sanitary Sewer:				
Engineering and Administration:				
Personal Services	469,000	518,600	498,783	19,817
Fringe Benefits	179,000	164,300	155,310	8,990
Contractual Services	740,000	816,200	713,526	102,674
Materials and Supplies	8,500	8,500	6,211	2,289
Other	10,500	9,300	4,685	4,615
Total Engineering and Administration	<u>1,407,000</u>	<u>1,516,900</u>	<u>1,378,515</u>	<u>138,385</u>
Plant:				
Utilities	3,700	3,700	1,976	1,724
Contractual Services	1,780,000	2,025,000	1,868,006	156,994
Other	12,000	12,000	803	11,197
Total Plant	<u>1,795,700</u>	<u>2,040,700</u>	<u>1,870,785</u>	<u>169,915</u>
Line:				
Personal Services	471,100	479,500	447,818	31,682
Fringe Benefits	220,700	206,100	183,599	22,501
Contractual Services	425,000	416,500	164,504	251,996
Materials and Supplies	225,000	229,900	153,598	76,302
Other	-	3,600	3,600	-
Total Line	<u>1,341,800</u>	<u>1,335,600</u>	<u>953,119</u>	<u>382,481</u>
Sewer Capital Improvements:				
Contractual Services	-	100,000	-	100,000
Capital Outlay	1,370,000	800,000	793,277	6,723
Total Sewer Capital Improvements	<u>1,370,000</u>	<u>900,000</u>	<u>793,277</u>	<u>106,723</u>

(Continued)

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Sanitary Sewer Fund  
 For the Year Ended December 31, 2013  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Debt Service:				
Principal	408,499	408,577	408,575	2
Interest & Fiscal Charges	133,700	133,757	133,755	2
Total Debt Service	<u>542,199</u>	<u>542,334</u>	<u>542,330</u>	<u>4</u>
<i>Total Expenses</i>	<u>6,456,699</u>	<u>6,335,534</u>	<u>5,538,026</u>	<u>797,508</u>
 <i>Excess of Revenues Over (Under) Expenses</i>	 (1,115,999)	 (466,134)	 302,964	 769,098
 <b>Other Financing Sources</b>				
Capital Contribution - Tap-in Fees	100,000	160,000	154,964	(5,036)
Capital Contributions - Special Assessments	73,700	88,600	88,435	(165)
Capital Contributions - Grants	388,452	373,652	215,332	(158,320)
<i>Total Other Financing Sources</i>	<u>562,152</u>	<u>622,252</u>	<u>458,731</u>	<u>(163,521)</u>
 <i>Net Change in Fund Equity</i>	 (553,847)	 156,118	 761,695	 605,577
 <i>Fund Equity - Beginning of Year</i>	 <u>4,007,392</u>	 <u>4,007,392</u>	 <u>4,007,392</u>	 <u>-</u>
<i>Fund Equity - End of Year</i>	<u><u>\$ 3,453,545</u></u>	<u><u>\$ 4,163,510</u></u>	<u><u>\$ 4,769,087</u></u>	<u><u>\$ 605,577</u></u>



**City of Strongsville, 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, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property Taxes	\$ 340,407	\$ 371,705	\$ 371,748	\$ 43
Intergovernmental Revenues	63,065	54,555	54,548	(7)
<i>Total Revenues</i>	<u>403,472</u>	<u>426,260</u>	<u>426,296</u>	<u>36</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Police:				
Personal Services	1,130,300	1,208,800	1,165,296	43,504
<i>Excess of Revenues Over (Under) Expenditures</i>	(726,828)	(782,540)	(739,000)	43,540
<b>Other Financing Sources</b>				
Transfers In	720,000	763,300	763,300	-
<i>Net Change in Fund Balance</i>	(6,828)	(19,240)	24,300	43,540
<i>Fund Balance - Beginning of Year</i>	110,984	110,984	110,984	-
<i>Fund Balance - End of Year</i>	<u>\$ 104,156</u>	<u>\$ 91,744</u>	<u>\$ 135,284</u>	<u>\$ 43,540</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 State Highway Maintenance Fund  
 For the Year Ended December 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 135,000	\$ 142,100	\$ 141,990	\$ (110)
Interest Income	600	700	650	(50)
<i>Total Revenues</i>	<u>135,600</u>	<u>142,800</u>	<u>142,640</u>	<u>(160)</u>
<b>Expenditures:</b>				
Current:				
Transportation:				
State Highway Maintenance:				
Other	100,000	195,000	144,932	50,068
<i>Net Change in Fund Balance</i>	35,600	(52,200)	(2,292)	49,908
<i>Fund Balance - Beginning of Year</i>	212,162	212,162	212,162	-
<i>Fund Balance - End of Year</i>	<u>\$ 247,762</u>	<u>\$ 159,962</u>	<u>\$ 209,870</u>	<u>\$ 49,908</u>

**City of Strongsville, 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, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Permissive Motor Vehicle Taxes	\$ 326,000	\$ 326,000	\$ 325,773	\$ (227)
Interest Income	800	800	441	(359)
<i>Total Revenues</i>	<u>326,800</u>	<u>326,800</u>	<u>326,214</u>	<u>(586)</u>
<b>Expenditures:</b>				
Current:				
Transportation:				
Motor Vehicle License Tax:				
Other	-	300,000	300,000	-
Debt Service:				
Principal	300,000	-	-	-
<i>Total Expenditures</i>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	26,800	26,800	26,214	(586)
<i>Fund Balance - Beginning of Year</i>	162,816	162,816	162,816	-
<i>Fund Balance - End of Year</i>	<u>\$ 189,616</u>	<u>\$ 189,616</u>	<u>\$ 189,030</u>	<u>\$ (586)</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Emergency Vehicle Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental Revenues	\$ -	\$ 6,800	\$ 6,744	\$ (56)
Charges for Services	900,000	935,000	940,023	5,023
Interest Income	12,000	6,900	5,050	(1,850)
Miscellaneous	-	22,800	22,744	(56)
<i>Total Revenues</i>	<u>912,000</u>	<u>971,500</u>	<u>974,561</u>	<u>3,061</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Emergency Vehicle:				
Other	<u>1,110,400</u>	<u>1,307,400</u>	<u>1,185,949</u>	<u>121,451</u>
Debt Service:				
Principal	110,000	110,000	110,000	-
Interest & Fiscal Charges	16,150	16,150	16,150	-
Total Debt Service	<u>126,150</u>	<u>126,150</u>	<u>126,150</u>	<u>-</u>
<i>Total Expenditures</i>	<u>1,236,550</u>	<u>1,433,550</u>	<u>1,312,099</u>	<u>121,451</u>
<i>Net Change in Fund Balance</i>	(324,550)	(462,050)	(337,538)	124,512
<i>Fund Balance - Beginning of Year</i>	<u>2,168,737</u>	<u>2,168,737</u>	<u>2,168,737</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u>\$ 1,844,187</u>	<u>\$ 1,706,687</u>	<u>\$ 1,831,199</u>	<u>\$ 124,512</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Fire Pension Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 340,407	\$ 371,705	\$ 371,748	\$ 43
Intergovernmental Revenues	63,065	54,555	54,548	(7)
<i>Total Revenues</i>	<u>403,472</u>	<u>426,260</u>	<u>426,296</u>	<u>36</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Fire:				
Personal Services	1,249,200	1,265,400	1,239,628	25,772
<i>Excess of Revenues Over (Under) Expenditures</i>	(845,728)	(839,140)	(813,332)	25,808
<b>Other Financing Sources</b>				
Transfers In	856,300	856,300	856,300	-
<i>Net Change in Fund Balance</i>	10,572	17,160	42,968	25,808
<i>Fund Balance - Beginning of Year</i>	80,319	80,319	80,319	-
<i>Fund Balance - End of Year</i>	<u>\$ 90,891</u>	<u>\$ 97,479</u>	<u>\$ 123,287</u>	<u>\$ 25,808</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Clerk of Court Computerization Fund  
 For the Year Ended December 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and Forfeitures	\$ 20,000	\$ 15,000	\$ 13,850	\$ (1,150)
<b>Expenditures:</b>				
Current:				
General Government:				
Clerk of Courts:				
Other	35,000	35,000	27,968	7,032
<i>Net Change in Fund Balance</i>	(15,000)	(20,000)	(14,118)	5,882
<i>Fund Balance - Beginning of Year</i>	208,451	208,451	208,451	-
<i>Fund Balance - End of Year</i>	<u>\$ 193,451</u>	<u>\$ 188,451</u>	<u>\$ 194,333</u>	<u>\$ 5,882</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Drainage Levy Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 139,547	\$ 150,924	\$ 150,995	\$ 71
Intergovernmental Revenues	39,754	1,067,596	1,067,065	(531)
<i>Total Revenues</i>	<u>179,301</u>	<u>1,218,520</u>	<u>1,218,060</u>	<u>(460)</u>
<b>Expenditures:</b>				
Current:				
Basic Utility Services:				
Drainage Levy:				
Other	152,500	1,505,625	1,407,292	98,333
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>26,801</u>	<u>(287,105)</u>	<u>(189,232)</u>	<u>97,873</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	300,000	300,000	-
Advances In	150,000	270,000	270,000	-
Advances Out	(200,000)	(200,000)	(200,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(50,000)</u>	<u>370,000</u>	<u>370,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(23,199)	82,895	180,768	97,873
<i>Fund Balance - Beginning of Year</i>	<u>305,311</u>	<u>305,311</u>	<u>305,311</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u>\$ 282,112</u>	<u>\$ 388,206</u>	<u>\$ 486,079</u>	<u>\$ 97,873</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 FEMA Fund  
 For the Year Ended December 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 76,700	\$ 76,514	\$ (186)
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Police:				
Other	-	500	422	78
Fire:				
Other	-	1,100	1,028	72
Total Security of Persons and Property	-	1,600	1,450	150
Transportation:				
Street Repairs:				
Other	-	68,200	68,166	34
Basic Utility Services:				
Rubbish:				
Other	-	6,900	6,898	2
Total Expenditures	-	76,700	76,514	186
<i>Net Change in Fund Balance</i>	-	-	-	-
<i>Fund Balance - Beginning of Year</i>	-	-	-	-
<i>Fund Balance - End of Year</i>	\$ -	\$ -	\$ -	\$ -



**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Multi-Purpose Complex Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental Revenues	\$ -	\$ 2,900	\$ 2,838	\$ (62)
Charges for Services	3,442,800	3,427,800	2,931,394	(496,406)
Contributions and Donations	10,500	40,000	38,720	(1,280)
Miscellaneous	-	11,500	11,404	(96)
<i>Total Revenues</i>	<u>3,453,300</u>	<u>3,482,200</u>	<u>2,984,356</u>	<u>(497,844)</u>
<b>Expenditures:</b>				
Current:				
Leisure Time Activities:				
Sports Programs:				
Personal Services	252,200	250,200	240,615	9,585
Other	175,900	206,600	191,263	15,337
Total Sports Programs	<u>428,100</u>	<u>456,800</u>	<u>431,878</u>	<u>24,922</u>
Recreation Administration:				
Personal Services	423,200	422,200	411,637	10,563
Other	632,900	648,900	601,239	47,661
Total Recreation Administration	<u>1,056,100</u>	<u>1,071,100</u>	<u>1,012,876</u>	<u>58,224</u>
Fitness Programs:				
Personal Services	452,000	452,600	409,700	42,900
Other	116,900	116,900	112,037	4,863
Total Fitness Programs	<u>568,900</u>	<u>569,500</u>	<u>521,737</u>	<u>47,763</u>
Ice Rink:				
Other	282,500	282,500	279,506	2,994
Aquatics Programs:				
Personal Services	575,400	569,500	535,005	34,495
Other	102,300	102,300	91,317	10,983
Total Aquatics Programs	<u>677,700</u>	<u>671,800</u>	<u>626,322</u>	<u>45,478</u>
Recreation Programs:				
Personal Services	206,400	204,100	200,073	4,027
Other	32,800	36,800	31,531	5,269
Total Recreation Programs	<u>239,200</u>	<u>240,900</u>	<u>231,604</u>	<u>9,296</u>

(Continued)

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Multi-Purpose Complex Fund  
 For the Year Ended December 31, 2013  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Special Events:				
Other	17,100	17,100	11,715	5,385
Old Town Hall:				
Personal Services	9,900	9,500	7,806	1,694
Other	10,300	10,300	9,683	617
Total Old Town Hall	20,200	19,800	17,489	2,311
Senior Services:				
Personal Services	516,500	511,200	504,928	6,272
Other	327,200	327,200	280,943	46,257
Total Senior Services	843,700	838,400	785,871	52,529
Recreation Maintenance:				
Personal Services	571,500	498,300	489,442	8,858
Other	173,000	176,800	159,879	16,921
Total Recreation Maintenance	744,500	675,100	649,321	25,779
Program Refunds:				
Other	58,900	51,100	45,227	5,873
<i>Total Expenditures</i>	4,936,900	4,894,100	4,613,546	280,554
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,483,600)	(1,411,900)	(1,629,190)	(217,290)
<b>Other Financing Sources</b>				
Transfers In	1,320,000	1,720,000	1,720,000	-
<i>Net Change in Fund Balance</i>	(163,600)	308,100	90,810	(217,290)
<i>Fund Balance - Beginning of Year</i>	260,120	260,120	260,120	-
<i>Fund Balance - End of Year</i>	\$ 96,520	\$ 568,220	\$ 350,930	\$ (217,290)

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Southwest General Hospital Levy Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 279,094	\$ 302,687	\$ 301,990	\$ (697)
Intergovernmental Revenues	50,906	30,313	30,313	-
<i>Total Revenues</i>	<u>330,000</u>	<u>333,000</u>	<u>332,303</u>	<u>(697)</u>
<b>Expenditures:</b>				
Current:				
Public Health Services:				
Other	330,000	333,000	332,303	697
<i>Net Change in Fund Balance</i>	-	-	-	-
<i>Fund Balance - Beginning of Year</i>	-	-	-	-
<i>Fund Balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Law Enforcement Federal Seizures Fund  
 For the Year Ended December 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and Forfeitures	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Other	2,000	2,000	-	2,000
<i>Net Change in Fund Balance</i>	(1,000)	(1,000)	-	1,000
<i>Fund Balance - Beginning of Year</i>	40,794	40,794	40,794	-
<i>Fund Balance - End of Year</i>	<u>\$ 39,794</u>	<u>\$ 39,794</u>	<u>\$ 40,794</u>	<u>\$ 1,000</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Law Enforcement State Seizures Fund  
 For the Year Ended December 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and Forfeitures	\$ 3,000	\$ 3,000	\$ -	\$ (3,000)
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Other	2,000	2,000	-	2,000
<i>Net Change in Fund Balance</i>	1,000	1,000	-	(1,000)
<i>Fund Balance - Beginning of Year</i>	24,933	24,933	24,933	-
<i>Fund Balance - End of Year</i>	<u>\$ 25,933</u>	<u>\$ 25,933</u>	<u>\$ 24,933</u>	<u>\$ (1,000)</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Law Enforcement Drug Fine Fund  
 For the Year Ended December 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and Forfeitures	\$ 400	\$ 400	\$ 200	\$ (200)
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Other	400	400	-	400
<i>Net Change in Fund Balance</i>	-	-	200	200
<i>Fund Balance - Beginning of Year</i>	727	727	727	-
<i>Fund Balance - End of Year</i>	<u>\$ 727</u>	<u>\$ 727</u>	<u>\$ 927</u>	<u>\$ 200</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Law Enforcement DWI/DUI Fund  
 For the Year Ended December 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and Forfeitures	\$ 2,000	\$ 2,000	\$ 1,130	\$ (870)
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Other	10,000	10,000	9,057	943
<i>Net Change in Fund Balance</i>	(8,000)	(8,000)	(7,927)	73
<i>Fund Balance - Beginning of Year</i>	28,211	28,211	28,211	-
<i>Fund Balance - End of Year</i>	<u>\$ 20,211</u>	<u>\$ 20,211</u>	<u>\$ 20,284</u>	<u>\$ 73</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Tree Fund  
 For the Year Ended December 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental Revenues	\$ -	\$ 8,800	\$ 8,750	(50)
Fees, Licenses, and Permits	60,000	56,400	55,165	(1,235)
<i>Total Revenues</i>	<u>60,000</u>	<u>65,200</u>	<u>63,915</u>	<u>(1,285)</u>
<b>Expenditures:</b>				
Current:				
Community Environment:				
Tree Maintenance:				
Other	100,000	100,000	94,297	5,703
<i>Net Change in Fund Balance</i>	(40,000)	(34,800)	(30,382)	4,418
<i>Fund Balance - Beginning of Year</i>	149,441	149,441	149,441	-
<i>Fund Balance - End of Year</i>	<u>\$ 109,441</u>	<u>\$ 114,641</u>	<u>\$ 119,059</u>	<u>\$ 4,418</u>



**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Community Diversion Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 8,400	\$ 8,400	\$ 8,250	\$ (150)
Fines and Forfeitures	3,500	3,500	2,250	(1,250)
<i>Total Revenues</i>	<u>11,900</u>	<u>11,900</u>	<u>10,500</u>	<u>(1,400)</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Personal Services	10,200	10,200	7,755	2,445
Other	4,200	4,200	4,200	-
<i>Total Expenditures</i>	<u>14,400</u>	<u>14,400</u>	<u>11,955</u>	<u>2,445</u>
<i>Net Change in Fund Balance</i>	(2,500)	(2,500)	(1,455)	1,045
<i>Fund Balance - Beginning of Year</i>	2,569	2,569	2,569	-
<i>Fund Balance - End of Year</i>	<u>\$ 69</u>	<u>\$ 69</u>	<u>\$ 1,114</u>	<u>\$ 1,045</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Earned Benefits Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Personal Services	\$ 250,000	\$ 176,200	\$ 176,182	\$ 18
Fire Department:				
Personal Services	250,000	160,500	139,859	20,641
Total Security of Persons and Property	<u>500,000</u>	<u>336,700</u>	<u>316,041</u>	<u>20,659</u>
Leisure Time Activities				
Recreation Department:				
Personal Services	-	36,400	36,162	238
Community Environment:				
Building:				
Personal Services	-	16,500	16,428	72
Transportation:				
Service:				
Personal Services	-	77,200	77,188	12
General Government:				
Finance:				
Personal Services	-	15,000	14,882	118
Mayor's Court:				
Personal Services	-	18,200	18,118	82
Total General Government	<u>-</u>	<u>33,200</u>	<u>33,000</u>	<u>200</u>
<i>Total Expenditures</i>	<u>500,000</u>	<u>500,000</u>	<u>478,819</u>	<u>21,181</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(500,000)	(500,000)	(478,819)	21,181
<b>Other Financing Sources</b>				
Transfers In	<u>200,000</u>	<u>900,000</u>	<u>900,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(300,000)	400,000	421,181	21,181
<i>Fund Balance - Beginning of Year</i>	<u>1,587,387</u>	<u>1,587,387</u>	<u>1,587,387</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u>\$ 1,287,387</u>	<u>\$ 1,987,387</u>	<u>\$ 2,008,568</u>	<u>\$ 21,181</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Royalton Road TIF Fund  
 For the Year Ended December 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Payment in Lieu of Taxes	\$ 139,000	\$ 197,000	\$ 196,948	\$ (52)
Interest Income	100	300	163	(137)
<i>Total Revenues</i>	<u>139,100</u>	<u>197,300</u>	<u>197,111</u>	<u>(189)</u>
<b>Expenditures:</b>				
Current:				
General Government:				
Other	5,000	5,000	-	5,000
Debt Service:				
Principal	40,000	300,000	300,000	-
Interest & Fiscal Charges	500	3,000	2,992	8
Total Debt Service	<u>40,500</u>	<u>303,000</u>	<u>302,992</u>	<u>8</u>
<i>Total Expenditures</i>	<u>45,500</u>	<u>308,000</u>	<u>302,992</u>	<u>5,008</u>
<i>Net Change in Fund Balance</i>	93,600	(110,700)	(105,881)	4,819
<i>Fund Balance - Beginning of Year</i>	<u>117,567</u>	<u>117,567</u>	<u>117,567</u>	-
<i>Fund Balance - End of Year</i>	<u>\$ 211,167</u>	<u>\$ 6,867</u>	<u>\$ 11,686</u>	<u>\$ 4,819</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Pearl Road TIF #2 Fund  
 For the Year Ended December 31, 2013*

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	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Payment in Lieu of Taxes	\$ 17,000	\$ 37,000	\$ 36,536	\$ (464)
<i>Net Change in Fund Balance</i>	17,000	37,000	36,536	(464)
<i>Fund Balance - Beginning of Year</i>	-	-	-	-
<i>Fund Balance - End of Year</i>	\$ 17,000	\$ 37,000	\$ 36,536	\$ (464)

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Recreation Capital Improvement Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for Services	\$ 40,000	\$ 40,700	\$ 39,300	\$ (1,400)
Miscellaneous	-	10,000	9,975	(25)
<i>Total Revenues</i>	<u>40,000</u>	<u>50,700</u>	<u>49,275</u>	<u>(1,425)</u>
<b>Expenditures:</b>				
Current:				
Leisure Time Activities:				
Recreation Capital Improvement:				
Other	-	193,000	119,148	73,852
Capital Outlay	200,000	67,000	60,600	6,400
<i>Total Expenditures</i>	<u>200,000</u>	<u>260,000</u>	<u>179,748</u>	<u>80,252</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(160,000)	(209,300)	(130,473)	78,827
<b>Other Financing Sources (Uses)</b>				
General Obligation Notes Issued	-	300,000	300,000	-
Advances In	-	300,000	300,000	-
Advances Out	-	(300,000)	(300,000)	-
Transfers In	-	100,000	100,000	-
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>400,000</u>	<u>400,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(160,000)	190,700	269,527	78,827
<i>Fund Balance - Beginning of Year</i>	218,158	218,158	218,158	-
<i>Fund Balance - End of Year</i>	<u>\$ 58,158</u>	<u>\$ 408,858</u>	<u>\$ 487,685</u>	<u>\$ 78,827</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Capital Improvement Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Franchise Taxes	\$ 631,000	\$ 712,000	\$ 704,238	\$ (7,762)
Special Assessments	20,100	20,100	19,265	(835)
Charges for Services	-	1,000	900	(100)
Miscellaneous	-	1,000	1,000	-
<i>Total Revenues</i>	<u>651,100</u>	<u>734,100</u>	<u>725,403</u>	<u>(8,697)</u>
<b>Expenditures:</b>				
Current:				
Community Environment:				
Building:				
Other	31,100	255,393	175,819	79,574
Basic Utility Services:				
Drainage:				
Other	144,000	75,000	73,119	1,881
Transportation:				
Street Repairs:				
Other	1,908,147	2,206,800	1,933,159	273,641
Capital Outlay	68,753	116,156	116,012	144
<i>Total Expenditures</i>	<u>2,152,000</u>	<u>2,653,349</u>	<u>2,298,109</u>	<u>355,240</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,500,900)	(1,919,249)	(1,572,706)	346,543
<b>Other Financing Sources (Uses)</b>				
General Obligation Notes Issued	1,500,000	1,300,000	1,300,000	-
Advances In	-	1,300,000	1,300,000	-
Advances Out	-	(1,300,000)	(1,300,000)	-
Transfers In	-	1,200,000	1,200,000	-
<i>Total Other Financing Sources (Uses)</i>	<u>1,500,000</u>	<u>2,500,000</u>	<u>2,500,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(900)	580,751	927,294	346,543
<i>Fund Balance - Beginning of Year</i>	<u>1,315,735</u>	<u>1,315,735</u>	<u>1,315,735</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u>\$ 1,314,835</u>	<u>\$ 1,896,486</u>	<u>\$ 2,243,029</u>	<u>\$ 346,543</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Pearl Road Capital Improvement Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 7,209,000	\$ 985,000	\$ -	\$ (985,000)
Charges for Services	-	2,000	1,500	(500)
<i>Total Revenues</i>	<u>7,209,000</u>	<u>987,000</u>	<u>1,500</u>	<u>(985,500)</u>
<b>Expenditures:</b>				
Capital Outlay	<u>6,209,000</u>	<u>3,419,049</u>	<u>1,166,169</u>	<u>2,252,880</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	1,000,000	(2,432,049)	(1,164,669)	1,267,380
<b>Other Financing Sources (Uses)</b>				
Advances Out	(1,000,000)	-	-	-
OPWC Loan Issued	-	2,555,750	1,206,635	(1,349,115)
<i>Total Other Financing Sources (Uses)</i>	<u>(1,000,000)</u>	<u>2,555,750</u>	<u>1,206,635</u>	<u>(1,349,115)</u>
<i>Net Change in Fund Balance</i>	-	123,701	41,966	(81,735)
<i>Fund Balance - Beginning of Year</i>	<u>2,242,384</u>	<u>2,242,384</u>	<u>2,242,384</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u><u>\$ 2,242,384</u></u>	<u><u>\$ 2,366,085</u></u>	<u><u>\$ 2,284,350</u></u>	<u><u>\$ (81,735)</u></u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Workers' Compensation Reserve Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for Services	\$ 782,000	\$ 250,000	\$ 243,545	\$ (6,455)
Miscellaneous	6,100	180,000	176,448	(3,552)
<i>Total Revenues</i>	<u>788,100</u>	<u>430,000</u>	<u>419,993</u>	<u>(10,007)</u>
<b>Expenses:</b>				
Contractual Services	366,500	295,600	258,911	36,689
Claims	105,500	59,600	46,345	13,255
<i>Total Expenses</i>	<u>472,000</u>	<u>355,200</u>	<u>305,256</u>	<u>49,944</u>
<i>Net Change in Fund Equity</i>	316,100	74,800	114,737	39,937
<i>Fund Equity - Beginning of Year</i>	<u>1,123,135</u>	<u>1,123,135</u>	<u>1,123,135</u>	<u>-</u>
<i>Fund Equity - End of Year</i>	<u><u>\$ 1,439,235</u></u>	<u><u>\$ 1,197,935</u></u>	<u><u>\$ 1,237,872</u></u>	<u><u>\$ 39,937</u></u>



# STATISTICAL SECTION



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# City of Strongsville, Ohio

## Statistical Section

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

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S2 – S15
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue sources, property taxes and municipal income taxes.	S16 – S23
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S24 – S29
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	S30 – S32
<b>Operating Information</b> These schedules contain service data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	S33 – S38

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

## City of Strongsville, Ohio

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

	<u>2013</u>	<u>2012</u>	<u>2011 (1)</u>	<u>2010 (1)</u>
Governmental Activities				
Net Investment in Capital Assets	\$130,311,512	\$132,674,654	\$135,950,267	\$132,311,472
Restricted	12,867,552	12,312,614	13,792,283	16,619,046
Unrestricted	<u>15,942,477</u>	<u>13,679,441</u>	<u>9,614,650</u>	<u>12,359,330</u>
<i>Total Governmental Activities Net Position</i>	<u>\$159,121,541</u>	<u>\$158,666,709</u>	<u>\$159,357,200</u>	<u>\$161,289,848</u>
Business Type - Activities				
Net Investment in Capital Assets	\$42,665,297	\$43,649,981	\$46,143,739	\$46,710,018
Unrestricted	<u>7,552,854</u>	<u>6,893,848</u>	<u>4,299,529</u>	<u>4,998,720</u>
<i>Total Business-Type Activities Net Position</i>	<u>\$50,218,151</u>	<u>\$50,543,829</u>	<u>\$50,443,268</u>	<u>\$51,708,738</u>
Primary Government				
Net Investment in Capital Assets	\$172,976,809	\$176,324,635	\$182,094,006	\$179,021,490
Restricted	12,867,552	12,312,614	13,792,283	16,619,046
Unrestricted	<u>23,495,331</u>	<u>20,573,289</u>	<u>13,914,179</u>	<u>17,358,050</u>
<i>Total Primary Government Net Position</i>	<u>\$209,339,692</u>	<u>\$209,210,538</u>	<u>\$209,800,468</u>	<u>\$212,998,586</u>

(1) - Restated

**Table 1**

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$125,782,137	\$143,431,182	\$140,167,160	\$127,579,183	\$126,225,599	\$110,076,605
24,275,156	11,326,386	15,960,953	24,010,977	13,989,296	10,151,206
<u>13,247,353</u>	<u>11,150,219</u>	<u>13,042,068</u>	<u>11,785,162</u>	<u>8,150,659</u>	<u>11,290,033</u>
<u>\$163,304,646</u>	<u>\$165,907,787</u>	<u>\$169,170,181</u>	<u>\$163,375,322</u>	<u>\$148,365,554</u>	<u>\$131,517,844</u>
\$49,376,535	\$49,248,305	\$49,079,857	\$46,347,516	\$47,389,915	\$48,489,963
3,897,142	5,485,942	4,679,290	6,027,143	6,497,464	6,328,598
<u>\$53,273,677</u>	<u>\$54,734,247</u>	<u>\$53,759,147</u>	<u>\$52,374,659</u>	<u>\$53,887,379</u>	<u>\$54,818,561</u>
\$175,158,672	\$192,679,487	\$189,247,017	\$173,926,699	\$173,615,514	\$158,566,568
24,275,156	11,326,386	15,960,953	24,010,977	13,989,296	10,151,206
<u>17,144,495</u>	<u>16,636,161</u>	<u>17,721,358</u>	<u>17,812,305</u>	<u>14,648,123</u>	<u>17,618,631</u>
<u>\$216,578,323</u>	<u>\$220,642,034</u>	<u>\$222,929,328</u>	<u>\$215,749,981</u>	<u>\$202,252,933</u>	<u>\$186,336,405</u>

# City of Strongsville, Ohio

*Changes in Net Position  
Accrual Basis of Accounting  
Last Ten Years*

	2013	2012	2011 (1)	2010 (1)
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General Government	\$240,556	\$248,566	\$188,192	\$1,732,960
Security of Persons and Property	1,576,135	1,864,219	1,683,289	1,106,800
Public Health Services	57,869	56,200	44,925	50,778
Leisure Time Activities	2,927,501	3,085,539	3,068,427	3,126,816
Community Environment	914,601	826,526	874,340	74,865
Basic Utility Services	94,651	42,703	70,961	0
Transportation	3,000	2,200	1,400	25,258
Subtotal - Charges for Services	<u>5,814,313</u>	<u>6,125,953</u>	<u>5,931,534</u>	<u>6,117,477</u>
Operating Grants and Contributions:				
General Government	0	0	0	0
Security of Persons and Property	107,294	95,342	58,953	32,195
Public Health Services	0	0	0	0
Leisure Time Activities	18,827	6,675	4,176	0
Community Environment	13,750	4,000	29,750	3,500
Basic Utility Services	6,898	0	0	0
Transportation	1,967,759	1,909,109	1,993,922	1,881,165
Subtotal - Operating Grants and Contributions	<u>2,114,528</u>	<u>2,015,126</u>	<u>2,086,801</u>	<u>1,916,860</u>
Capital Grants and Contributions:				
Security of Persons and Property	1,939	38,341	0	624,893
Leisure Time Activities	30,672	15,000	486,787	190,500
Community Environment	0	0	0	0
Basic Utility Services	1,039,470	0	0	0
Transportation	6,998	220,100	5,287,070	4,900,599
Subtotal - Capital Grants and Contributions	<u>1,079,079</u>	<u>273,441</u>	<u>5,773,857</u>	<u>5,715,992</u>
<i>Total Governmental Activities Program Revenues</i>	<u>9,007,920</u>	<u>8,414,520</u>	<u>13,792,192</u>	<u>13,750,329</u>
Business-Type Activities:				
Charges for Services:				
Sanitary Sewer	5,738,519	5,688,046	5,225,116	5,420,941
Capital Grants and Contributions				
Sanitary Sewer	396,085	1,101,103	538,368	904,765
<i>Total Business-Type Activities Program Revenues</i>	<u>6,134,604</u>	<u>6,789,149</u>	<u>5,763,484</u>	<u>6,325,706</u>
<i>Total Primary Government Program Revenues</i>	<u>\$15,142,524</u>	<u>\$15,203,669</u>	<u>\$19,555,676</u>	<u>\$20,076,035</u>

**Table 2**

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$2,317,001	\$2,684,589	\$2,437,564	\$3,515,444	\$2,467,031	\$2,327,997
894,314	885,578	953,819	759,474	1,051,273	798,451
60,244	48,089	60,876	83,896	50,197	56,605
3,151,756	3,138,885	3,008,295	2,836,202	3,017,690	2,870,919
57,393	52,172	0	181,432	118,374	115,528
457	0	0	30,198	0	0
12,793	131,402	57,820	268,943	9,786	28,063
<u>6,493,958</u>	<u>6,940,715</u>	<u>6,518,374</u>	<u>7,675,589</u>	<u>6,714,351</u>	<u>6,197,563</u>
0	0	0	4,722	1,242	10,911
496,956	196,699	97,091	526,860	217,861	231,514
0	0	0	0	0	0
0	728	0	50,811	75,384	4,057
0	102,883	10,000	0	20,401	0
0	0	0	0	7,780	0
<u>1,822,652</u>	<u>1,950,319</u>	<u>1,455,121</u>	<u>1,886,351</u>	<u>1,692,342</u>	<u>1,467,207</u>
<u>2,319,608</u>	<u>2,250,629</u>	<u>1,562,212</u>	<u>2,468,744</u>	<u>2,015,010</u>	<u>1,713,689</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	170,663	0	0	25,384
300,761	112,682	16,467	980,643	170,069	156,004
620,630	1,563,836	0	203,138	8,350,275	7,387,037
<u>921,391</u>	<u>1,676,518</u>	<u>187,130</u>	<u>1,183,781</u>	<u>8,520,344</u>	<u>7,568,425</u>
<u>9,734,957</u>	<u>10,867,862</u>	<u>8,267,716</u>	<u>11,328,114</u>	<u>17,249,705</u>	<u>15,479,677</u>
5,104,311	6,027,451	6,113,473	8,947,352	8,818,144	8,470,409
<u>206,265</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>5,310,576</u>	<u>6,027,451</u>	<u>6,113,473</u>	<u>8,947,352</u>	<u>8,818,144</u>	<u>8,470,409</u>
<u>\$15,045,533</u>	<u>\$16,895,313</u>	<u>\$14,381,189</u>	<u>\$20,275,466</u>	<u>\$26,067,849</u>	<u>\$23,950,086</u>

Continued

# City of Strongsville, Ohio

## Changes in Net Position (continued)

### Accrual Basis of Accounting

### Last Ten Years

	2013	2012	2011 (1)	2010 (1)
<b>Expenses</b>				
Governmental Activities:				
General Government	\$4,345,550	\$4,302,219	\$5,530,388	\$6,269,187
Security of Persons and Property:	22,032,268	21,838,362	21,516,765	19,977,428
Public Health Services	609,757	588,830	601,590	576,471
Leisure Time Activities	5,579,473	5,436,655	5,748,672	5,765,092
Community Environment	1,573,803	1,718,686	1,746,987	1,160,407
Basic Utility Services	2,310,738	2,047,268	2,076,197	2,552,751
Transportation	16,510,864	15,681,631	19,356,513	19,202,006
Interest and Fiscal Charges	1,966,448	2,103,662	2,339,292	2,637,914
<i>Total Governmental Activities Expenses</i>	<u>54,928,901</u>	<u>53,717,313</u>	<u>58,916,404</u>	<u>58,141,256</u>
Business-Type Activities				
Sanitary Sewer	6,502,969	6,714,808	7,068,791	6,435,645
<i>Total Business-Type Activities Expenses</i>	<u>6,502,969</u>	<u>6,714,808</u>	<u>7,068,791</u>	<u>6,435,645</u>
<i>Total Primary Government Program Expenses</i>	<u>61,431,870</u>	<u>60,432,121</u>	<u>65,985,195</u>	<u>64,576,901</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(45,920,981)	(45,302,793)	(45,124,212)	(44,390,927)
Business-Type Activities	(368,365)	74,341	(1,305,307)	(109,939)
<i>Total Primary Government Net Expense</i>	<u>(46,289,346)</u>	<u>(45,228,452)</u>	<u>(46,429,519)</u>	<u>(44,500,866)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	\$449,334	\$419,991	\$424,295	\$434,211
Other Purposes	5,412,835	5,253,644	5,324,748	5,405,637
Debt Service	3,440,487	3,401,469	3,460,320	3,585,239
Capital Outlay	0	0	0	0
Municipal Income Taxes Levied For:				
General Purposes	28,221,681	26,677,393	26,251,391	22,863,432
Other Purposes	3,319,369	3,157,012	2,625,174	2,622,417
Other Local Taxes Levied For:				
General Purposes	0	0	0	722,501
Other Purposes	0	0	0	318,728
Hotel Taxes	179,090	181,064	171,572	0
Permissive Motor Vehicle Taxes	328,246	324,002	325,245	0
Franchise Taxes	704,713	706,163	645,974	0
Payments in Lieu of Taxes	1,490,423	866,597	848,939	609,562



**Table 2**

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$6,508,706	\$7,098,680	\$6,786,628	\$6,733,553	\$5,629,536	\$4,706,740
19,224,379	19,002,791	18,018,132	15,574,728	15,451,039	14,055,241
664,106	673,737	691,325	1,159,001	791,859	1,531,421
5,699,830	5,683,148	5,489,674	4,692,170	4,193,433	4,361,827
1,342,951	1,315,155	1,412,973	1,185,523	1,324,095	1,415,563
2,527,962	2,535,449	2,512,831	2,534,684	1,339,811	3,960,528
15,647,804	15,736,157	14,221,684	4,964,705	12,091,595	10,795,267
<u>2,586,722</u>	<u>2,128,048</u>	<u>1,983,198</u>	<u>1,817,551</u>	<u>1,607,729</u>	<u>1,409,310</u>
<u>54,202,460</u>	<u>54,173,165</u>	<u>51,116,445</u>	<u>38,661,915</u>	<u>42,429,097</u>	<u>42,235,897</u>
<u>6,771,146</u>	<u>7,196,930</u>	<u>7,865,730</u>	<u>10,576,957</u>	<u>9,314,213</u>	<u>9,902,797</u>
<u>6,771,146</u>	<u>7,196,930</u>	<u>7,865,730</u>	<u>10,576,957</u>	<u>9,314,213</u>	<u>9,902,797</u>
<u>60,973,606</u>	<u>61,370,095</u>	<u>58,982,175</u>	<u>49,238,872</u>	<u>51,743,310</u>	<u>52,138,694</u>
(44,467,503)	(43,305,303)	(42,848,729)	(27,333,801)	(25,179,392)	(26,756,220)
<u>(1,460,570)</u>	<u>(1,169,479)</u>	<u>(1,752,257)</u>	<u>(1,629,605)</u>	<u>(496,069)</u>	<u>(1,432,388)</u>
<u>(45,928,073)</u>	<u>(44,474,782)</u>	<u>(44,600,986)</u>	<u>(28,963,406)</u>	<u>(25,675,461)</u>	<u>(28,188,608)</u>
\$557,971	\$500,118	\$522,343	\$560,017	\$570,936	\$541,604
5,664,398	4,464,616	4,610,482	4,849,411	4,745,207	3,511,137
3,893,170	3,745,667	3,853,875	3,559,667	3,440,258	3,397,281
0	0	0	0	0	0
23,250,680	24,737,583	24,573,922	24,161,083	24,447,153	19,424,237
2,680,482	2,880,291	2,831,795	3,247,691	2,443,378	2,583,142
1,237,868	1,105,006	2,385,214	1,423,291	1,387,698	158,290
313,231	290,111	317,247	312,444	290,385	341,933
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
349,651	0	0	0	0	0

Continued

## City of Strongsville, Ohio

### Changes in Net Position (continued)

#### Accrual Basis of Accounting

#### Last Ten Years

	2013	2012	2011 (1)	2010 (1)
Grants and Entitlements not Restricted to Specific Programs	2,638,081	3,376,078	3,673,797	4,137,516
Investment Income	107,997	143,795	174,298	221,886
Gain (Loss) on Sale of Capital Assets	12,456	104,369	0	0
Miscellaneous	71,101	725	4,708	0
Transfers	0	0	0	650,000
<i>Total Governmental Activities</i>	<u>46,375,813</u>	<u>44,612,302</u>	<u>43,930,461</u>	<u>41,571,129</u>
Business-Type Activities				
Investment Income	42,687	26,220	39,837	0
Transfers	0	0	0	(650,000)
<i>Total Business-Type Activities Expenses</i>	<u>42,687</u>	<u>26,220</u>	<u>39,837</u>	<u>(650,000)</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>46,418,500</u>	<u>44,638,522</u>	<u>43,970,298</u>	<u>40,921,129</u>
<b>Change in Net Position</b>				
Governmental Activities	454,832	(690,491)	(1,193,751)	(2,819,798)
Business-Type Activities	(325,678)	100,561	(1,265,470)	(759,939)
<i>Total Primary Government Change in Net Position</i>	<u>\$129,154</u>	<u>(\$589,930)</u>	<u>(\$2,459,221)</u>	<u>(\$3,579,737)</u>

(1) - Restated

**Table 2**

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
3,351,151	3,588,997	2,201,145	1,743,170	2,442,618	3,224,703
565,760	740,975	1,765,591	1,488,166	784,251	350,735
0	116,910	0	0	382,940	55,497
0	17,214	0	100,798	11,175	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>41,864,362</u>	<u>42,187,488</u>	<u>43,061,614</u>	<u>41,445,738</u>	<u>40,945,999</u>	<u>33,588,559</u>
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>41,864,362</u>	<u>42,187,488</u>	<u>43,061,614</u>	<u>41,445,738</u>	<u>40,945,999</u>	<u>33,588,559</u>
(2,603,141)	(1,117,815)	212,885	14,111,937	15,766,607	6,832,339
<u>(1,460,570)</u>	<u>(1,169,479)</u>	<u>(1,752,257)</u>	<u>(1,629,605)</u>	<u>(496,069)</u>	<u>(1,432,388)</u>
<u>(\$4,063,711)</u>	<u>(\$2,287,294)</u>	<u>(\$1,539,372)</u>	<u>\$12,482,332</u>	<u>\$15,270,538</u>	<u>\$5,399,951</u>

## City of Strongsville, Ohio

*Fund Balances, Governmental Funds  
Modified Accrual Basis of Accounting  
Last Ten Years*

	2013	2012	2011	2010	2009
<b>General Fund</b>					
Nonspendable	\$100,391	\$57,252	\$87,347	\$356,036	\$0
Committed	2,008,568	1,587,387	1,000,000	6,800	0
Assigned	0	174,133	93,058	0	0
Unassigned	14,567,182	13,929,851	11,754,185	11,333,325	0
Reserved for Inventories, Prepaids, and Encumbrances	0	0	0	0	342,856
Unreserved	0	0	0	0	11,161,498
<b>Total General Fund</b>	<b>16,676,141</b>	<b>15,748,623</b>	<b>12,934,590</b>	<b>11,696,161</b>	<b>11,504,354</b>
<b>All Other Governmental Funds</b>					
Nonspendable	511,679	594,322	788,206	552,153	0
Restricted	7,906,906	6,342,091	7,100,443	10,975,566	0
Committed	2,400,891	2,770,345	2,772,189	3,059,448	0
Unassigned (Deficit)	(2,443,025)	(4,083,178)	(5,496,105)	0	0
Reserved for Inventories, Prepaids, and Encumbrances	0	0	0	0	538,166
Reserved for Debt Service					2,107,301
Unreserved, Undesignated, Reported in:					
Special Revenue funds	0	0	0	0	7,873,397
Capital Projects funds	0	0	0	0	11,008,764
<b>Total All Other Governmental Funds</b>	<b>8,376,451</b>	<b>5,623,580</b>	<b>5,164,733</b>	<b>14,587,167</b>	<b>21,527,628</b>
<b>Total Governmental Funds</b>	<b>\$25,052,592</b>	<b>\$21,372,203</b>	<b>\$18,099,323</b>	<b>\$26,283,328</b>	<b>\$33,031,982</b>

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

**Table 3**

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$0	\$0	\$0	\$0	\$0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
299,324	272,177	345,796	346,567	426,209
<u>11,537,393</u>	<u>10,809,794</u>	<u>9,633,392</u>	<u>5,461,370</u>	<u>4,602,828</u>
<u>11,836,717</u>	<u>11,081,971</u>	<u>9,979,188</u>	<u>5,807,937</u>	<u>5,029,037</u>
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
498,903	435,090	468,581	529,250	1,002,581
<u>2,308,787</u>	<u>2,991,563</u>	<u>2,978,000</u>	<u>3,027,327</u>	<u>2,284,051</u>
8,256,585	8,360,462	10,768,958	6,158,376	4,219,341
<u>12,078,222</u>	<u>1,387,781</u>	<u>6,415,873</u>	<u>1,030,393</u>	<u>(2,137,642)</u>
<u>23,142,497</u>	<u>13,174,896</u>	<u>20,631,412</u>	<u>10,745,346</u>	<u>5,368,331</u>
<u><u>\$34,979,214</u></u>	<u><u>\$24,256,867</u></u>	<u><u>\$30,610,600</u></u>	<u><u>\$16,553,283</u></u>	<u><u>\$10,397,368</u></u>

## City of Strongsville, Ohio

*Changes in Fund Balances, Governmental Funds  
Modified Accrual Basis of Accounting  
Last Ten Years*

	2013	2012	2011 (1)	2010
<b>Revenues</b>				
Municipal Income Taxes	\$31,293,787	\$29,472,936	\$28,203,761	\$26,460,113
Property Taxes	9,370,727	9,114,409	9,327,017	9,474,306
Other Taxes	0	0	0	1,041,230
Hotel Taxes	179,090	181,064	171,572	0
Permissive Motor Vehicle Taxes	328,246	324,002	325,245	0
Franchise Taxes	764,513	646,363	645,974	0
Payment in Lieu of Taxes	1,490,423	866,597	848,939	609,562
Intergovernmental	5,801,751	5,818,163	9,660,513	12,337,923
Special Assessments	201,198	196,199	181,198	173,606
Charges for Services	4,128,191	4,412,698	4,270,678	4,306,774
Fees, Licenses and Permits	897,119	810,323	829,427	778,914
Fines and Forfeitures	594,025	687,176	575,280	635,519
Contributions and Donations	43,645	36,375	1,744,177	0
Interest	107,997	143,795	174,298	221,886
All Other Revenues	346,455	226,958	259,071	300,964
<i>Total Revenues</i>	<u>55,547,167</u>	<u>52,937,058</u>	<u>57,217,150</u>	<u>56,340,797</u>
<b>Expenditures</b>				
Current:				
General Government	4,264,294	4,098,422	4,684,119	6,023,550
Security of Persons and Property	20,847,287	20,813,310	20,322,032	18,953,918
Public Health Services	609,538	587,350	606,142	602,857
Leisure Time Activities	4,910,785	4,737,621	5,412,647	5,149,526
Community Environment	1,573,280	1,714,586	1,716,758	1,112,484
Basic Utility Services	2,310,738	2,047,268	2,076,197	2,552,751
Transportation	10,187,888	9,168,526	13,710,377	12,504,482
Capital Outlay	4,218,030	3,277,644	8,128,639	11,616,943
Debt Service:				
Principal Retirement	2,190,000	1,245,000	2,315,000	2,563,688
Interest and Fiscal Charges	2,007,702	2,095,278	2,336,917	2,690,882
Bond Issuance Costs	39,212	0	241,499	0
Advance Refunding Escrow	0	0	1,499,540	0
<i>Total Expenditures</i>	<u>53,158,754</u>	<u>49,785,005</u>	<u>63,049,867</u>	<u>63,771,081</u>

**Table 4**

2009	2008	2007	2006	2005	2004
\$25,926,979	\$27,521,333	\$27,508,910	\$28,107,643	\$25,519,065	\$21,290,278
9,895,558	8,930,246	8,928,671	9,002,409	8,880,090	7,417,393
2,265,750	2,236,940	2,404,471	1,343,366	138,452	157,638
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
6,397,976	5,737,481	4,180,607	5,505,589	14,772,386	12,705,263
150,000	145,000	140,000	130,000	120,000	115,000
4,746,566	4,668,474	4,754,916	4,749,111	4,401,014	4,216,975
1,422,755	1,477,214	1,365,786	1,882,449	1,584,620	1,729,275
0	0	0	0	0	0
0	0	0	0	0	0
540,955	725,526	1,750,142	1,478,794	780,964	353,545
311,725	1,841,875	441,968	1,093,104	706,707	288,749
<u>51,658,264</u>	<u>53,284,089</u>	<u>51,475,471</u>	<u>53,292,465</u>	<u>56,903,298</u>	<u>48,274,116</u>
6,384,644	6,699,678	6,478,223	6,591,496	6,051,552	4,206,014
18,400,681	17,811,396	17,291,565	15,761,969	15,180,804	13,539,845
653,054	667,697	689,121	716,829	1,396,935	1,416,726
5,084,001	5,075,995	4,943,165	4,470,869	4,237,233	3,823,204
1,334,368	1,277,746	1,517,796	1,328,728	1,318,533	1,364,405
2,527,962	2,535,449	2,512,831	2,534,684	2,544,551	2,608,315
8,758,272	8,806,301	7,684,081	8,992,748	9,420,531	6,300,387
12,387,291	10,600,177	12,248,397	6,389,425	14,386,155	7,674,935
19,234,457	2,659,457	2,529,457	4,446,539	8,590,466	1,809,454
2,870,106	2,022,217	1,965,418	1,738,124	1,614,200	1,414,761
0	0	0	204,661	0	0
0	0	0	0	0	0
<u>77,634,836</u>	<u>58,156,113</u>	<u>57,860,054</u>	<u>53,176,072</u>	<u>64,740,960</u>	<u>44,158,046</u>

## City of Strongsville, Ohio

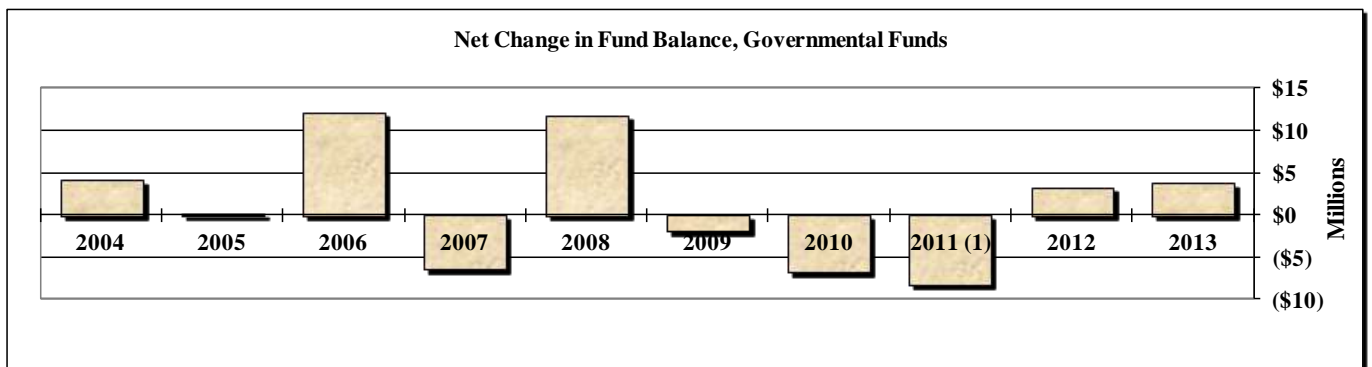
### Changes in Fund Balances, Governmental Funds (continued)

#### Modified Accrual Basis of Accounting

#### Last Ten Years

	2013	2012	2011 (1)	2010
<i>Excess of Revenues Over (Under) Expenditures</i>	2,388,413	3,152,053	(5,832,717)	(7,430,284)
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	85,341	120,827	54,159	31,630
General Obligation Notes and Bonds Issued	0	0	0	0
Refunding Bonds Issued	0	0	10,735,000	0
Premium on Debt Issuance	0	0	734,553	0
OPWC Loans Issued	1,206,635	0	0	0
Payment to Refunded Bond Escrow Account	0	0	(13,875,000)	0
Transfers In	12,107,592	10,461,099	15,045,506	10,000,250
Transfers Out	(12,107,592)	(10,461,099)	(15,045,506)	(9,350,250)
<i>Total Other Financing Sources (Uses)</i>	1,291,976	120,827	(2,351,288)	681,630
<i>Net Change in Fund Balances</i>	<u>\$3,680,389</u>	<u>\$3,272,880</u>	<u>(\$8,184,005)</u>	<u>(\$6,748,654)</u>
Debt Service as a Percentage of Noncapital Expenditures	8.7%	7.2%	8.6%	10.1%

(1) In 2011, the City reclassified several revenues for a more proper presentation.





**Table 4**

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<u>(25,976,572)</u>	<u>(4,872,024)</u>	<u>(6,384,583)</u>	<u>116,393</u>	<u>(7,837,662)</u>	<u>4,116,070</u>
26,320	33,950	30,850	23,223	1,266,830	55,497
24,985,000	16,450,000	0	11,740,000	6,685,000	0
0	0	0	0	0	0
553,020	0	0	243,248	65,749	0
0	0	0	0	0	0
(1,535,000)	0	0	0	0	0
10,324,632	10,434,101	10,625,955	8,775,000	9,318,405	6,977,000
<u>(10,324,632)</u>	<u>(10,434,101)</u>	<u>(10,625,955)</u>	<u>(8,775,000)</u>	<u>(9,318,405)</u>	<u>(6,980,000)</u>
<u>24,029,340</u>	<u>16,483,950</u>	<u>30,850</u>	<u>12,006,471</u>	<u>8,017,579</u>	<u>52,497</u>
<u>(\$1,947,232)</u>	<u>\$11,611,926</u>	<u>(\$6,353,733)</u>	<u>\$12,122,864</u>	<u>\$179,917</u>	<u>\$4,168,567</u>
33.9%	9.8%	9.9%	13.2%	20.3%	8.8%

# City of Strongsville, Ohio

## Assessed Valuations and Estimated Actual Values of Taxable Property

### Last Ten Years

Tax/ Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2012/2013	\$1,034,250,240	\$338,196,020	\$3,921,275,029	\$28,773,280	\$32,696,909
2011/2012	1,069,394,630	349,705,480	4,054,571,743	26,461,290	30,069,648
2010/2011	1,065,813,650	351,694,900	4,050,024,429	25,230,750	28,671,307
2009/2010	1,060,500,060	339,966,540	4,001,333,143	24,348,890	27,669,193
2008/2009	1,144,174,580	340,536,050	4,242,030,371	22,889,670	26,010,989
2007/2008	1,134,046,780	329,271,100	4,180,908,229	21,700,330	24,659,466
2006/2007	1,122,917,950	336,777,870	4,170,559,486	27,670,430	31,443,670
2005/2006	1,007,484,400	287,716,880	3,700,575,086	26,848,990	30,510,216
2004/2005	991,788,180	289,543,040	3,660,946,343	29,864,250	33,936,648
2003/2004	976,303,320	275,532,850	3,576,674,771	30,040,120	34,136,500

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

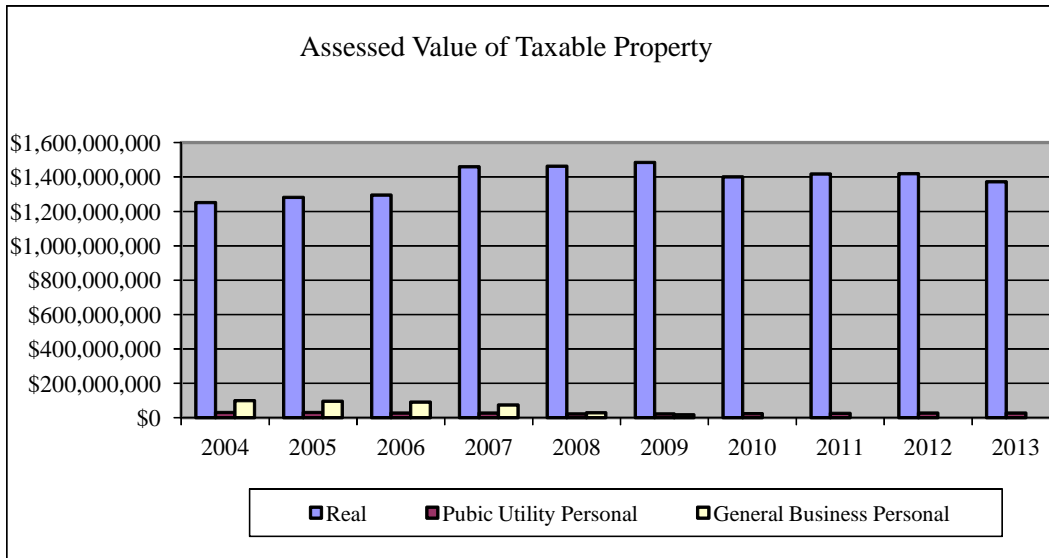
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006.

The tangible personal property values associated with each year are 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%, 2 1/2% and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

**Source:** Ohio Department of Taxation and Office of the County Fiscal Officer, Cuyahoga County, Ohio

**Table 5**

<u>Tangible Personal Property</u>					
General Business		Total			
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	Direct Tax Rate
\$0	\$0	\$1,401,219,540	\$3,953,971,938	35.44%	\$9.90
0	0	1,445,561,400	4,084,641,391	35.39	9.90
0	0	1,442,739,300	4,078,695,736	35.37	9.90
0	0	1,424,815,490	4,029,002,336	35.36	9.90
16,619,271	265,908,336	1,524,219,571	4,533,949,696	33.62	9.90
28,361,669	453,786,704	1,513,379,879	4,659,354,399	32.48	10.10
73,437,883	587,503,064	1,560,804,133	4,789,506,220	32.59	10.10
91,439,271	487,676,112	1,413,489,541	4,218,761,414	33.50	10.60
96,894,867	516,772,624	1,408,090,337	4,211,655,615	33.43	10.60
99,891,928	434,312,730	1,381,768,218	4,045,124,001	34.16	11.60



## City of Strongsville, Ohio

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

### Last Ten Years

	Tax Year/ Collection Year 2012/2013	Tax Year/ Collection Year 2011/2012	Tax Year/ Collection Year 2010/2011	Tax Year/ Collection Year 2009/2010
<b>City of Strongsville</b>				
<b>Unvoted Millage</b>				
Debt	\$2.3000	\$2.3000	\$2.3000	\$2.3000
Fire Pension	0.3000	0.3000	0.3000	0.3000
Police Pension	0.3000	0.3000	0.3000	0.3000
<i>Total Unvoted Millage</i>	2.9000	2.9000	2.9000	2.9000
<b>Voted Millage by Levy</b>				
1976 Current Expense	1.5000	1.5000	1.5000	1.5000
1976 Fire	0.0000	0.0000	0.0000	0.0000
1976 Recreational	0.0000	0.0000	0.0000	0.0000
1976 Southwest Hospital	1.0000	1.0000	1.0000	1.0000
1976 Sewage	0.5000	0.5000	0.5000	0.5000
1979 Fire	0.0000	0.0000	0.0000	0.0000
2000 Bond	0.5000	0.5000	0.5000	0.5000
2004 Fire	2.0000	2.0000	2.0000	2.0000
2008 Fire	1.5000	1.5000	1.5000	1.5000
<i>Total Voted Millage</i>	7.0000	7.0000	7.0000	7.0000
<b>Total Millage - City</b>	<b>\$9.9000</b>	<b>\$9.9000</b>	<b>\$9.9000</b>	<b>\$9.9000</b>
<b>Overlapping Rates by Taxing District</b>				
<i>Cuyahoga County</i>	13.2200	13.2200	13.3200	13.3200
<i>Strongsville City School District</i>	81.6800	80.9800	81.1900	81.2900
<i>Polaris Joint Vocational School District</i>	2.4000	2.4000	2.4000	2.4000
<i>Cleveland Metroparks</i>	1.8500	1.8500	1.8500	1.8500
<i>Cuyahoga County Library</i>	2.5000	2.5000	2.5000	2.5000
<i>Cuyahoga County Community College</i>	3.1000	3.1000	3.1000	2.8000
<i>Cleveland-Cuyahoga Port Authority</i>	0.1300	0.1300	0.1300	0.1300
<b>Total Millage - Overlapping Governments</b>	104.8800	104.1800	104.4900	104.2900
<b>Grand Total - All Direct and Overlapping Rates</b>	<b>\$114.7800</b>	<b>\$114.0800</b>	<b>\$114.3900</b>	<b>\$114.1900</b>

Source: Office of the County Fiscal Officer, Cuyahoga County, Ohio

**Table 6**

Tax Year/ Collection Year 2008/2009	Tax Year/ Collection Year 2007/2008	Tax Year/ Collection Year 2006/2007	Tax Year/ Collection Year 2005/2006	Tax Year/ Collection Year 2004/2005	Tax Year/ Collection Year 2003/2004
\$2.3000	\$2.3000	\$2.3000	\$2.3000	\$2.3000	\$2.3000
0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
2.9000	2.9000	2.9000	2.9000	2.9000	2.9000
1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
0.0000	0.0000	0.0000	0.0000	0.0000	3.0000
0.0000	0.0000	0.0000	0.5000	0.5000	0.5000
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
0.0000	1.7000	1.7000	1.7000	1.7000	1.7000
0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
2.0000	2.0000	2.0000	2.0000	2.0000	0.0000
1.5000	0.0000	0.0000	0.0000	0.0000	0.0000
7.0000	7.2000	7.2000	7.7000	7.7000	8.7000
\$9.9000	\$10.1000	\$10.1000	\$10.6000	\$10.6000	\$11.6000
13.3200	13.4200	13.4200	13.5200	13.5200	13.5200
81.2000	81.3000	74.8000	74.9000	74.9000	74.9000
2.4000	2.4000	2.4000	2.4000	2.4000	2.4000
1.8500	1.8500	1.8500	1.8500	1.8500	1.5500
2.5000	2.0000	2.0000	2.0000	2.0000	1.4000
2.8000	2.8000	2.8000	2.8000	2.8000	2.8000
0.1300	0.1300	0.1300	0.1300	0.1300	0.1300
104.2000	103.9000	97.4000	97.6000	97.6000	96.7000
\$114.1000	\$114.0000	\$107.5000	\$108.2000	\$108.2000	\$108.3000

## City of Strongsville, Ohio

### Property Tax Levies and Collections

#### Last Ten Years

<u>Tax/ Collection Year</u>	<u>Current Tax Levy</u>	<u>Current Tax Collections (1)</u>	<u>Percent of Current Tax Collections To Tax Levy</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>
2012/2013	\$11,898,035	\$11,743,658	98.70 %	\$298,151	\$12,041,809
2011/2012	11,654,737	10,771,927	92.43	487,422	11,259,349
2010/2011	11,570,511	11,092,903	95.87	246,145	11,339,048
2009/2010	11,224,849	10,854,727	96.70	310,180	11,164,907
2008/2009	11,074,911	10,586,349	95.59	215,394	10,801,743
2007/2008	9,754,760	9,499,418	97.38	314,373	9,813,791
2006/2007	9,902,589	9,511,343	96.05	268,047	9,779,390
2005/2006	9,807,320	9,565,093	97.53	263,329	9,828,422
2004/2005	9,966,510	9,645,472	96.78	245,597	9,891,069
2003/2004	8,293,358	8,013,086	96.62	190,163	8,203,249

**Source:** Office of the County Fiscal Officer, Cuyahoga County, Ohio

(1) State reimbursement of rollback and homestead exemptions are included.

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

**Table 7**

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<u>Percent of Total Tax Collections To Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes</u>	<u>Percentage of Delinquent Taxes to Current Tax Levy</u>
101.21 %	\$493,092	4.14 %
96.61	579,463	4.97
98.00	640,974	5.54
99.47	645,606	5.75
97.53	707,131	6.38
100.61	432,154	4.43
98.76	706,961	7.14
100.22	634,423	6.47
99.24	676,067	6.78
98.91	664,545	8.01

# City of Strongsville, Ohio

## Principal Taxpayers – Real Estate Tax

2013 and 2011

Table 8

Taxpayer	2013	
	Real Property Assessed Valuation (2)	Percentage of Real Assessed Valuation
Southpark Mall, LLC	\$75,587,220	5.39 %
Cleveland Electric Illuminating Company	24,904,280	1.78
Vam, LTD.	9,626,140	0.69
Greens of Strongsville, LTD.	8,877,760	0.63
Ohio Industrial Owner, LLC. **	7,837,760	0.56
Cherry Street Village	7,828,770	0.56
Polo Club Apartments. LLC.	7,029,690	0.50
Chestnut Lake Apartments	6,322,590	0.45
Wal-Mart Real Estate	5,302,330	0.38
The Higbee Company	5,226,660	0.37
<b>Total</b>	<b>\$158,543,200</b>	<b>11.31 %</b>
<b>Total Assessed Valuation</b>	<b>\$1,401,219,540</b>	
<b>** - formerly Firstcal Industrial 2 Acquisition</b>		
Taxpayer	2011 (1)	
	Real Property Assessed Valuation	Percentage of Real Assessed Valuation
Southpark Mall, LLC	\$65,745,630	4.56 %
Cleveland Electric Illuminating Company	20,722,740	1.44
Vam, LTD.	12,512,750	0.87
Firstcal Industrial 2 Acquisition	11,704,760	0.81
Greens of Strongsville, LTD.	8,858,510	0.61
Cherry Street Village	7,972,310	0.55
Polo Club Apartments. LLC.	7,275,880	0.50
Chestnut Lake Apartments	6,627,620	0.46
Wal-Mart Real Estate	5,915,560	0.41
Ohio Commerce Center Investments	5,250,000	0.37
<b>Total</b>	<b>\$152,585,760</b>	<b>10.58 %</b>
<b>Total Assessed Valuation</b>	<b>\$1,442,739,300</b>	

Source: Office of the County Fiscal Officer, Cuyahoga County, Ohio

(1) Information prior to 2011 is not available

(2) The amounts presented represent the assessed values upon which 2013 collections were based.



# City of Strongsville, Ohio

## Income Tax Revenue Base and Collections (Cash Basis)

### Last Ten Years

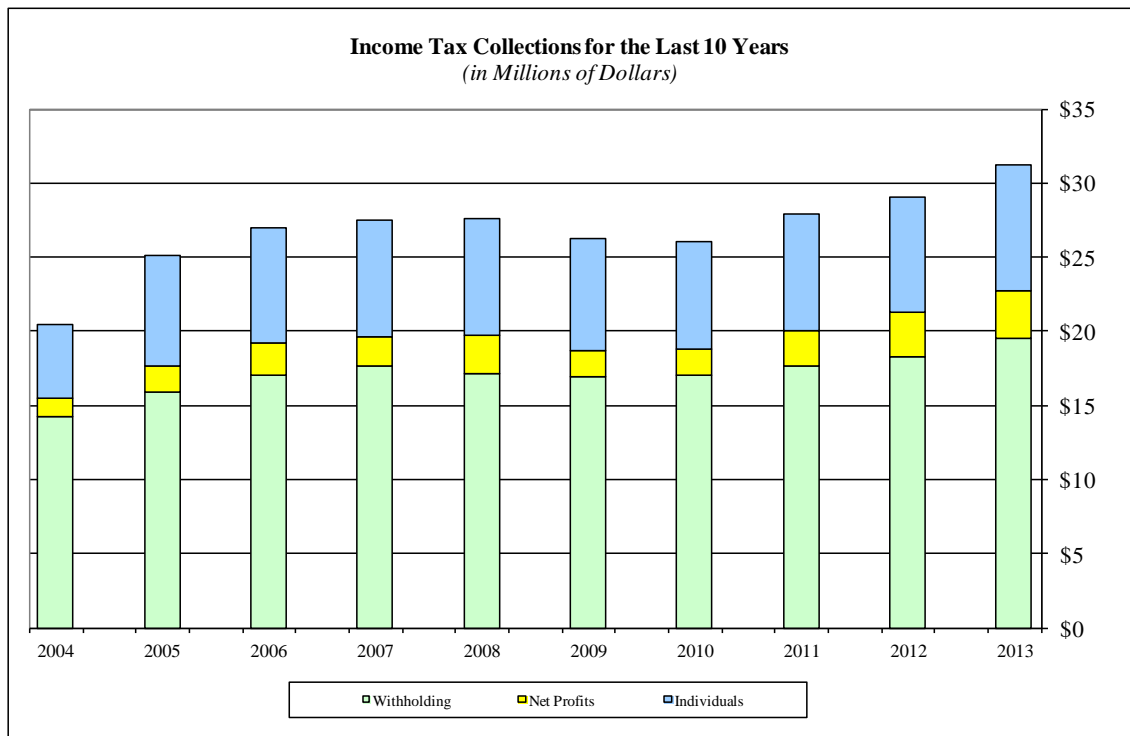
**Table 9**

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 (1) From Individuals	Percentage of Taxes from Individuals
2013	2.00 %	\$31,191,054	\$19,471,624	62.43 %	\$3,242,840	10.39 %	\$8,476,590	27.18 %
2012	2.00	29,074,716	18,295,799	62.93	2,979,071	10.24	7,799,846	26.83
2011	2.00	27,896,316	17,701,146	63.45	2,364,892	8.48	7,830,278	28.07
2010	2.00	26,020,812	17,084,709	65.66	1,721,627	6.62	7,214,476	27.72
2009	2.00	26,215,912	16,980,532	64.77	1,690,117	6.45	7,545,263	28.78
2008	2.00	27,584,664	17,151,422	62.18	2,573,058	9.33	7,860,184	28.49
2007	2.00	27,516,760	17,682,322	64.26	1,955,142	7.11	7,879,296	28.63
2006	2.00	27,017,317	16,997,170	62.91	2,199,879	8.14	7,820,268	28.95
2005	2.00	25,131,216	15,849,436	63.07	1,754,739	6.98	7,527,041	29.95
2004	2.00	20,461,514	14,281,918	69.80	1,165,928	5.70	5,013,668	24.50

Source: Regional Income Tax Agency (RITA)

(1) City implemented an Income Tax Credit Reduction from 100% to 75%, effective April 1, 2004.

Note: The City is prohibited by statute from presenting information regarding individual taxpayers.



# City of Strongsville, Ohio

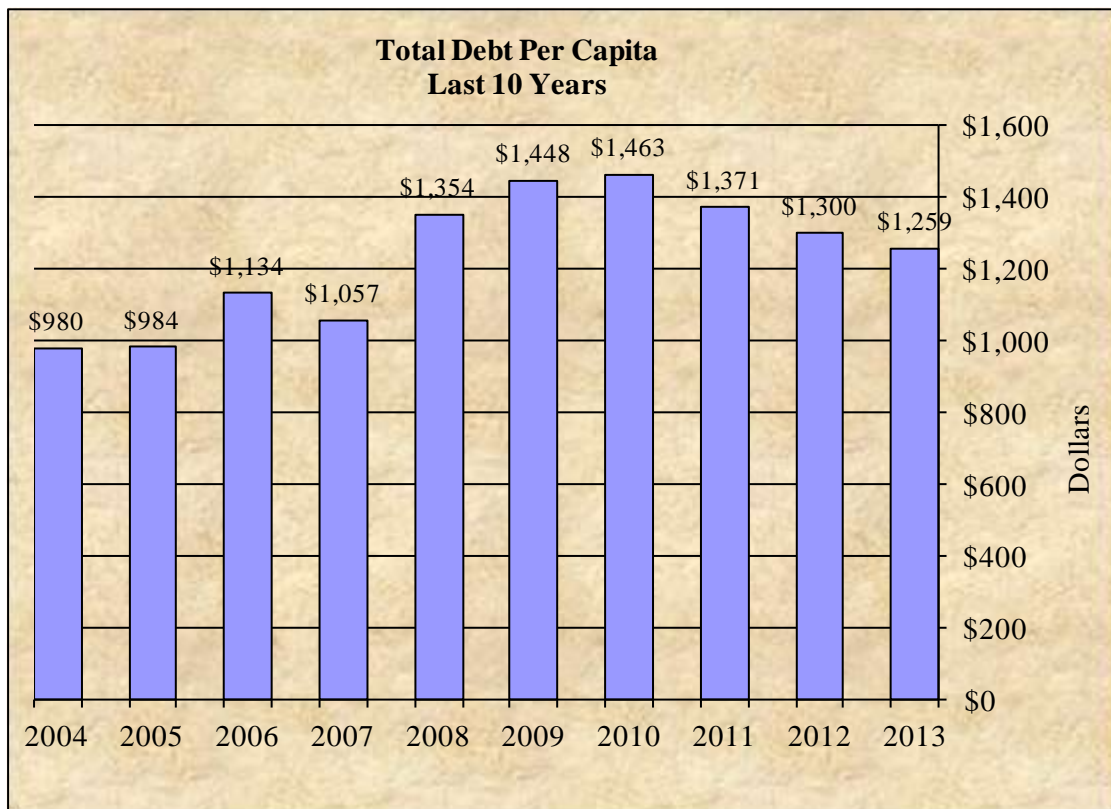
## Ratio of Outstanding Debt to Total Personal Income and Debt Per Capita

### Last Ten Years

**Table 10**

Year	Governmental Activities				Business-Type Activities			Total Debt	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Assessment Bonds	Bond Anticipation Notes	OPWC Loans	General Obligation Bonds	OWDA Loans	OPWC Loans			
2013	\$46,402,039	\$490,000	\$5,128,534	\$1,206,635	\$210,000	\$2,919,553	\$0	\$56,356,761	3.63 %	\$1,259
2012	48,476,997	680,000	5,480,914	0	415,000	3,123,128	0	58,176,039	3.75	1,300
2011	49,524,838	865,000	7,716,240	0	615,000	2,650,708	0	61,371,786	3.96	1,371
2010	55,780,684	1,035,000	5,041,458	0	805,000	2,814,500	0	65,476,642	4.22	1,463
2009	57,931,865	1,190,000	0	118,688	990,000	3,177,782	77,946	63,486,281	4.87	1,448
2008	36,167,026	1,340,000	16,450,000	138,145	1,185,000	3,996,756	92,119	59,369,046	4.55	1,354
2007	38,491,528	1,485,000	0	157,602	1,365,000	4,744,483	106,292	46,349,905	3.56	1,057
2006	40,861,030	1,625,000	0	177,059	1,530,000	5,427,460	120,465	49,741,014	3.82	1,134
2005	31,150,532	1,755,000	2,190,000	196,516	1,685,000	6,042,493	134,638	43,154,179	3.31	984
2004	25,965,000	1,875,000	6,750,000	225,700	1,835,000	6,181,730	155,897	42,988,327	3.30	980

Note: Population and Personal Income data are presented on page S30.



## City of Strongsville, Ohio

*Ratio of General Obligation Bonded Debt to Estimated Actual Value and Bonded Debt Per Capita  
Last Ten Years*

**Table 11**

<u>Year</u>	<u>Population (1)</u>		<u>Estimated Actual Value of Taxable Property (2)</u>	<u>Gross Bonded Debt (3)</u>	<u>Ratio of Net Bonded Debt to Estimated Actual Value of Taxable Property</u>	<u>Net Bonded Debt Per Capital</u>
2013	44,750	b	\$3,953,971,938	\$46,612,039	1.18 %	\$1,041.61
2012	44,750	b	4,084,641,391	48,891,997	1.20	1,092.56
2011	44,750	b	4,078,695,736	50,139,838	1.23	1,120.44
2010	44,750	b	4,029,002,336	56,585,684	1.40	1,264.48
2009	43,858	a	4,533,949,696	58,921,865	1.30	1,343.47
2008	43,858	a	4,659,354,399	37,352,026	0.80	851.66
2007	43,858	a	4,789,506,220	39,856,528	0.83	908.76
2006	43,858	a	4,218,761,414	42,391,030	1.00	966.55
2005	43,858	a	4,211,655,615	32,835,532	0.78	748.68
2004	43,858	a	4,045,124,001	27,800,000	0.69	633.86

**Sources:**

- (1) U. S. Bureau of Census, Census of Population.
  - (a) 2000 Federal Census
  - (b) 2010 Federal Census
- (2) Office of the County Fiscal Officer, Cuyahoga County, Ohio
- (3) Includes all general obligation bonded debt with the exception of Special Assessment debt.

# City of Strongsville, Ohio

## Computation of Direct and Overlapping General Obligation Bonded Debt

December 31, 2013

Table 12

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
<b>Direct - City of Strongsville</b>			
General Obligation Bonds	\$46,402,039	100.00 %	\$46,402,039
Special Assessment Bonds	490,000	100.00	490,000
Ohio Public Works Commission Loan	1,206,635	100.00	1,206,635
Bond Anticipation Notes	<u>5,128,534</u>	100.00	<u>5,128,534</u>
<i>Total Direct Debt</i>	<u>53,227,208</u>		<u>53,227,208</u>
<b>Overlapping</b>			
Strongsville City School District	83,817,090	99.79	83,639,973
Cuyahoga County	314,245,000	5.10	16,036,942
Greater Cleveland Regional Transit Authority	<u>116,450,000</u>	5.10	<u>5,942,821</u>
<i>Total Overlapping Debt</i>	<u>514,512,090</u>		<u>105,619,736</u>
<b>Total</b>	<u><u>\$567,739,298</u></u>		<u><u>\$158,846,944</u></u>

**Source:** Office of the County Fiscal Officer, Cuyahoga County, Ohio

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



# City of Strongsville, Ohio

## Legal Debt Margin

### Last Ten Years

	2013	2012	2011	2010
Total Assessed Property Value	\$1,401,219,540	\$1,445,561,400	\$1,442,739,300	\$1,424,815,490
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	147,128,052	151,783,947	151,487,627	149,605,626
Debt Outstanding:				
General Obligation Bonds (net)-Governmental Activities	\$46,402,039	\$48,476,997	\$49,524,838	\$55,780,684
General Obligation Bonds-Business Type Activities	210,000	415,000	615,000	805,000
Special Assessment Bonds	490,000	680,000	865,000	1,035,000
Bond Anticipation Notes (net)	5,128,534	5,480,914	7,716,240	5,041,458
OPWC Loans	1,206,635	0	0	0
OWDA Loans	2,919,553	3,123,128	2,650,708	2,814,500
Total Gross Indebtedness	56,356,761	58,176,039	61,371,786	65,476,642
Less:				
General Obligation Bonds-Business Type Activities	(210,000)	(415,000)	(615,000)	(805,000)
Special Assessment Bonds	(490,000)	(680,000)	(865,000)	(1,035,000)
OPWC Loans	(1,206,635)	0	0	0
OWDA Loans	(2,919,553)	(3,123,128)	(2,650,708)	(2,814,500)
General Obligation Bond Retirement Fund Balance	316,301	0	0	1,568,792
Total Net Debt Applicable to Debt Limit	51,846,874	53,957,911	57,241,078	62,390,934
Legal Debt Margin Within 10 ½ % Limitations	\$95,281,178	\$97,826,036	\$94,246,549	\$87,214,692
Legal Debt Margin as a Percentage of the Debt Limit	64.76%	64.45%	62.21%	58.30%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	\$77,067,075	\$79,505,877	\$79,350,662	\$78,364,852
Total Gross Indebtedness	56,356,761	58,176,039	61,371,786	65,476,642
Less:				
Voted General Obligation Bonds	0	0	0	(4,345,000)
General Obligation Bonds-Business Type Activities	(210,000)	(415,000)	(615,000)	(805,000)
Special Assessment Bonds	(490,000)	(680,000)	(865,000)	(1,035,000)
OPWC Loans	(1,206,635)	0	0	0
OWDA Loans	(2,919,553)	(3,123,128)	(2,650,708)	(2,814,500)
General Obligation Bond Retirement Fund Balance	316,301	0	0	1,568,792
Net Debt Within 5 ½ % Limitations	51,846,874	53,957,911	57,241,078	58,045,934
Unvoted Legal Debt Margin Within 5 ½ % Limitations	\$25,220,201	\$25,547,966	\$22,109,584	\$20,318,918
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	32.73%	32.13%	27.86%	25.93%

Source: City Financial Records

**Table 13**

2009	2008	2007	2006	2005	2004
<u>\$1,524,219,571</u>	<u>\$1,513,379,879</u>	<u>\$1,560,804,133</u>	<u>\$1,413,489,541</u>	<u>\$1,408,090,337</u>	<u>\$1,381,768,218</u>
<u>160,043,055</u>	<u>158,904,887</u>	<u>163,884,434</u>	<u>148,416,402</u>	<u>147,849,485</u>	<u>145,085,663</u>
\$57,931,865	\$36,167,026	\$38,491,528	\$40,861,030	\$31,150,532	\$25,965,000
990,000	1,185,000	1,365,000	1,530,000	1,685,000	1,835,000
1,190,000	1,340,000	1,485,000	1,625,000	1,755,000	1,875,000
0	16,450,000	0	0	2,190,000	6,750,000
196,634	230,264	263,894	297,524	331,154	381,597
<u>3,177,782</u>	<u>3,996,756</u>	<u>4,744,483</u>	<u>5,427,460</u>	<u>6,042,493</u>	<u>6,181,730</u>
<u>63,486,281</u>	<u>59,369,046</u>	<u>46,349,905</u>	<u>49,741,014</u>	<u>43,154,179</u>	<u>42,988,327</u>
(990,000)	(1,185,000)	(1,365,000)	(1,530,000)	(1,685,000)	(1,835,000)
(1,190,000)	(1,340,000)	(1,485,000)	(1,625,000)	(1,755,000)	(1,875,000)
(196,634)	(230,264)	(263,894)	(297,524)	(331,154)	(381,597)
(3,177,782)	(3,996,756)	(4,744,483)	(5,427,460)	(6,042,493)	(6,181,730)
<u>1,265,353</u>	<u>1,805,140</u>	<u>1,603,836</u>	<u>2,521,692</u>	<u>2,310,204</u>	<u>1,844,692</u>
<u>59,197,218</u>	<u>54,422,166</u>	<u>40,095,364</u>	<u>43,382,722</u>	<u>35,650,736</u>	<u>34,559,692</u>
<u>\$100,845,837</u>	<u>\$104,482,721</u>	<u>\$123,789,070</u>	<u>\$105,033,680</u>	<u>\$112,198,749</u>	<u>\$110,525,971</u>
63.01%	65.75%	75.53%	70.77%	75.89%	76.18%
<u>\$83,832,076</u>	<u>\$83,235,893</u>	<u>\$85,844,227</u>	<u>\$77,741,925</u>	<u>\$77,444,969</u>	<u>\$75,997,252</u>
63,486,281	59,369,046	46,349,905	49,741,014	43,154,179	42,988,327
(4,680,000)	(5,005,000)	(5,315,000)	(5,615,000)	(5,905,000)	(6,190,000)
(990,000)	(1,185,000)	(1,365,000)	(1,530,000)	(1,685,000)	(1,835,000)
(1,190,000)	(1,340,000)	(1,485,000)	(1,625,000)	(1,755,000)	(1,875,000)
(196,634)	(230,264)	(263,894)	(297,524)	(331,154)	(381,597)
(3,177,782)	(3,996,756)	(4,744,483)	(5,427,460)	(6,042,493)	(6,181,730)
<u>1,265,353</u>	<u>1,805,140</u>	<u>1,603,836</u>	<u>2,521,692</u>	<u>2,310,204</u>	<u>1,844,692</u>
<u>54,517,218</u>	<u>49,417,166</u>	<u>34,780,364</u>	<u>37,767,722</u>	<u>29,745,736</u>	<u>28,369,692</u>
<u>\$29,314,858</u>	<u>\$33,818,727</u>	<u>\$51,063,863</u>	<u>\$39,974,203</u>	<u>\$47,699,233</u>	<u>\$47,627,560</u>
34.97%	40.63%	59.48%	51.42%	61.59%	62.67%

# City of Strongsville, Ohio

## Demographic and Economic Statistics

### Last Ten Years

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (5)</u>	<u>Personal Income Per Capita (1)</u>	<u>Median Household Income (1)</u>	<u>Median Age (1)</u>	<u>Educational Attainment: Bachelor's Degree or Higher (1)</u>
2013	44,750	\$1,551,393,000	\$34,668	\$78,745	44.2	40.70%
2012	44,750	1,551,393,000	34,668	78,745	44.2	40.70%
2011	44,750	1,551,393,000	34,668	78,745	44.2	40.70%
2010	44,750	1,551,393,000	34,668	78,745	44.2	40.70%
2009	43,858	1,303,547,476	29,722	68,660	39.1	37.00%
2008	43,858	1,303,547,476	29,722	68,660	39.1	37.00%
2007	43,858	1,303,547,476	29,722	68,660	39.1	37.00%
2006	43,858	1,303,547,476	29,722	68,660	39.1	37.00%
2005	43,858	1,303,547,476	29,722	68,660	39.1	37.00%
2004	43,858	1,303,547,476	29,722	68,660	39.1	37.00%

(1) **Source:** U. S. Census

(a) Years 2004 through 2009 - 2000 Federal Census

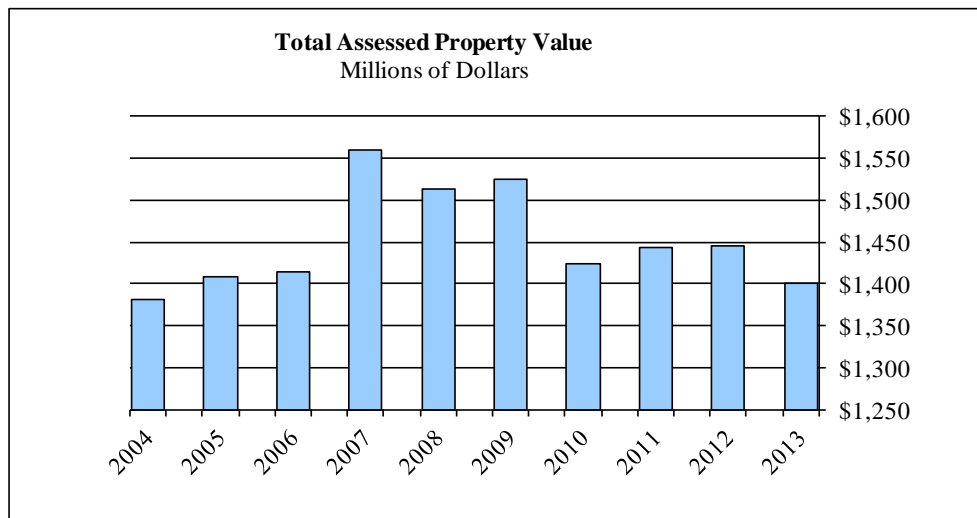
(b) Years 2010 through 2013 - 2010 Federal Census

(2) **Source:** Treasurer's Office, Strongsville City School District

(3) **Source:** U.S. Department of Labor/Bureau of Labor Statistics.

(4) **Source:** Office of the County Fiscal Officer, Cuyahoga County, Ohio

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





**Table 14**

School Enrollment (2)	Cuyahoga County Unemployment Rate (3)	Average Sales Price of Residential Property (4)	Total Assessed Property Value (4)
5,872	7.20%	\$196,422	\$1,401,219,540
6,477	6.60%	185,487	1,445,561,400
6,784	7.10%	180,480	1,442,739,300
6,617	8.60%	191,594	1,424,815,490
7,003	9.20%	192,630	1,524,219,571
7,183	6.80%	211,289	1,513,379,879
7,241	6.10%	224,604	1,560,804,133
7,394	5.50%	228,636	1,413,489,541
7,374	6.10%	228,200	1,408,090,337
7,340	6.30%	211,372	1,381,768,218



# City of Strongsville, Ohio

## Principal Municipal Income Tax Withholders

*Current and Nine Years Ago*

**Table 15**

<b>2013</b>		
Employer	Nature of Activity	Percentage of Total Income Tax
Strongsville Board of Education	Education	2.45%
Medical Mutual of Ohio	IT Business Solutions	2.44%
PNC Bank (formally National City Bank)	Banking Technology Center	2.18%
Akzo Nobel Paints, LLC	U.S. Corporate Headquarters	1.75%
Lamrite West, Inc.	Corporate Headquarters - Art Supplies	1.58%
The Cleveland Clinic Foundation	Outpatient Medical Facility	1.55%
City of Strongsville	Municipal Government	1.43%
Avery Dennison Corporation	Pressure Sensitive Adhesive Products	0.88%
Momentive Performance Material	Producer of Advanced Ceramics	0.84%
Swagelok Hy-Level Industries	Precision Machine Parts	0.82%
<b>Total</b>		<b>15.92%</b>
<b>2004</b>		
Employer	Nature of Activity	Percentage of Total Income Tax
Strongsville Board of Education	Education	4.17%
National City Bank	Banking Technology Center	2.71%
Lamrite West, Inc.	Corporate Headquarters - Art Supplies	1.72%
City of Strongsville	Municipal Government	1.68%
Ceres Administrators, LLC.	Insurance Company	1.60%
Akzo Nobel Paints, LLC	U.S. Corporate Headquarters - Paint	1.51%
Momentive Performance Material	Producer of Advanced Ceramics	1.46%
PPG Industries, Inc.	Powder & Paint Products	1.09%
The Cleveland Clinic Foundation	Outpatient Medical Facility	1.08%
Avery Dennison Corporation	Pressure Sensitive Adhesive Products	1.00%
<b>Total</b>		<b>18.02%</b>

Source: Regional Income Tax Agency (RITA)

# City of Strongsville, Ohio

## Full-Time City Employees by Function/Program

*Last Seven Years (1)*

**Table 16**

Function/Program	2013	2012	2011	2010	2009	2008	2007
<b>General Government</b>							
Council	2	2	2	2	2	2	2
Mayor's Office	3	3	4	4	4	2	2
Human Resources	2	1	1	1	1	1	1
Finance	4	4	5	5	5	7	7
Law	4	4	4	4	4	5	5
Communication & Technology	4	4	4	4	4	4	4
Mayor's Court	0	1	1	1	1	1	1
<b>Security of Persons and Property</b>							
Police	97	96	100	106	98	99	101
Fire	60	60	65	66	70	72	73
Public Safety	1	1	0	0	0	0	0
<b>Public Health Services</b>							
Cemetery	1	1	1	1	1	1	1
<b>Leisure Time Activities</b>							
Parks	1	1	1	1	1	1	1
Recreation	16	17	17	19	20	21	21
Senior Services	5	5	6	6	7	8	9
<b>Community Environment</b>							
Building	10	10	10	10	10	11	12
Planning	1	1	1	1	1	1	1
Economic Development	1	1	1	1	2	2	2
<b>Transportation</b>							
Administration	8	5	6	6	8	9	9
Street Maintenance	36	36	39	40	39	42	44
Traffic Control	2	2	2	3	3	3	3
Vehicle Maintenance	5	6	6	6	6	6	6
<b>Basic Utility Services</b>							
Engineering	5	5	6	6	6	7	8
Sanitary Sewer Maintenance	6	7	6	6	7	7	7
<b>Totals:</b>	<u>274</u>	<u>273</u>	<u>288</u>	<u>299</u>	<u>300</u>	<u>312</u>	<u>320</u>

**Source:** City of Strongsville Finance Department

(1) Information prior to 2007 is not available

# City of Strongsville, Ohio

## Operating Indicators by Function/Program

### Last Seven Years (1)

**Table 17**

Function/Program	2013	2012	2011	2010	2009	2008	2007
<b>General Government</b>							
<i>Council and Clerk</i>							
Number of Ordinances Passed	228	152	166	159	185	194	212
Number of Resolutions Passed	62	57	49	50	77	76	47
Number of Planning Commission docket items	76	45	38	52	50	84	95
<i>Finance Department</i>							
Agency Ratings - Moody's Financial Services	Aaa	Aaa	Aaa	Aaa	Aa1	Aa1	Aa1
Number of AP checks/ EFT's issued	7,275	7,343	7,433	7,325	7,481	7,839	7,772
Number of W2 Forms	618	587	594	611	649	687	690
Amount of checks written	\$30,598,160	\$29,252,993	\$40,018,865	\$47,302,771	\$48,322,101	\$45,493,374	\$47,032,104
Interest earnings for fiscal year (cash basis)	\$72,810	\$121,284	\$83,575	\$107,520	\$452,252	\$623,179	\$1,609,407
<i>Health Insurance Premiums</i>							
Over-age Dependents	\$1,715	\$1,837	\$0	\$0	\$0	\$0	\$0
Family	\$1,478	\$1,401	\$1,308	\$1,308	\$1,187	\$1,094	\$1,094
Single Employees	\$592	\$561	\$524	\$476	\$475	\$438	\$438
Gross Wages	\$22,700,012	\$22,306,968	\$22,210,142	\$21,742,901	\$21,939,433	\$21,807,176	\$20,581,700
<i>Employer Paid:</i>							
Medicare	\$302,050	\$292,415	\$282,545	\$276,169	\$271,242	\$263,184	\$245,987
Ohio Public Employees Retirement System	\$1,492,086	\$1,479,969	\$1,467,952	\$1,448,436	\$1,486,056	\$1,527,429	\$1,413,161
Police Pension	\$1,165,296	\$1,115,057	\$1,110,376	\$1,110,118	\$1,118,162	\$1,062,918	\$1,034,036
Fire Pension	\$1,239,628	\$1,246,260	\$1,243,296	\$1,201,510	\$1,244,986	\$1,142,359	\$1,108,107
Hospitalization	\$3,879,546	\$3,899,236	\$3,877,306	\$3,624,183	\$3,972,622	\$3,398,669	\$3,346,390
Obamacare Tax	\$1,446	\$0	\$0	\$0	\$0	\$0	\$0
Worker's Compensation	\$243,545	\$555,400	\$526,800	\$486,400	\$513,064	\$462,445	\$448,993
Unemployment	\$249	\$9,865	\$655	\$21,444	\$17,941	\$3,821	\$13,681
Group Life Insurance	\$72,981	\$79,041	\$81,960	\$37,075	\$37,483	\$34,696	\$32,246
Total Salaries and Fringes (cash basis)	\$31,096,839	\$30,984,211	\$30,801,032	\$29,948,236	\$30,600,989	\$29,702,697	\$28,224,301
General Fund Receipts (cash basis)	\$34,146,487	\$31,973,112	\$30,891,892	\$30,278,694	\$31,976,357	\$33,220,023	\$32,046,240
General Fund Expenditures (cash basis)	\$33,850,798	\$32,137,577	\$30,866,872	\$30,605,487	\$32,185,566	\$32,128,179	\$30,987,044
General Fund Cash Balances	\$7,272,855	\$7,432,166	\$7,923,424	\$7,571,611	\$7,898,404	\$8,107,613	\$7,015,769
<i>Annual Utility Payments (cash basis)</i>							
Electric	\$928,925	\$931,944	\$980,121	\$1,173,240	\$1,064,984	\$1,045,186	\$939,512
Natural Gas	\$142,131	\$122,457	\$177,567	\$235,524	\$266,348	\$351,009	\$404,672
Phone	\$96,224	\$89,542	\$113,203	\$110,091	\$129,890	\$151,098	\$145,226
Cell Phones	\$93,430	\$96,731	\$92,603	\$82,340	\$67,048	\$78,538	\$58,000
Water	\$161,720	\$150,852	\$152,139	\$153,992	\$134,435	\$132,006	\$178,085
Total Utility Payments	1,422,430	1,391,526	1,515,633	1,755,187	1,662,705	1,757,837	1,725,495
<i>Civil Service</i>							
Number of police entry tests administered	1	0	1	0	0	1	0
Number of fire entry tests administered	1	0	1	0	0	1	0
Number of police promotional tests administered	0	2	0	0	0	1	0
Number of fire promotional tests administered	0	2	3	0	0	1	0
Number of hires of Police Officers from certified lists	4	0	0	0	0	4	0
Number of hires of Fire/Medics from certified lists	3	0	0	0	0	3	0
Number of promotions from police certified lists	0	5	0	0	0	6	0
Number of promotions from fire certified lists	2	4	2	0	0	5	0
<i>Engineer Contracted Services</i>							
Dollar amount of Construction overseen by Engineer	\$5,575,000	\$3,700,000	\$10,400,000	\$8,000,000	\$1,600,000	\$1,700,000	\$1,600,000

(Continued)

# City of Strongsville, Ohio

## Operating Indicators by Function/Program (continued)

### Last Seven Years (1)

**Table 17**

Function/Program	2013	2012	2011	2010	2009	2008	2007
<b>Community Environment</b>							
<i>Building Department Indicators</i>							
Construction Permits Issued	178	238	227	210	292	163	330
Estimated Value of Construction	\$33,262,698	\$23,976,814	\$51,675,210	\$45,196,478	\$63,072,070	\$86,170,445	\$77,477,796
Number of permits issued	2,813	3,276	3,057	3,026	3,192	3,180	2,865
Amount of Revenue generated from permits	\$1,198,029	\$1,171,893	\$1,086,089	\$1,034,435	\$1,115,596	\$1,097,810	\$1,216,094
Number of contract registrations issued	1,460	1,294	1,407	1,438	1,761	1,335	1,694
<b>Leisure Time Activities</b>							
<i>Recreation</i>							
Number of Memberships	13,162	13,268	13,823	13,826	13,814	13,798	13,665
Number of Adult Sport League Teams	243	229	239	241	228	190	180
Youth Baseball/Softball Participants	1,207	1,329	1,357	1,530	1,715	1,745	1,766
Youth Basketball Participants	1,447	1,568	1,343	1,391	1,368	1,234	1,149
Group Exercise/Spinning Participants	19,735	19,551	18,781	20,161	23,527	22,498	20,953
Youth Day Camp Participants	1,016	940	969	985	722	867	842
Youth Tennis Lessons	106	131	139	147	149	130	77
Youth Learn to Swim Participants	1,985	1,980	2,014	2,157	1,812	2,195	2,078
<b>Public Health and Welfare</b>							
Cemetery burials	54	51	51	54	29	53	39
Cemetery sale of lots	74	73	35	33	41	29	43
Cemetery receipts	\$57,869	\$56,200	\$44,925	\$49,825	\$46,300	\$43,350	\$51,575
Annual County Board of Health Deduction	\$171,840	\$171,840	\$162,275	\$162,275	\$162,275	\$157,889	\$157,889
Population for County Board of Health (US Census)	44,750	44,750	43,858	43,858	43,858	43,858	43,858
County Board of Health Fee Per Resident	\$3.84	\$3.84	\$3.70	\$3.70	\$3.70	\$3.60	\$3.60
<b>Basic Utility Services</b>							
Solid Waste Disposal (tonnage)	22,663	22,497	19,020	21,692	21,902	22,594	24,790
Solid Waste Disposal Costs	\$2,022,049	\$1,996,157	\$1,987,709	\$2,502,621	\$2,514,131	\$2,493,878	\$2,507,336
Recycled Materials (tonnage)	8,283	8,553	9,105	9,720	10,132	5,951	9,462
Recycled Materials as a percentage of Total Waste	27.0%	28.0%	32.0%	31.0%	32.0%	21.0%	28.0%
Number of Residential Units	15,680	15,680	15,680	15,146	15,146	15,146	15,146
Cost per Residential Unit	\$6.29	\$6.13	\$6.01	\$7.55	\$7.55	\$7.33 - \$7.55	\$7.33
Landfill tipping fee (per ton)	\$34.50	\$33.66	\$33.00	\$43.62 - \$45.24	\$43.62 - \$45.24	\$42.71 - \$43.99	\$42.71 - \$42.35
<b>Security of Persons &amp; Property</b>							
<i>Police</i>							
Number of traffic citations issued	3,793	3,304	3,450	3,952	4,745	4,631	5,284
Number of parking citations issued	377	419	302	261	472	235	333
Number of criminal arrests	2,466	1,916	1,601	1,226	1,319	1,287	1,351
Number of accident reports completed	937	1,134	1,374	1,398	1,399	1,413	1,406
Part 1 Offenses (major offenses)	806	1,040	1,080	963	985	844	934
Animal Warden service calls responded to per annual report	384	402	441	366	457	376	353
DUI Arrests	239	242	354	284	273	279	295
Prisoners	1,420	1,521	1,219	822	734	879	886
Prisoner meal costs	\$13,706	\$18,294	\$17,922	\$20,977	\$24,491	\$29,317	\$35,970
Motor Vehicle Accidents	1,637	1,751	1,865	1,810	1,758	1,815	1,802
Fatalities from Motor Vehicle Accidents	1	1	0	2	2	1	1
Community Diversion Program Youths	48	63	98	99	98	N/A	N/A
Community Diversion Program - community service hours	762	700	1,435	1,819	1,209	N/A	N/A

(Continued)

# City of Strongsville, Ohio

## Operating Indicators by Function/Program (continued)

### Last Seven Years (1)

**Table 17**

Function/Program	2013	2012	2011	2010	2009	2008	2007
<b>Security of Persons &amp; Property (continued)</b>							
<i>Fire</i>							
EMS Calls	3,664	3,560	3,246	3,410	3,058	3,055	3,127
Ambulance Billing Collections	\$940,023	\$993,234	\$937,404	\$916,097	\$752,969	\$813,840	\$768,772
Fire Calls	1,424	1,213	630	471	596	540	576
Fires with Loss	69	35	79	92	114	89	147
Fires with Losses exceeding \$10K	11	15	6	5	7	6	9
Fire Losses \$	\$1,100,476	\$1,414,850	\$301,000	\$767,000	\$3,795,000	\$756,000	\$1,772,777
Fire Safety Inspections	1,076	940	652	727	622	573	389
Number of times Mutual Aid given to Fire and EMS	40	34	61	57	53	66	55
Number of times Mutual Aid received for Fire and EMS	22	38	20	17	19	14	5
<b>Transportation</b>							
Street Improvements - asphalt overlay (cubic yds)	2,147	2,201	4,183	7,139	6,490	549	N/A
Street Repair (Curbs, aprons, berms, asphalt) (hours)	23,592	25,664	22,881	38,226	53,572	29,954	26,722
Guardrail Repair (hours)	296	16	16	184	352	56	504
Cold Patch (hours)	2,336	1,616	4,948	7,324	9,700	4,544	3,520
Snow & Ice Removal (hours)	4,312	3,568	5,416	7,072	8,728	5,248	5,280
Sewer Crew Calls (hours)	3,968	3,544	4,088	5,815	7,542	7,152	6,896
Sewer Crew Preventive Maintenance (hours)	7,744	14,144	9,152	9,934	10,716	6,330	6,386
Sewer Jet & Vactor (hours)	2,088	1,832	632	2,812	4,992	2,256	2,776
Landscaping Stump-Chipper service (hours)	7,352	5,944	3,776	8,288	12,800	9,290	15,544
Leaf collection (hours)	4,184	4,048	3,172	5,812	8,452	4,040	4,504
Holiday Lighting & Special Events setup (hours)	416	444	564	883	1,202	496	2,288
Square Repair after Special Events (hours)	4,624	4,648	4,580	5,090	5,600	2,208	2,808
Equipment & Vehicle Repair (hours)	10,480	14,403	13,280	19,112	24,944	13,894	11,902
Sign Department (hours)	3,360	4,439	4,040	6,482	8,924	5,816	5,736
Park Maintenance (hours)	5,584	6,560	8,658	12,262	15,866	8,118	10,352
Utility Repair (hours)	5,040	5,344	5,058	7,713	10,368	6,248	4,528
Senior Bus Trips (hours)	528	703	526	800	1,074	596	625
Animal Control (hours)	2,779	2,869	2,389	3,646	4,903	2,362	1,696
Cemetery (hours)	3,584	3,272	2,679	4,490	6,302	3,192	3,344
Miscellaneous Repairs & Maintenance (hours)	2,816	2,376	2,760	3,732	4,704	2,560	4,008
Number of Trees Planted per year	434	269	225	340	324	278	665
Tons of snow melting salt purchased	6,386	10,622	14,200	13,400	12,000	19,900	16,100
Cost of salt purchased	\$217,242	\$476,321	\$641,228	\$583,302	\$474,840	\$656,302	\$525,182
Gallons of snow & ice road pretreatment purchased	18,449	4,708	23,561	7,870	5,080	4,000	8,000
Cost of snow & ice road pretreatment	\$19,925	\$4,849	\$22,854	\$10,791	\$9,499	\$7,480	\$14,986
Unleaded Fuel Average Price per Gallon	\$3.37	\$3.50	\$3.38	\$2.66	\$2.26	\$2.78	\$2.64
Unleaded Fuel Gallons Used	84,355	93,470	94,605	104,053	107,151	114,035	102,797
Cost of Unleaded Fuel Used	\$284,276	\$327,145	\$319,765	\$276,781	\$242,161	\$317,017	\$271,384
Diesel Fuel Average Price per Gallon	\$3.46	\$3.55	\$3.39	\$2.63	\$2.13	\$3.38	\$2.56
Diesel Fuel Gallons Used	73,433	74,380	78,118	88,742	82,246	85,102	76,749
Cost of Diesel Fuel Used	\$254,078	\$264,049	\$264,820	\$233,391	\$175,184	\$287,645	\$196,477

# City of Strongsville, Ohio

## Operating Indicators by Function/Program (continued)

### *Last Seven Years (1)*

**Table 17**

Function/Program	2013	2012	2011	2010	2009	2008	2007
<b>Wastewater Department</b>							
Wastewater Treatment Plants Annual Costs	\$1,870,785	\$1,501,078	\$1,594,819	\$1,444,869	\$1,424,765	\$1,363,202	\$1,477,898
Total flow of wastewater treatment plants (Billions of Gallons)	0.637	0.625	0.787	0.748	0.636	0.627	0.760
Average daily flow (Millions of gallons per day)	1.746	1.714	2.156	2.031	1.741	1.718	2.081
Tons of dry sludge removed	344.74	305.63	317.81	303.03	290.39	292.33	316.59

**Source:** Information is provided by the respective City departments.

(1) Information prior to 2007 is not available

# City of Strongsville, Ohio

## Capital Assets Statistics by Function/Program

### Last Seven Years (1)

**Table 18**

Function/Program	2013	2012	2011	2010	2009	2008	2007
<b>General Government</b>							
Square Footage Occupied	9,334	9,334	9,334	9,334	9,334	9,334	9,334
Administrative Vehicles	4	3	3	3	2	1	1
Buildings & Inspection Vehicles	9	9	9	9	9	9	9
<b>Police</b>							
Stations	1	1	1	1	1	1	1
Square Footage of Building	60,116	60,116	60,116	60,116	17,370	17,370	17,370
Vehicles	61	61	61	60	60	59	60
<b>Fire</b>							
Stations	4	4	4	4	4	4	4
Square Footage of Station # 1	10,651	10,651	10,651	10,651	10,651	10,651	10,651
Square Footage of Station # 2	5,745	5,745	5,745	5,745	5,745	5,745	5,745
Square Footage of Station # 3	8,360	8,360	8,360	8,360	8,360	8,360	8,360
Square Footage of Headquarters	36,194	36,194	36,194	36,194	36,194	36,194	5,750
Vehicles	24	20	20	20	20	20	20
<b>Recreation</b>							
Number of Parks	8	8	8	8	7	7	7
Number of Pools	3	3	3	3	3	3	3
Number of Tennis Courts	6	6	6	6	6	6	6
Number of Baseball Diamonds	18	18	18	18	15	15	13
Number of Soccer Fields	18	18	18	17	17	17	17
Number of Football Fields	1	1	1	1	1	1	0
Recreation Centers	1	1	1	1	1	1	1
Recreation Centers Square Footage	149,721	149,721	149,721	149,721	149,721	149,721	149,721
Vehicles	9	10	10	10	10	10	10
<b>Other Public Works</b>							
Streets (Center Line Miles)	203	202	202	202	202	202	201
Bridges	1	1	1	1	1	1	1
Culverts	188	187	187	187	187	187	187
Water Lines (Miles)	195	194	194	194	194	193	193
Service Vehicles	62	68	67	64	62	62	59
<b>Wastewater</b>							
Wastewater Treatment Plants	2	2	2	2	2	2	2
Wastewater Collection Systems	18	18	16	15	15	15	15
Wastewater Sewers (Miles)	188	188	186	186	186	184	184
Storm Sewers (Miles)	195	195	194	190	190	189	189
Vehicles	21	21	21	21	21	21	21

Source: City of Strongsville Finance and Engineering Departments

(1) Information prior to 2007 is not available





Dave Yost • Auditor of State



CITY OF STRONGSVILLE  
CUYAHOGA COUNTY

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# Dave Yost • Auditor of State

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

City of Strongsville  
Cuyahoga County  
16099 Foltz Industrial Parkway  
Strongsville, Ohio 44149

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Strongsville, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated April 11, 2014.

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

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

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

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

***Compliance and Other Matters***

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

***Purpose of this Report***

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

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

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

April 11, 2014



# Dave Yost • Auditor of State

**CITY OF STRONGSVILLE**

**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  
MAY 8, 2014**