



Dave Yost • Auditor of State



CITY OF NORTH OLMSTED  
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 North Olmsted  
Cuyahoga County  
5200 Dover Center Road  
North Olmsted, Ohio 44070

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, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of North Olmsted, Cuyahoga County, (the City) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 29, 2016, wherein we noted the City adopted the provisions of Governmental Accounting Standard No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

### ***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 "Y" and "O".

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

June 29, 2016

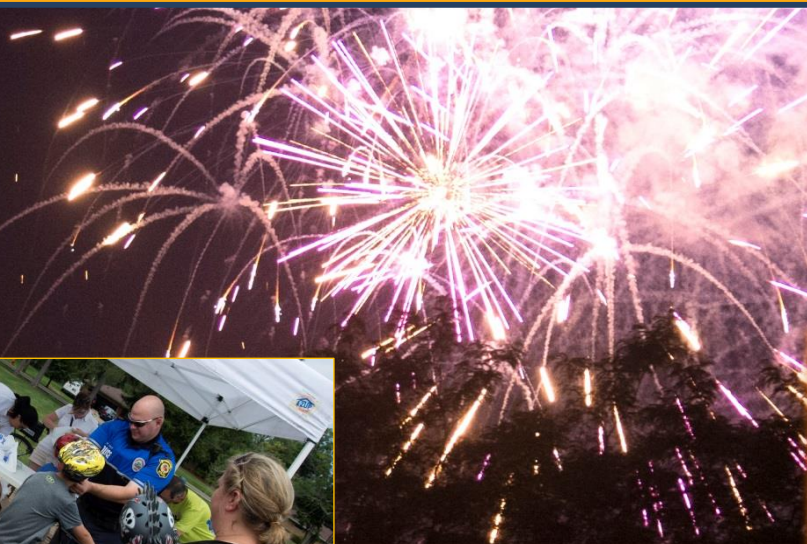




Comprehensive Annual Financial Report

# NORTH OLMSTED, OHIO

For the Year Ended December 31, 2015



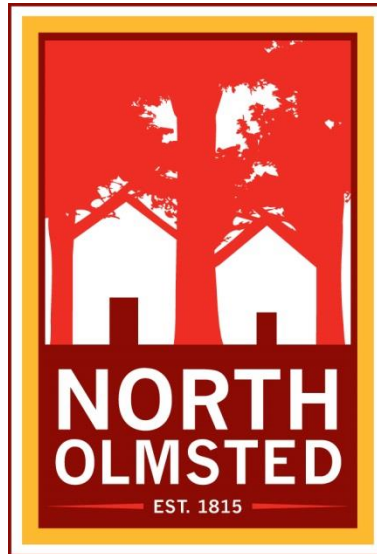
City of North Olmsted, Ohio – 5200 Dover Center Road – North Olmsted, OH 44070  
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**INTRODUCTORY  
SECTION**

**City of North Olmsted, Ohio**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended**  
**December 31, 2015**



**Issued by: Department of Finance**  
Carrie B. Coper, CPA, Director of Finance  
Keith J. Sperling, Assistant Director of Finance

# City of North Olmsted, Ohio

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**City of North Olmsted, Ohio**

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

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## CITY of NORTH OLMSTED

Carrie B. Copfer, CPA | Director, Department of Finance

A 5200 Dover Center Road | North Olmsted, Ohio 44070 P 440-716-4144 F 440-716-4235

June 29, 2016

Honorable Kevin M. Kennedy  
Citizens of North Olmsted, Ohio  
And Members of City Council

Ohio law (Ohio Administrative Code Section 117-2-03(B)) requires that all cities file annual audited financial reports prepared on a GAAP (Generally Accepted Accounting Principles) basis with the Auditor of State within six months of the close of each fiscal year. This report is published to fulfill that requirement for the fiscal year ended December 31, 2015.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that the City 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.

The Auditor of the State of Ohio, David Yost, an independent auditor, has issued an unmodified (“clean”) opinion on the City of North Olmsted’s financial statements for the year ended December 31, 2015. 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. MD&A complements this letter of transmittal and should be read in conjunction with it.

## PROFILE OF THE GOVERNMENT

### Basic Information

North Olmsted was once a part of the Connecticut Western Reserve, claimed by the state of Connecticut. Investors bought land from the state, sight unseen, and went west to divide it up and sell it to settlers. Aaron Olmstead was one of the early landowners, but he never lived here. His son, Charles Olmstead, owned much of the land along Butternut Ridge and sold plots to the pioneer settlers beginning in 1815. In 1820, Charles Olmstead offered his father’s library of 500 books to the community, then called Lenox, if they would change the name to Olmstead. They agreed, and the books, brought by oxcart from Connecticut, were used as a circulating library. The remaining 153 books are on display in the City’s library. Over the course of the years, the “a” was omitted and the city became known as “North Olmsted.”

In 1908, the residents voted to incorporate, becoming a village. In 1951, North Olmsted became a city because it had a population of over 5,000 people. The rapid growth was attributed to returning World War II veterans looking to provide a suburban living for their families. At one time the City was considered the fastest growing city in Ohio because it more than doubled in size from 1950 to 1960 and doubled again in 1970. Since the 1970 census, the population of North Olmsted has stayed relatively constant. The 2010 census was 32,718, which represents a four percent decline from the 2000 census.

The City is a suburban community located in Cuyahoga County in Northeastern Ohio, approximately 13 miles southwest of the downtown area of the City of Cleveland and approximately 18 miles southeast of the City of Lorain. The City is served by diversified transportation facilities. There is immediate access to three State and U.S. highways and interstate highways I-80 (the Ohio Turnpike) and I-480, with access to interstate highways I-90 and I-71 within five miles of the City. The City is served by Cleveland Hopkins International Airport, located within five miles of the City, and is adjacent to areas served by Conrail and Amtrak railroads.

The City of North Olmsted's primary government consists of all funds and departments, which are not legally separate from the City and provide a full range of services including:

- ◆ Police, Emergency Medical Services and Fire Protection
- ◆ Parks and Recreational Activities and Facilities
- ◆ 18 hole Golf Course and Historic Ballroom
- ◆ Senior Center and Related Programs
- ◆ Local Human Services - ministering to youth, disabled, seniors and needy families
- ◆ Planning and Zoning Committees
- ◆ Building Code Enforcement
- ◆ Waste Water Treatment Plant Processing of Sanitary Sewage
- ◆ Maintenance and Improvement of City Roads and Infrastructure
- ◆ Maintenance and Improvement of Storm and Sanitary Sewer Systems
- ◆ Administrative and Legislative functions including Council, Law, Finance, Human Resources and Information Technology

The City of North Olmsted operates under and is governed by its Charter, first adopted by the voters in 1959. The Charter has been and may be amended by the voters from time to time. The City is also subject to some general laws applicable to all cities. Under the Ohio Constitution, the City may exercise all powers of local self-government, and police powers to the extent not in conflict with applicable general laws. The Charter provides for a mayor-council form of government.

Legislative authority is vested in a seven-member Council, of whom three members are at-large and four members are from wards, all elected to four-year terms. The Council sets compensation of City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes. The presiding officer is the President of Council, elected specifically to that office by the voters for a four-year term. The President of Council has no vote except in the event of a tie. The Charter establishes certain administrative departments and the Council may establish divisions of those departments or additional departments and has exercised that authority.

The City's chief executive and administrative officer is the Mayor, elected by the voters specifically to that office for a four-year term. The other elected City officials are the Director of Finance and the Director of Law, each elected to a four-year term. All elected officials, except the Mayor and Director of Finance, serve part-time.

The Mayor has authority to appoint the directors of Public Safety, Public Service, Human Resources, Planning and Economic Development, certain City employees and members of a number of City boards and commissions. The Mayor generally may remove, without the concurrence of Council and in accordance with civil service and collective bargaining agreement requirements, all officers and employees he has appointed, except that directors of the aforementioned departments may only be removed with the concurrence of two-thirds of the members of Council. The Mayor may not remove officers and employees of Council, Finance or the Law departments.

The Mayor may veto any legislation passed by Council. A veto may be overridden by a two-thirds vote of all members of Council.

### **Component Unit**

The North Olmsted Commission on Paratransit, Inc. (N.O.C.O.P.) has been presented as a discretely presented component unit of the primary government, based on the significant services and resources provided by the City. A complete discussion of the City's reporting entity is provided in Notes 1 and 22 of the basic financial statements.

### **Budgetary Process**

A temporary appropriation resolution to control expenditures may be passed on or around January 1 of each year for the period January 1 to March 31. An annual appropriation measure must be passed by April 1 of each year for the period January 1 to December 31. Appropriations by fund must be within the estimated resources as certified by the County Budget Commission, and the total of expenditures and encumbrances may not exceed the appropriations at any level of control. Any revisions that alter the appropriations at the legal level of budgetary control must first be approved by City Council. Council may pass supplemental fund appropriations so long as the total appropriations by fund does not exceed the amounts set forth in the most recent Certificate of Estimated Resources. The City maintains budgetary control on a cash basis by department for salaries, other expenditures and debt service. Estimated expenditure amounts must be encumbered prior to the release of purchase orders to vendors or finalization of other contracts. Encumbrances that would exceed the available appropriation level are identified on an ongoing basis and are not approved or recorded until City Council authorizes additional appropriations or transfers. Unencumbered appropriations lapse at the end of each calendar year.

Formal budgetary integration is employed as a management control device during the year for all funds consistent with statutory provisions. Permanent appropriations are adopted by Council and are amended throughout the year by supplemental appropriations, which either reallocate or increase the original appropriated amounts. During the year, supplemental appropriation measures were legally enacted; however, none of these amendments were significant. The budgetary figures, which appear in the statement of budgetary comparisons, represent the original permanent appropriation and the final appropriations amounts, including all amendments and modifications.

## **FACTORS AFFECTING FINANCIAL CONDITION**

### **Summary of Local Economy**

The City is a suburban residential community and a commercial center for the western portion of the County and adjacent Lorain County. The City has actively promoted commercial, residential and light industrial development, and has established a City-wide community reinvestment area and participated in an enterprise zone within the County for that purpose, as hereinafter discussed in more detail.

The largest commercial development in the City includes the Great Northern Mall and the adjacent Great Northern Shopping Center, together constituting a 2.0 million square foot retail complex with approximately 225 stores, professional and medical offices and restaurants; the Great Northern Corporate Center I, II and III, a 267,000 square foot executive office complex; and the Great Northern Technology Center, a 144,000 square foot office complex. All of this development is located adjacent to an interchange on interstate highway I-480. The properties have been developed in phases over the past 40 years, and the businesses located in them now provide employment for approximately 4,800 persons. The local economy has developed and redeveloped around this area.

While the City has several larger taxpayers, it is not dependent on a single revenue source or a single taxpayer, which is a strength during an economic downturn. The City Charter allows for 11.1 charter millage to be levied on property, which also is unique to cities. Additionally, the City, which currently offers residents 100 percent credit on up to two percent for municipal income taxes paid to their workplace city, can adjust that credit through an ordinance of Council.

While the City and region have been slow to recover from the 2008 global recession, several promising economic indicators occurred in 2015.

- Municipal income tax collections increased by 1 percent from the prior year with both individual and business net profit increases offset by a decline in employee withholdings.

- The percentage of total collections of property taxes to that levied increased 6.4 percent to 103.34 percent, the highest in the last 10 years. Additionally, delinquencies declined to 2.5 percent of the total tax levy.
- The average yearly unemployment rate in the county declined by 1.4 percent to 5.0 percent during 2015; though this statistic does not account for those persons who are unemployed, but no longer looking for work.
- The City's number of building permits increased by 7.1 percent, which is due to an increase in new commercial work and continued improvements to the City's automobile dealerships. There was an increase in permits for fences, roofing, and windows which shows an interest in maintenance and repair of existing properties.
- The number of residential home sales increased by 10.4 percent to 499, which is the highest volume since 2006. In addition, the average sales price of residential homes increased 5.9 percent to \$126,838 representing the first significant upward movement in 10 years, though it was 14.1 percent lower than the 2007 average prices.

## **Relevant Financial Policies**

### ***Internal Control***

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure the assets of the government are protected from loss, theft or misuse and adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by management.

All internal controls are designed within the above framework. Accordingly, we believe the City's system of internal controls is adequate to safeguard assets and provide reasonable assurance of proper recording of transactions.

### ***Basis of Accounting***

This is the thirteenth year the City has prepared financial statements following GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. GASB 34 creates basic financial statements for reporting the City's financial activities as follows:

*Government-wide financial statements* - These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by many businesses. The government-wide statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

*Fund financial statements* - These statements present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities accrual information presented in the governmental-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

*Statements of budgetary comparisons* - These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

### ***Debt Administration***

The debt service funds account for the accumulation of resources for the payment of general long-term obligations. Revenue sources for these funds include receipts from property taxes and transfers from other funds consisting of income taxes, hotel/motel taxes, sewer user charges and golf user charges.

The Mayor and his administration prioritize capital projects for which borrowings are required. City Council approves such borrowings for these purposes. Both the Administration and Council have been committed to borrowing for the prioritized list of current capital needs at an amount less than the City is retiring each year in general obligation debt so that each year the City's total general obligation debt is declining. This is a general policy with the Mayor's and City Council's consideration of the impact of voted tax issues and self-supporting enterprise fund debt.

In April of 2006, the City of North Olmsted received a rating increase to an A1 rating from Moody's Investor Service Inc. for limited tax and an Aa3 rating for unlimited tax. Fitch IBCA affirmed the City's A+ rating in April 2006, and again in August 2009. In April of 2010, under pressure from the federal government, all three rating agencies adjusted the way municipal debts were rated basing it on the likelihood of default, which is the standard for corporate debt. This will increase the market of potential municipal buyers, and theoretically, reduce the cost of borrowing due to the increased competition. Moody's Investor Services raised the City's rating to Aa2 on all outstanding debt, due to the recalibration, while Fitch raised the rating to AA-. Moody's affirmed that rating in July 2010, January 2013, and November 2015 for the general obligation bond issue and all of the City's outstanding bonded debt. Fitch reaffirmed the current rating in July 2013 and again in June 2015 during standard surveillance reviews.

### **Capital Improvements**

The City issued \$5,340,000 of callable Capital Improvement and Equipment Bond Anticipation Callable Notes in February of 2015, of which \$2,440,000 was for 2014 improvements, \$1,000,000 was for storm water drainage improvements, \$1,270,000 was for streets, \$385,000 was for police station HVAC, and \$245,000 was for golf course equipment.

Great Northern Boulevard was enhanced with an additional lane to improve traffic flow and highway accessibility. This was accomplished in cooperation with the Ohio Department of Transportation which contributed 90 percent of the project costs and managed the project. The City contributed 10 percent in matching funds totaling \$118,255.

### **Major Initiatives**

**Master Plan** – City Council adopted the 2015 “Go North Olmsted” master plan after a 14 month process that involved the entire community. The final document is an action agenda for realizing the community's shared vision for the future for the next 10 years. There are 54 specific actions grouped within the following five goals:

- Strengthening Quality of Place
- Advancing Prosperity
- Improving Housing Choices
- Retrofitting Infrastructure
- Enhancing Amenities

The community voted for their top five actions at the final open house. “Create a Town Centre”, “Identify Storm Water Management Projects”, and “Re-imagine the Existing Recreation Center” were the highest vote recipients.

**Commercial Zoning Code Update** – The City began to evaluate the zoning code and the City's various commercial districts. The results were compiled into a zoning “Blue Print” presented to City Council and the Planning and Design Commission in November 2015.

**Enhance Property Maintenance** – The City created two new chapters of the Building Code in September 2015 entitled “Licensing of Rental Units” and “Interior Maintenance Code.” Both improve the rental registration requirement by permitting the City to conduct interior inspections of rental units of single family homes to apartments. The goal is to inspect the interior and exterior of all rental homes and 25 percent of apartment units annually. City Council approved the addition of two inspectors and a permit clerk to implement the program which began in January 2016.



**Recreation** – In early 2015, the City completed the \$2.15 million recreation center improvements which developed a new space configuration and usage of the recreation center's existing footprint and designed and built a state of the art fitness center to serve all ages, both resident and non-resident. Additionally, the City developed a better people-friendly traffic flow with a new front lobby, renovated locker rooms, including the addition of a family friendly changing room, added new fitness and meeting rooms and ice rink locker rooms for hockey teams. In addition to the recreation center improvements, master planning has begun for the both the recreation center and Springvale golf course and ballroom to develop specific long-term plans for both facilities.

**City Bicentennial** – After extensive planning by a committee of volunteers and community leaders in 2014, the City's mission in 2015 was to celebrate North Olmsted's history, heritage, and future; recognize our achievements and mark milestones of the last 200 years; and create opportunities for sustained collaboration and partnership between city, school, business and community organizations. The celebration year was full of events, including a new year's eve celebration, July 4<sup>th</sup> fireworks, etc. and information sharing about our history and where we want to be in the future through an interactive web page and a bicentennial magazine, which coincided appropriately with the master planning project. Two hundred years was worthy of a year of celebration.

**EPA/WWTP Improvements** - The City obtained approval from the Ohio EPA and the Ohio Water Development Authority for loans from Ohio EPA's Water Pollution Control Loan Fund, administered by the OWDA, to pay costs of two phases of a substantial improvement program to the sanitary system collection system and treatment facilities that had been part of a several year study and design. The Collection system improvements in phase one were substantially completed in 2012, while phase two, which is primarily for the significant plant improvements and also includes additional collection system improvements began in 2013. All major construction was completed in 2015.

#### **Long-term Financial Planning**

The City does not have a formal long-term capital plan; however, the Mayor and his administration have developed a five year capital plan and are utilizing it for planning and budgeting purposes.

In 2011, the City established and began reserving with a four year funding plan for both separation and 27<sup>th</sup> pay funds to reduce the spikes in an operating budget when these benefits are paid out in future years. The 2015 budget included continued funding of these reserves and began utilizing the funds for their intended purposes.

The City has begun to use Tax Increment Financing (TIF) as an economic development tool for the area around Great Northern Boulevard and Country Club Boulevard business corridor. Owners of parcels of real property included in the TIF area will make payments in lieu of taxes on improvements they made on their property into the TIF. These funds will be utilized for future infrastructure improvements that will benefit the TIF business corridor. The improvements will consist of pavement, curbs, drainage facilities, extension, installation, acquisition, relocation of utilities, sidewalks, bike paths, landscaping, lighting, signalization, signage, and other public infrastructure improvements in or near the roadway.

## **AWARDS AND ACKNOWLEDGEMENTS**

#### **GFOA Certificate of Achievement**

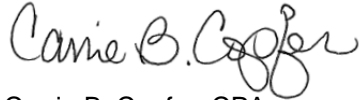
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of North Olmsted for its comprehensive annual financial report for the fiscal year ended December 31, 2014. This was the sixteenth consecutive year that the city has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

**Acknowledgments**


The 2015 Comprehensive Annual Financial Report was prepared by the Finance Department with cooperation from all city departments. We would like to express our appreciation to Ciuni & Panichi, Inc. for their guidance in the preparation of this report.

We would also like to thank the Mayor and members of City Council for supporting the preparation of this report, which expresses their commitment to financial integrity. In closing, we are grateful to the residents and taxpayers of the City of North Olmsted for entrusting us with the fiscal administration of their local government.

Respectfully submitted,

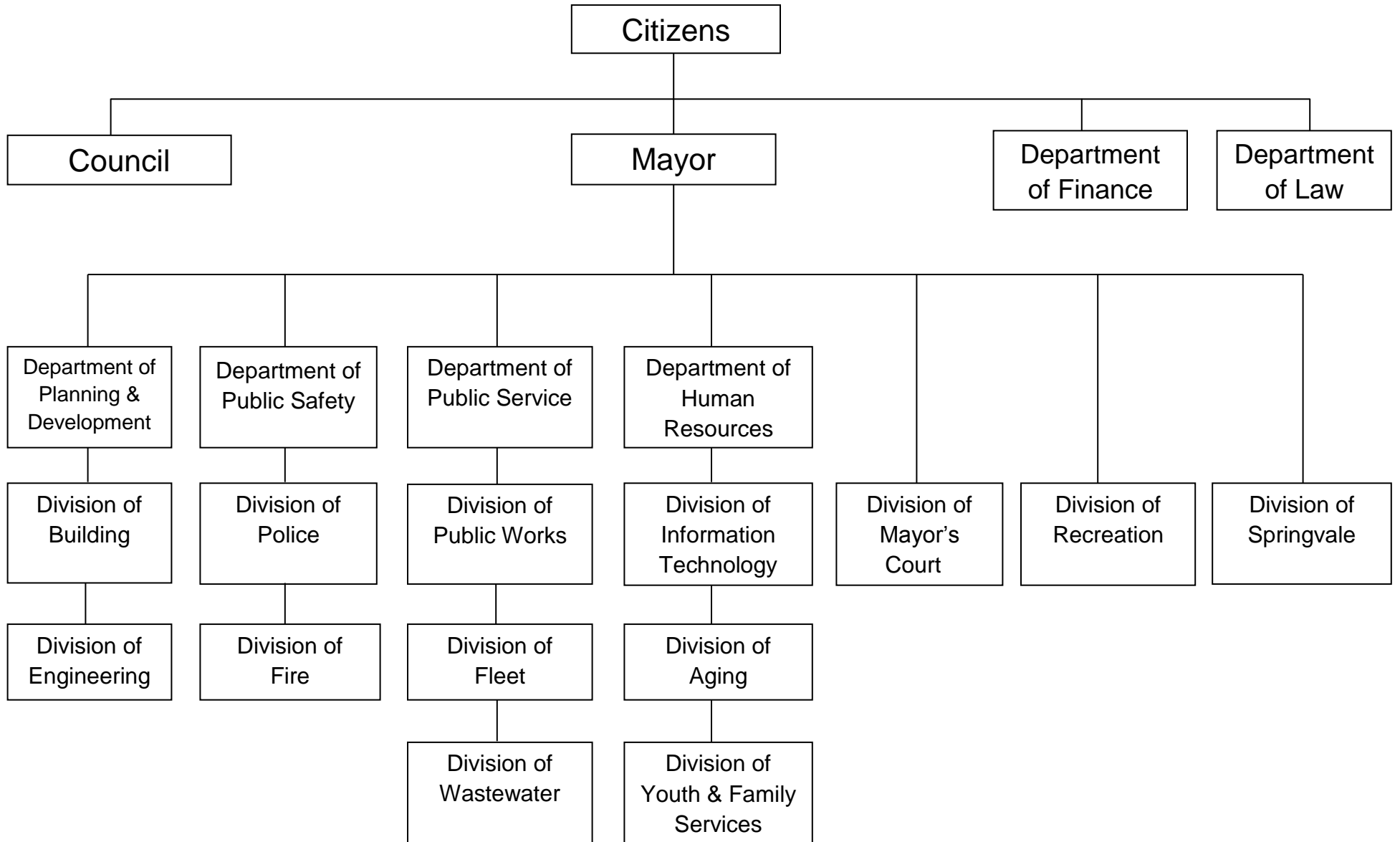


Carrie B. Copfer, CPA  
Director of Finance



Keith Sperling  
Assistant Director of Finance

# CITY OF NORTH OLMSTED ORGANIZATIONAL CHART



# City of North Olmsted, Ohio

## Principal City Officials

**December 31, 2015**

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### Elected Officials

Kevin M. Kennedy .....	Mayor
Michael R. Gareau, Jr.....	Director of Law
Carrie B. Copfer.....	Director of Finance
Nicole Dailey Jones.....	President of Council
Louis Brossard .....	Council Ward 1
Paul R. Barker .....	Council Ward 2
Paul Schumann.....	Council Ward 3
Mary Ellen Hemann .....	Council Ward 4
Kevin G. Kearney.....	Council-At-Large
Duane H. Limpert.....	Council-At-Large
Angela Williamson.....	Council-At-Large

### Appointed Officials

Cheryl Farver .....	Director of Human Resources
Donald Glauner .....	Director of Public Safety and Service
Kimberly Wenger.....	Director of Planning Development



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of North Olmsted  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2014**

Executive Director/CEO

**FINANCIAL  
SECTION**





# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

City of North Olmsted  
Cuyahoga County  
5200 Dover Center Road  
North Olmsted, Ohio 44070

To the City Council:

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

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

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

Management is responsible for 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, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of North Olmsted, Cuyahoga County, Ohio, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note 3 to the financial statements, during the year ended December 31, 2015, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. We did not modify our opinion regarding this matter.

**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* and schedules of net pension liabilities and pension contributions 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 June 29, 2016, 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, flowing style.

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

June 29, 2016

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## City of North Olmsted

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2015*

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The Management's Discussion and Analysis of the City of North Olmsted's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2015. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

### **Financial Highlights**

◆ Key financial highlights for 2015 are as follows:

- For the year ended December 31, 2015, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. The implementation of these statements resulted in the restatement of net position as of December 31, 2014 for the governmental activities and business-type activities. See Note 3 for additional information regarding the restatement.
- The total assets and deferred outflows of resources of the City exceeded total liabilities and deferred inflows of resources at the close of 2015 by \$52,195,595. This is an increase of \$1,983,114 over the restated 2014 net position. Net position of the City's governmental activities increased \$32,935 from 2014, while net position of the business-type activities increased \$1,950,179.
- Total assets increased by \$769,493 and deferred outflows of resources increased by \$1,455,299. The main factors affecting the total assets increase were an increase in cash and cash equivalents (up \$3,447,420) and an increase in due from other governments (up \$801,024). These increases were offset by a decrease in net capital assets of \$3,359,207. The main fluctuation in deferred outflows of resources related to pensions (up \$1,366,164).
- Total liabilities decreased by \$929,664 and deferred inflows of resources increased by \$1,171,342 from 2014. The main factor affecting the total liabilities decrease was a drop in retainage payable during 2015 (down \$1,824,244). This was offset by a \$716,895 increase in long term liabilities which can be attributed to the net pension liability (up \$1,228,780). The deferred inflows of resources were up in 2015 across the board with payments in lieu of taxes being the biggest contributor (up \$797,818).
- The General Fund reported a fund balance of \$7,182,403 at the end of the 2015, which is an increase of \$16,519 from 2014. The General Fund expenditures increased \$3,753 from 2014 to 2015 and revenues (excluding other financing sources) increased \$380,178.

## **City of North Olmsted**

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2015*

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### **Using This Comprehensive Annual Financial Report (CAFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the City of North Olmsted as a financial whole or as an entire operating entity. The statements proceed to provide an increasingly detailed look at our specific financial condition.

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

### **Reporting the City of North Olmsted as a Whole**

#### *Statement of Net Position and Statement of Activities*

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole considers all financial transactions and measures how the City did financially during fiscal year 2015. The *Statement of Net Position* includes assets, deferred outflows of resources, liabilities and deferred inflows of resources and the *Statement of Activities* includes revenues and expenses; however, they both use the accrual basis of accounting similar to the accounting method used by the private sector. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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



# City of North Olmsted

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2015*

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## **Reporting the City of North Olmsted's Most Significant Funds**

### ***Fund Financial Statements***

The presentation of the City's major funds begins on page 24. Fund financial reports provide detailed information about the City's major funds based on the restrictions on the use of monies. The City has established many funds which account for the multitude of services, facilities and infrastructure provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of North Olmsted, the major governmental funds are the General Fund, Permanent Improvements Fund, Capital Improvements, and General Obligation Bond Retirement Fund and the major enterprise funds are the Springvale Golf Course and Ballroom Fund and Sewer Revenue Fund.

### ***Governmental Funds***

Most of the City's activities are reported in the governmental funds which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. Governmental funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that are expected to be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the *Statement of Net Position* and the *Statement of Activities*) and governmental funds is reconciled within the financial statements.

### ***Proprietary Funds***

The City of North Olmsted maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities. The City uses enterprise funds to account for the operations of its golf course and ballroom and sanitary sewer plant and system. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains this type of fund for its self-insurance of health related employee benefits and self-insurance of workers' compensation. Because this predominately affects governmental rather than business functions, it has been included within the governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found beginning on page 30 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 are not available to support the City's own programs. The City of North Olmsted has three agency funds to report within the fiduciary fund category. Agency funds are reported on a full accrual basis and only present a Statement of Fiduciary Assets and Liabilities.

# **City of North Olmsted**

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2015*

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## **Notes to the Basic Financial Statements**

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found starting on page 35 of this report.

## **Other Information**

In addition to the basic financial statements and the accompanying notes, this report also presents certain other information that the City believes readers will find useful. After the notes to the basic financial statements, the combining statements referred to earlier in connection with non-major governmental funds are presented, as well as individual detailed budgetary comparisons for all funds. This information can be found starting on page 89 of this report.

**City of North Olmsted**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended December 31, 2015*

**The City of North Olmsted as a Whole**

The *Statement of Net Position* looks at the City as a whole. Table 1 provides a summary of the City's net position for 2015 compared to 2014.

Table 1  
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2015	Restated 2014	2015	Restated 2014	2015	Restated 2014
<b>Assets:</b>						
Current and other assets	\$ 40,753,502	\$ 38,265,828	\$ 7,400,073	\$ 5,791,925	\$ 48,153,575	\$ 44,057,753
Capital assets, net	49,803,680	52,599,548	76,751,873	77,315,212	126,555,553	129,914,760
Net pension asset	34,080	9,288	11,116	3,030	45,196	12,318
Total assets	<u>90,591,262</u>	<u>90,874,664</u>	<u>84,163,062</u>	<u>83,110,167</u>	<u>174,754,324</u>	<u>173,984,831</u>
<b>Deferred outflows of resources:</b>						
Loss on refunding	347,359	236,117	132,631	154,738	479,990	390,855
Pension	<u>3,393,510</u>	<u>2,141,381</u>	<u>351,576</u>	<u>237,541</u>	<u>3,745,086</u>	<u>2,378,922</u>
Total deferred outflows of resources	<u>3,740,869</u>	<u>2,377,498</u>	<u>484,207</u>	<u>392,279</u>	<u>4,225,076</u>	<u>2,769,777</u>
<b>Liabilities:</b>						
Current liabilities	987,793	1,286,747	1,121,080	2,468,685	2,108,873	3,755,432
<b>Long-term liabilities:</b>						
Due within one year	6,242,470	5,918,428	4,580,969	2,419,406	10,823,439	8,337,834
Other amounts due in more than one year	21,105,084	22,405,846	57,620,221	59,316,949	78,725,305	81,722,795
Net pension liability	<u>23,351,150</u>	<u>22,164,008</u>	<u>1,843,485</u>	<u>1,801,847</u>	<u>25,194,635</u>	<u>23,965,855</u>
Total liabilities	<u>51,686,497</u>	<u>51,775,029</u>	<u>65,165,755</u>	<u>66,006,887</u>	<u>116,852,252</u>	<u>117,781,916</u>
<b>Deferred inflows of resources</b>						
Property taxes	8,988,265	8,760,211	-	-	8,988,265	8,760,211
Payments in lieu of taxes	797,818	-	-	-	797,818	-
Pension	<u>109,694</u>	<u>-</u>	<u>35,776</u>	<u>-</u>	<u>145,470</u>	<u>-</u>
Total deferred inflows of resources	<u>9,895,777</u>	<u>8,760,211</u>	<u>35,776</u>	<u>-</u>	<u>9,931,553</u>	<u>8,760,211</u>
<b>Net position:</b>						
Net investment in capital assets	27,813,444	29,341,888	14,995,099	14,085,646	42,808,543	43,427,534
Restricted	16,911,109	15,588,152	-	-	16,911,109	15,588,152
Unrestricted	<u>(11,974,696)</u>	<u>(12,213,118)</u>	<u>4,450,639</u>	<u>3,409,913</u>	<u>(7,524,057)</u>	<u>(8,803,205)</u>
Total Net Position	\$ <u>32,749,857</u>	\$ <u>32,716,922</u>	\$ <u>19,445,738</u>	\$ <u>17,495,559</u>	\$ <u>52,195,595</u>	\$ <u>50,212,481</u>

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

## City of North Olmsted

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2015*

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

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

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

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

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

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

## **City of North Olmsted**

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2015*

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As a result of implementing GASB 68, the City is reporting a net pension asset/liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2014, for government activities from \$52,730,261 to \$32,716,922 and business-type activities from \$19,056,835 to \$17,495,559.

Net position may serve over time as a useful indicator of a government's financial position. For the City of North Olmsted, total assets exceed total liabilities by \$52,195,595 as of December 31, 2015, which is a \$1,983,114 increase from the prior year. At the end of the current year, the City of North Olmsted is able to report positive balances in the net investment in capital assets and restricted net position. Unrestricted net position is negative as a result of GASB 68.

The largest portion of the City's net position (82.0 percent) reflects the investments in capital assets (land, construction in progress, buildings, improvements other than buildings, machinery and equipment, furniture and fixtures and infrastructure) less any related debt to acquire those assets that remains outstanding. These capital assets are used to provide services to the City's citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Total assets for 2015 increased \$769,493 when compared to 2014 and total liabilities decreased by \$929,664. The primary contributor to the increase was cash and cash equivalents, which increased due to charges for services exceeding sewer revenue expenditures and charges for services in the Hospitalization fund exceeding claim payments during 2015. The decrease in total liabilities is primarily due to a decrease in the City's current liabilities which can also be attributed to retainage payable which was reduced as the wastewater improvement project neared completion.

In order to further understand what makes up the changes in net position for the current year, Table 2 provides further details regarding the results of activities for the current year.

**City of North Olmsted**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended December 31, 2015*

Table 2  
Changes in Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>Restated 2014</u>	<u>2015</u>	<u>Restated 2014</u>	<u>2015</u>	<u>Restated 2014</u>
Revenues:						
Program revenues:						
Charges for services	\$ 5,810,010	\$ 5,208,835	\$ 10,876,621	\$ 10,393,338	\$ 16,686,631	\$ 15,602,173
Operating grants and contributions	2,036,867	1,796,331	-	-	2,036,867	1,796,331
Capital grants and contributions	<u>42,447</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,447</u>	<u>-</u>
Total program revenues	<u>7,889,324</u>	<u>7,005,166</u>	<u>10,876,621</u>	<u>10,393,338</u>	<u>18,765,945</u>	<u>17,398,504</u>
General revenues:						
Property taxes and other taxes	9,558,074	9,183,826	-	-	9,558,074	9,183,826
Municipal income taxes	14,039,569	13,926,264	-	-	14,039,569	13,926,264
Grants and entitlements	2,554,370	2,201,218	-	-	2,554,370	2,201,218
Other	<u>112,075</u>	<u>103,669</u>	<u>-</u>	<u>-</u>	<u>112,075</u>	<u>103,669</u>
Total general revenues	<u>26,264,088</u>	<u>25,414,977</u>	<u>-</u>	<u>-</u>	<u>26,264,088</u>	<u>25,414,977</u>
Total revenues	<u>34,153,412</u>	<u>32,420,143</u>	<u>10,876,621</u>	<u>10,393,338</u>	<u>45,030,033</u>	<u>42,813,481</u>
Program expenses:						
General government	4,516,867	4,200,635	-	-	4,516,867	4,200,635
Security of persons and property	14,205,425	12,948,527	-	-	14,205,425	12,948,527
Public health and welfare	551,565	529,304	-	-	551,565	529,304
Transportation	8,416,485	9,608,806	-	-	8,416,485	9,608,806
Basic utility services	1,929,636	1,920,086	-	-	1,929,636	1,920,086
Leisure time activities	3,136,618	2,850,349	-	-	3,136,618	2,850,349
Economic development	275,635	328,696	-	-	275,635	328,696
Interest and fiscal charges	1,049,394	941,826	-	-	1,049,394	941,826
Springvale Golf Course and Ballroom	-	-	1,557,162	1,547,407	1,557,162	1,547,407
Sewer	<u>-</u>	<u>-</u>	<u>7,408,132</u>	<u>6,311,785</u>	<u>7,408,132</u>	<u>6,311,785</u>
Total program expenses	<u>34,081,625</u>	<u>33,328,229</u>	<u>8,965,294</u>	<u>7,859,192</u>	<u>43,046,919</u>	<u>41,187,421</u>
Change in net position before transfers	71,787	(908,086)	1,911,327	2,534,146	1,983,114	1,626,060
Transfers	<u>(38,852)</u>	<u>40,223</u>	<u>38,852</u>	<u>(40,223)</u>	<u>-</u>	<u>-</u>
Change in net position	32,935	(867,863)	1,950,179	2,493,923	1,983,114	1,626,060
Net position, beginning of year	<u>32,716,922</u>	<u>n/a</u>	<u>17,495,559</u>	<u>n/a</u>	<u>50,212,481</u>	<u>n/a</u>
Net position, end of year	\$ <u>32,749,857</u>	\$ <u>32,716,922</u>	\$ <u>19,445,738</u>	\$ <u>17,495,559</u>	\$ <u>52,195,595</u>	\$ <u>50,212,481</u>

## City of North Olmsted

Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended December 31, 2015

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### Effects of GASB 68

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$2,141,381 in the governmental activities and \$237,541 in the business-type activities computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$2,346,955 in the governmental activities and \$207,829 in the business-type activities. Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Total 2015 program expenses under GASB 68	\$ 34,081,625	\$ 8,965,294
Pension expense under GASB 68	(2,346,955)	(207,829)
2015 Contractually required contribution	<u>2,327,040</u>	<u>252,536</u>
Adjusted 2015 program expenses	34,061,710	9,010,001
Total 2014 program expenses under GASB 27	<u>33,328,229</u>	<u>7,859,192</u>
Increase in program expenses not related to pension	\$ <u><u>733,481</u></u>	\$ <u><u>1,150,809</u></u>

### Governmental Activities

Overall, total governmental activities revenues increased by \$1,733,269. Program revenues represent 23.1 percent of the total governmental activities revenues. This includes charges for services and both operating and capital grants. Program revenues increased in 2015 by \$884,158, a result of an increase in charges for services of \$601,175 and an increase in operating and capital grants of \$282,983. The increase in grants can be mostly attributed to the Assistance to Firefighters Grant program operated by FEMA which was used to purchase self-contained breathing apparatus used by the Fire Department.

General revenues represent the other 76.9 percent of total governmental activities with municipal income taxes at 41.1 percent, property and other local taxes at 28.0 percent and grants, entitlements and other miscellaneous revenues representing the remaining 7.8 percent. General revenues increased in 2015 by \$849,111.

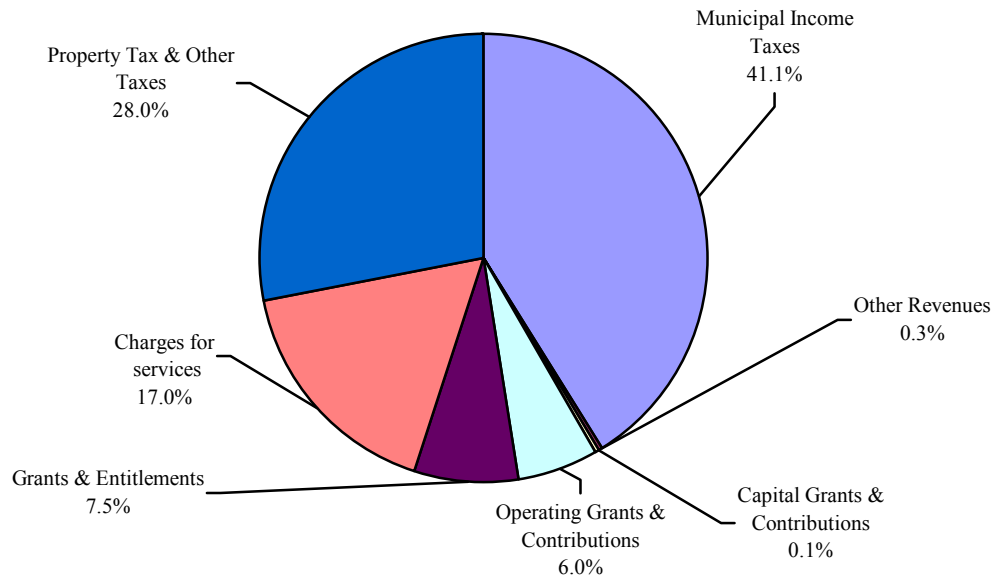
Municipal income tax revenue, which comprises the City's largest source of general revenues, increased \$113,305 from 2014, which is only an increase of approximately 1 percent. The increase in income taxes is due to increased amount collected from net profit business collections and individual tax payer collections which is a result of the gradually improving economy. Property and other local taxes increased by \$374,248 which reflects the initial year of collection for the Great Northern TIF. Grants and entitlements increased \$353,152 in 2015, or approximately 16.0 percent. Other general revenues increased by \$8,406 in 2015.

**City of North Olmsted**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended December 31, 2015*

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**Revenues by Source, Governmental Activities**



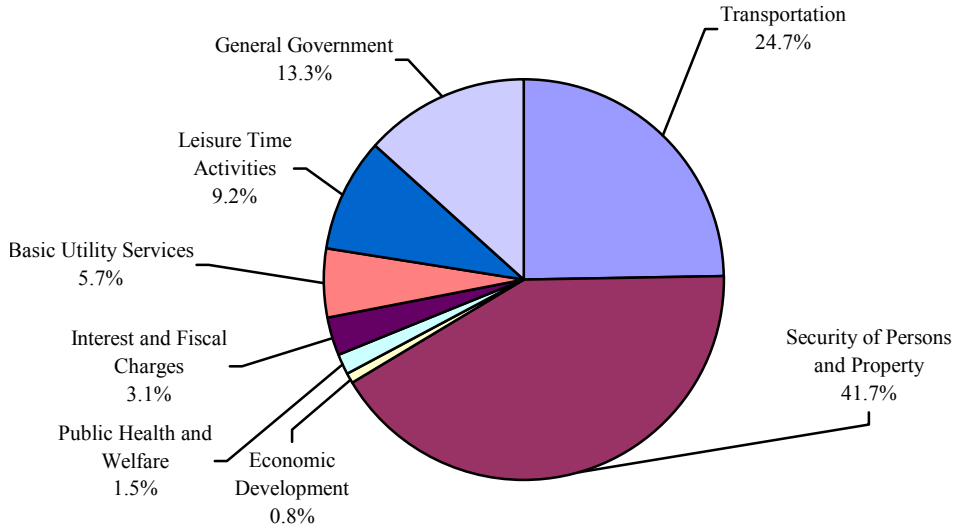
In total, the City's governmental activities experienced an increase in 2015 expenses of \$753,396. Major factors contributing to the overall increase in expenses was an increase in security of persons and property, general government and leisure time activities. These increases were offset by a decrease in transportation. The remaining costs of Governmental Activities remained relatively stable as a result of the city's ability to control costs.

The City's expenses are categorized by function. Security of persons and property is the City's largest program function and represented 41.7 percent of program expenses in 2015. This includes the cost of providing police, dispatch, fire, and paramedic services. The second largest program function is transportation, which represents 24.7 percent of program expenses in 2015. This includes the cost of providing all public works services such as street and storm channel maintenance and improvements, public property maintenance, snow removal, brush removal and equipment maintenance. General government represents 13.3 percent of program expenses. This includes all the general governmental expenses used by the entire City such as council, mayor, administration, finance, law, human resources, information technologies, etc.



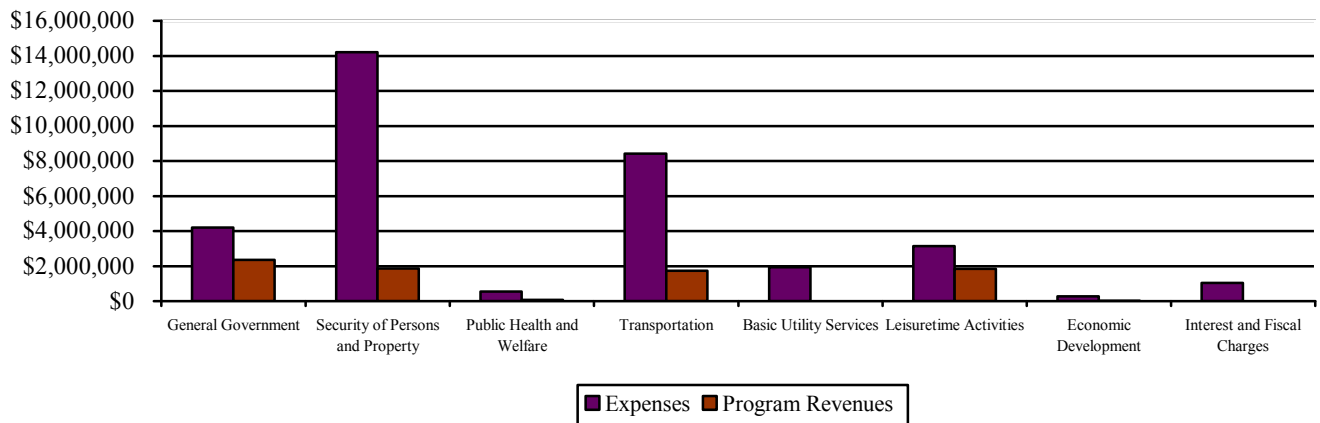
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**Expenses by Function, Governmental Activities**



As can be seen in the chart below, all programs have a heavy reliance on general revenues, with 76.9 percent of total 2015 revenues coming from general revenues.

**Expenses and Program Revenues Governmental Activities**



# City of North Olmsted

Management's Discussion and Analysis (Unaudited)

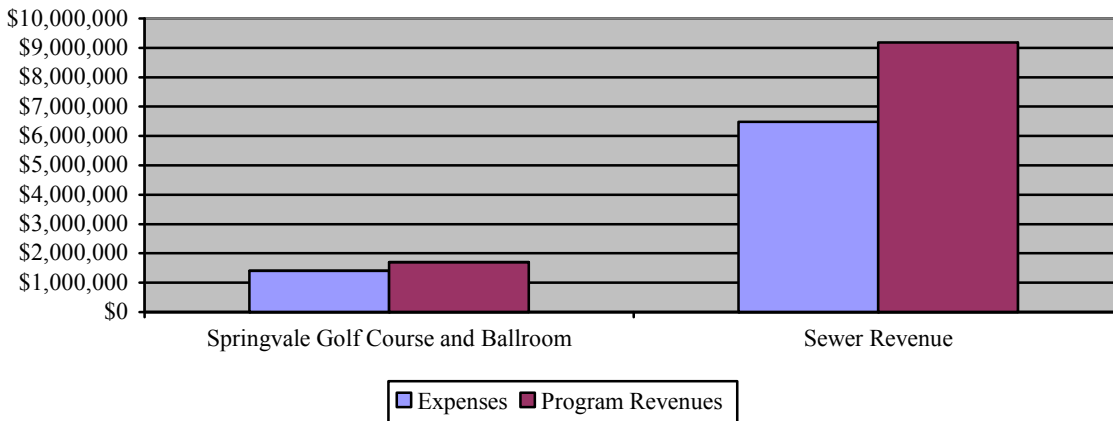
For the Fiscal Year Ended December 31, 2015

## Business-Type Activities

Overall, total business-type activities revenue increased \$483,283 in 2015. Charges for services are the primary source of program revenues for the business-type activities. The Springvale Golf Course and Ballroom (Springvale) has both golf and event revenues. The sewer plant and collection system operations (WWTP) represent the largest share of the charges for services. Sewer charges for services increased by 5.1 percent, which is a result of the increase in sewer rates in 2015. Springvale charges for services also increased in 2015, by 2.4 percent, which was primarily due to an increase in rounds of golf played, golf outings, and ballroom bar revenues. The increased golf revenues are attributable to favorable weather conditions experienced during 2015 as well as drainage improvements made to the Course which resulted in fewer closed days due to rain. These two conditions resulted in 16.8 percent more rounds of golf being played.

Business-type activities expense increased in 2015 by \$1,106,102, from the prior year. Sewer expenses increased by 8.0 percent, while the Springvale expenses decreased by 0.2 percent in 2015. The increase in Sewer expenses was due to building roof repairs and increased utility expenses as the plant improvements begin to operate.

### Expenses and Program Revenues Business-Type Activities



## City of North Olmsted

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2015*

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### **Financial Analysis of the City's Funds**

The City of North Olmsted uses fund accounting as mandated by governmental legal requirements. The importance of accounting and reporting using this method is to demonstrate compliance with these 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, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Information about the City's governmental funds begins on page 24. These funds are accounted for by using the modified accrual basis of accounting.

As of December 31, 2015, the City's governmental funds reported combined ending fund balances of \$22,907,239. Of that amount, \$21,608,448 constitutes fund balances in a spendable form. The remaining \$1,298,791 fund balance is reported as nonspendable to indicate that it is not available for spending because it cannot be used to liquidate future liabilities because it will not be in a spendable form in the next year.

All governmental funds had total revenues of \$34,432,348 and expenditures of \$43,296,289, resulting in a deficiency of revenues under expenditures of \$8,863,941. After consideration of \$10,433,938 in net other financing sources, the current year net change in fund balance was \$1,569,997.

The General Fund is the most significant fund as it is the source for providing a significant portion of major governmental activities such as police, fire, service, legislative and administrative functions. In 2015, the General Fund had total revenues of \$19,749,270 and expenditures of \$19,635,711, resulting in an increase in fund balance of \$16,519 after consideration of \$(97,040) in net other financing uses, for an ending fund balance at December 31, 2015 of \$7,182,403. General Fund revenues increased \$380,178 from 2014, while expenditures increased by \$3,753. The increase in General Fund revenues was due to an increase in charges for services, and property and other local taxes revenues. The increase in property and other local taxes of \$221,965 was due to the initial year of collection for the Great Northern TIF. The increase in charges for services of \$276,257 was due to an increase in revenues associated with EMS billing and court costs collected by the Mayor's Court.

The Permanent Improvements Fund accounts for 15 percent of the municipal income tax receipts and expenditures for the permanent improvement of streets and storm sewer system. In 2015, the Permanent Improvements Fund had total revenues of \$2,138,385 and expenditures of \$5,050,241, resulting in an increase in fund balance of \$1,141,528 after consideration of \$4,053,384 in net other financing sources, for an ending fund balance at December 31, 2015 of \$3,765,510. Revenues decreased by \$35,176 from the prior year primarily due to a decrease in grants revenue during the year. Expenditures increased from the prior year by \$4,367,579 as a result of note principal being paid due to the bond refunding issuance.

The Capital Improvements fund had total revenues of \$34,654 and expenditures of \$5,248,067, resulting in a deficiency of revenues under expenditures of \$5,213,413. After consideration of \$4,870,000 in net other financing sources, the fund balance decreased \$343,413.

## **City of North Olmsted**

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2015*

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The General Obligation Bond Retirement Fund accounts for resources that are used for payments of principal and interest and fiscal charges on general obligation debt. In 2015, the General Obligation Bond Retirement Fund had total revenues of \$2,742,109 and expenditures of \$3,734,066 resulting in an increase in fund balance of \$565,663 after consideration of \$1,557,620 in net other financing sources, for an ending fund balance at December 31, 2015 of \$6,331,984. The General Obligation Bond Retirement Fund revenues increased \$48,929 in 2015. This increase was primarily due to more property tax received in 2015 as a result of increased property valuations for tax year 2014 (collection year 2015). The expenditures are set by the bond and note payments and increased from the prior year due to the initial year of payment on the OWDA Loan for the wastewater treatment plant improvements. In addition, as the City's overall debt balances decrease, the annual debt payments also decrease.

### ***General Fund Budgeting Highlights***

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund. The City amended its General Fund budget at various times throughout fiscal year 2015. All recommendations for budget amendments are initially presented to the Finance Committee of City Council for review before they are presented to the whole City Council for Ordinance enactment on the change. Budgetary modifications between the legal level of control categories may only be made by resolution of the City Council. The City allows intra-department budget modifications if they are within the same legal level of control category. The General Fund supports many of the City's major activities such as the police, fire and service departments, as well as most legislative and administrative activities. The General Fund is monitored closely, looking for possible revenue shortfalls or potential overspending by individual departments.

For the General Fund, the original budgeted revenues and other financing sources were \$18,852,247. The final budgeted revenues and other financing sources were \$19,536,126. The City actually received \$20,317,182 in 2015. While the excess was a result of greater than anticipated revenues across several revenue types, the more significant variances were property and other local taxes, intergovernmental and charges for services. The City was conservative with its estimate for municipal income taxes, and received more from payroll withholding and from individuals than anticipated. The City's intergovernmental revenues were also greater than expected due to the City receiving approximately \$195,000 more in local government revenue than was budgeted from the County and State. Additionally, property and other local taxes were higher than budgeted. Charges for service revenue was greater than anticipated due to the City's conservative estimates for only the third year of the Mayor's Court program.

The original appropriations, including other financing uses for the General Fund were \$21,369,975. The final appropriations, including other financing uses, were \$21,985,657. Actual expenditures, excluding other financing uses ended \$1,778,313 below the final budgeted amount. This was most notable in fuel expenses where favorable fuel prices contributed to a savings for the City. General government expenditures were less than budgeted across all areas in 2015, but the greatest variance was for wages and benefits due to attrition and timing of replacements. Expenditures exceeded revenues by \$79,068 before the \$213,906 net other financing sources. This resulted in a net increase of the General Fund balance of \$134,838.

**City of North Olmsted**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended December 31, 2015*

**Capital Assets and Debt Administration**

***Capital Assets***

	Governmental Activities		Business-Type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Land	\$ 4,445,992	\$ 4,445,992	\$ 2,340,714	\$ 2,340,714	\$ 6,786,706	\$ 6,786,706
Construction in progress	2,479,979	1,590,295	45,412,758	44,549,356	47,892,737	46,139,651
Other non-depreciable assets	23,000	23,000	-	-	23,000	23,000
Land improvements	1,065,367	1,112,179	1,022,617	1,067,370	2,087,984	2,179,549
Buildings and improvements	14,079,795	14,620,950	5,358,855	5,601,804	19,438,650	20,222,754
Furniture and fixtures	41,915	45,924	12,902	13,684	54,817	59,608
Vehicles and equipment	2,596,447	2,756,023	13,970,204	14,756,793	16,566,651	17,512,816
Infrastructure	25,071,185	28,005,185	8,633,823	8,985,491	33,705,008	36,990,676
Total	\$ <u>49,803,680</u>	\$ <u>52,599,548</u>	\$ <u>76,751,873</u>	\$ <u>77,315,212</u>	\$ <u>126,555,553</u>	\$ <u>129,914,760</u>

Total capital assets net of depreciation of the City's governmental activities as of December 31, 2015, were \$49,803,680, which was \$2,795,868 lower than December 31, 2014. The most significant additions were in roads of \$1,254,032 and construction in progress of \$1,015,567. In 2015, the largest construction in progress addition was the Recreation Center renovations. The capital asset additions were offset by annual depreciation expense of \$5,392,301.

Business-type activities net capital assets decreased by \$563,339 from 2014 which is primarily due to the annual depreciation expense of \$1,950,067, which was offset by CIP additions of \$863,402 which related to improvements for the City's sanitary sewer plant. For additional information see Note 9 to the basic financial statements.

***Debt and Other Long-Term Obligations***

As of December 31, 2015, the City of North Olmsted had \$114,743,379 in total debt and other long-term obligations outstanding with \$10,823,439 due within one year.

	Governmental Activities		Business-Type Activities		Totals	
	2015	2014	2015	2014	2015	2014
General obligation bonds	\$ 22,169,951	\$ 20,750,420	\$ 4,867,110	\$ 6,463,388	\$ 27,037,061	\$ 27,213,808
OWDA loan	-	-	56,857,460	54,244,535	56,857,460	54,244,535
OPWC loans	-	-	65,167	195,500	65,167	195,500
Police pension liability	77,728	81,218	-	-	77,728	81,218
Long-term notes	-	2,425,000	-	-	-	2,425,000
Compensated absences	4,813,691	4,717,759	392,846	402,802	5,206,537	5,120,561
Claims payable	118,540	186,015	-	-	118,540	186,015
Capital lease payable	167,644	163,862	23,375	28,325	191,019	192,187
Net pension liability	23,351,150	22,164,008	1,843,485	1,801,847	25,194,635	23,965,855
Other long-term liabilities	-	-	-	401,805	-	401,805
Total	\$ <u>50,698,704</u>	\$ <u>50,488,282</u>	\$ <u>64,044,675</u>	\$ <u>63,538,202</u>	\$ <u>114,743,379</u>	\$ <u>114,026,484</u>

## **City of North Olmsted**

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2015*

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The general obligation bonds are composed of many various purposes which include street and storm improvements, sanitary sewer improvements, equipment, computerization, golf course purchase and improvements, recreation center and parks improvements, city building improvements and new library and fire station construction. Many revenue sources assist in the payment of debt service.

The City has several OPWC and OWDA loans outstanding; however, the OPWC loans are interest-free loans.

The State of Ohio statute limits the amount of general obligation debt a governmental entity may issue to 10.5 percent of the total assessed valuation. The City's overall legal debt margin was \$65,677,672 at December 31, 2015. This represents the aggregate principal amount of additional voted and unvoted debt which the City may issue over and above what the City currently has outstanding without exceeding the limitation. This calculation does not take into account the City's ability to repay such debt levels within current resources. Additional information concerning the City's debt can be found in Notes 10, 13, 14 and 15 to the basic financial statements.

### **Economic Factors and Next Year's Budget**

The City of North Olmsted continues to experience many financial challenges as the State and our regional economy have not recovered from the recession. Though the City will never regain the \$1 million in State revenue cuts, there have been some positive economic indicators in 2015. The municipal income tax revenue increased higher than the last four years with an increase of 2.5 percent in 2012, 6.1 percent in 2013, 6.6 percent in 2014, and 1.0 percent in 2015. The housing market has improved with the highest sales and average sales price since the recession, 499 and \$126,838, respectively. The City building permits increased by 7 percent and there are several large developments occurring in the next year as well. This enabled the City to strengthen and expand our 2016 property maintenance program budget.

### **Requests for Information**

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and show the City's accountability for all money it receives, spends, or invests. If you have any questions about this report or need financial information, contact the Director of Finance, City of North Olmsted, 5200 Dover Center Road, North Olmsted, Ohio, 44070; telephone 440-777-8000 or e-mail at [finance@north-olmsted.com](mailto:finance@north-olmsted.com).

# City of North Olmsted, Ohio

## Statement of Net Position

**December 31, 2015**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	North Olmsted Commission on Paratransit, Inc.
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 20,358,741	\$ 8,626,572	\$ 28,985,313	\$ 40,177
Accounts receivable	408,729	-	408,729	-
Materials and supplies inventory	326,268	184,629	510,897	-
Prepaid items	116,474	95,515	211,989	-
Internal balances	3,976,163	(3,976,163)	-	-
Intergovernmental receivable	2,524,254	2,469,520	4,993,774	-
Income taxes receivable	3,760,358	-	3,760,358	-
Taxes receivable - property and other	9,282,515	-	9,282,515	-
Non-depreciable capital assets	6,948,971	47,753,472	54,702,443	-
Depreciable capital assets, net	42,854,709	28,998,401	71,853,110	-
Net pension asset	34,080	11,116	45,196	-
Total assets	<u>90,591,262</u>	<u>84,163,062</u>	<u>174,754,324</u>	<u>40,177</u>
<b>Deferred outflows of resources:</b>				
Deferred loss on refunding	347,359	132,631	479,990	-
Pension	<u>3,393,510</u>	<u>351,576</u>	<u>3,745,086</u>	<u>-</u>
Total deferred outflows or resources	<u>3,740,869</u>	<u>484,207</u>	<u>4,225,076</u>	<u>-</u>
<b>Liabilities:</b>				
Accounts and contracts payable	378,429	196,901	575,330	-
Accrued wages and benefits	522,674	61,836	584,510	-
Intergovernmental payable	12,436	2,234	14,670	-
Retainage payable	-	81,061	81,061	-
Accrued interest payable	74,254	763,735	837,989	-
Matured compensated absences	-	15,313	15,313	-
<b>Long-term liabilities:</b>				
Due within one year	6,242,470	4,580,969	10,823,439	-
Due in more than one year	21,105,084	57,620,221	78,725,305	-
Net pension liability	<u>23,351,150</u>	<u>1,843,485</u>	<u>25,194,635</u>	<u>-</u>
Total liabilities	<u>51,686,497</u>	<u>65,165,755</u>	<u>116,852,252</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
Property taxes	8,988,265	-	8,988,265	-
Payments in lieu of taxes	797,818	-	797,818	-
Pension	<u>109,694</u>	<u>35,776</u>	<u>145,470</u>	<u>-</u>
Total deferred inflows of resources	<u>9,895,777</u>	<u>35,776</u>	<u>9,931,553</u>	<u>-</u>
<b>Net position:</b>				
Net investment in capital assets	27,813,444	14,995,099	42,808,543	-
<b>Restricted for:</b>				
Debt service	7,889,330	-	7,889,330	-
Capital projects	683,410	-	683,410	-
Community development	82,468	-	82,468	-
Highways and streets	6,091,819	-	6,091,819	-
Public safety	379,598	-	379,598	-
Recreation	16,513	-	16,513	-
Solid waste management	1,313,809	-	1,313,809	-
Federal and other grants	454,162	-	454,162	-
Unrestricted	<u>(11,974,696)</u>	<u>4,450,639</u>	<u>(7,524,057)</u>	<u>40,177</u>
Total net position	<u>\$ 32,749,857</u>	<u>\$ 19,445,738</u>	<u>\$ 52,195,595</u>	<u>\$ 40,177</u>

The accompanying notes are an integral part of these financial statements.

# City of North Olmsted, Ohio

## Statement of Activities

**For the Year Ended December 31, 2015**

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Governmental activities:				
General government	\$ 4,516,867	\$ 2,298,332	\$ 30,939	\$ 34,654
Security of persons and property	14,205,425	1,436,003	411,329	7,793
Public health and welfare	551,565	8,926	61,366	-
Transportation	8,416,485	210,341	1,526,293	-
Basic utility services	1,929,636	-	5,000	-
Leisure time activities	3,136,618	1,838,790	1,940	-
Economic development	275,635	17,618	-	-
Interest and fiscal charges	1,049,394	-	-	-
Total governmental activities	<u>34,081,625</u>	<u>5,810,010</u>	<u>2,036,867</u>	<u>42,447</u>
Business-type activities:				
Springvale golf course and ballroom	1,557,162	1,694,648	-	-
Sewer revenue	<u>7,408,132</u>	<u>9,181,973</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>8,965,294</u>	<u>10,876,621</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 43,046,919</u>	<u>\$ 16,686,631</u>	<u>\$ 2,036,867</u>	<u>\$ 42,447</u>
Component unit:				
North Olmsted Commission on Paratransit, Inc.	\$ <u>36</u>	\$ <u>1,210</u>	\$ <u>-</u>	\$ <u>-</u>

General revenues:  
 Property taxes levied for:  
   General purposes  
   Recreation  
   Fire pension  
   Police pension  
   Debt service  
 Municipal income taxes levied for:  
   General purposes  
   Solid waste management  
   Capital outlay  
 Grants and entitlements not restricted  
 to specific programs  
 Investment income  
 Miscellaneous income  
 Total general revenues  
 Transfers  
 Total general revenues and transfers  
 Change in net position  
 Net position, beginning of year, restated  
 Net position, end of year

The accompanying notes are an integral part of these financial statements.



Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business- Type Activities	Total	North Olmsted Commission on Paratransit, Inc.
\$ (2,152,942)	\$ -	\$ (2,152,942)	\$ -
(12,350,300)	-	(12,350,300)	-
(481,273)	-	(481,273)	-
(6,679,851)	-	(6,679,851)	-
(1,924,636)	-	(1,924,636)	-
(1,295,888)	-	(1,295,888)	-
(258,017)	-	(258,017)	-
<u>(1,049,394)</u>	<u>-</u>	<u>(1,049,394)</u>	<u>-</u>
<u>(26,192,301)</u>	<u>-</u>	<u>(26,192,301)</u>	<u>-</u>
-	137,486	137,486	-
<u>-</u>	<u>1,773,841</u>	<u>1,773,841</u>	<u>-</u>
<u>-</u>	<u>1,911,327</u>	<u>1,911,327</u>	<u>-</u>
<u>(26,192,301)</u>	<u>1,911,327</u>	<u>(24,280,974)</u>	<u>-</u>
-	-	-	1,174
5,015,079	-	5,015,079	-
826,125	-	826,125	-
206,540	-	206,540	-
205,744	-	205,744	-
3,304,586	-	3,304,586	-
9,827,697	-	9,827,697	-
2,105,936	-	2,105,936	-
2,105,936	-	2,105,936	-
2,554,370	-	2,554,370	-
36,912	-	36,912	-
<u>75,163</u>	<u>-</u>	<u>75,163</u>	<u>-</u>
26,264,088	-	26,264,088	-
<u>(38,852)</u>	<u>38,852</u>	<u>-</u>	<u>-</u>
<u>26,225,236</u>	<u>38,852</u>	<u>26,264,088</u>	<u>-</u>
32,935	1,950,179	1,983,114	1,174
<u>32,716,922</u>	<u>17,495,559</u>	<u>50,212,481</u>	<u>39,003</u>
\$ <u><u>32,749,857</u></u>	\$ <u><u>19,445,738</u></u>	\$ <u><u>52,195,595</u></u>	\$ <u><u>40,177</u></u>

# City of North Olmsted, Ohio

## Balance Sheet Governmental Funds

**December 31, 2015**

	<u>General</u>	<u>Permanent Improvements</u>	<u>Capital Improvements</u>	<u>General Obligation Bond Retirement</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>						
Current assets:						
Equity in pooled cash and cash equivalents	\$ 4,747,389	\$ 3,479,918	\$ 584,546	\$ 2,608,826	\$ 4,512,647	\$ 15,933,326
Income taxes receivable	2,632,250	564,054	-	-	564,054	3,760,358
Taxes receivable - property and other	4,669,532	-	-	2,295,789	2,317,194	9,282,515
Intergovernmental receivable	678,556	219	-	218,357	1,627,122	2,524,254
Accounts receivable	375,442	-	-	-	33,287	408,729
Interfund receivable	-	-	-	3,723,158	-	3,723,158
Materials and supplies inventory	225,179	-	-	-	101,089	326,268
Prepaid items	92,724	-	-	-	23,750	116,474
Non-current assets:						
Advances to other funds	856,049	-	-	-	-	856,049
Total assets	<u>\$ 14,277,121</u>	<u>\$ 4,044,191</u>	<u>\$ 584,546</u>	<u>\$ 8,846,130</u>	<u>\$ 9,179,143</u>	<u>\$ 36,931,131</u>
<b>Liabilities, deferred inflows of resources and fund balances:</b>						
<b>Liabilities:</b>						
Accounts and contracts payable	\$ 163,176	\$ 34,085	\$ 24,892	\$ -	\$ 107,918	\$ 330,071
Accrued wages and benefits	466,449	-	-	-	56,225	522,674
Intergovernmental payable	3,109	-	-	-	5,724	8,833
Total liabilities	<u>632,734</u>	<u>34,085</u>	<u>24,892</u>	<u>-</u>	<u>169,867</u>	<u>861,578</u>
<b>Deferred inflows or resources:</b>						
Property taxes	4,527,923	-	-	2,230,171	2,230,171	8,988,265
Payments in lieu of taxes	-	-	-	-	797,818	797,818
Unavailable revenues	1,934,061	244,596	-	283,975	913,599	3,376,231
Total deferred inflows of resources	<u>6,461,984</u>	<u>244,596</u>	<u>-</u>	<u>2,514,146</u>	<u>3,941,588</u>	<u>13,162,314</u>
<b>Fund balances:</b>						
Nonspendable	1,173,952	-	-	-	124,839	1,298,791
Restricted	-	-	559,654	6,331,984	3,556,019	10,447,657
Committed	42,000	3,765,510	-	-	1,386,830	5,194,340
Assigned	4,237,354	-	-	-	-	4,237,354
Unassigned	1,729,097	-	-	-	-	1,729,097
Total fund balances	<u>7,182,403</u>	<u>3,765,510</u>	<u>559,654</u>	<u>6,331,984</u>	<u>5,067,688</u>	<u>22,907,239</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 14,277,121</u>	<u>\$ 4,044,191</u>	<u>\$ 584,546</u>	<u>\$ 8,846,130</u>	<u>\$ 9,179,143</u>	<u>\$ 36,931,131</u>

The accompanying notes are an integral part of these financial statements.

# City of North Olmsted, Ohio

## Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities

**December 31, 2015**

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Total governmental fund balances \$ 22,907,239

*Amounts reported for governmental activities in the Statement of Net Position are different because:*

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 49,803,680

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

Property and other taxes	\$ 264,461	
Municipal income taxes	1,629,179	
Intergovernmental	1,383,809	
Charges for services	<u>98,782</u>	
Total		3,376,231

In the Statement of Activities, interest is accrued on outstanding long-term obligations, whereas in governmental funds, an interest expenditure is reported when due. (74,254)

Long-term liabilities are not due and payable in the current period and are therefore not reported in the funds.

Police pension liability	(77,728)	
General obligation bonds	(22,169,951)	
Deferred charge on refunding	347,359	
Capital leases payable	(167,644)	
Compensated absences	<u>(4,813,691)</u>	
Total		(26,881,655)

Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.

Net position	4,254,914	
Internal balances	<u>(603,044)</u>	
Total		3,651,870

The net pension liability / asset are not due and payable / receivable in the current period; therefore, the liability / asset and related deferred inflows / outflows are not reported in governmental funds.

Net Pension Asset	34,080	
Deferred Outflows	3,393,510	
Net Pension Liability	(23,351,150)	
Deferred Inflows	<u>(109,694)</u>	
Total		<u>(20,033,254)</u>

*Net position of governmental activities* \$ 32,749,857

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

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

### **For the Year Ended December 31, 2015**

	<u>General</u>	<u>Permanent Improvements</u>	<u>Capital Improvements</u>	<u>General Obligation Bond Retirement</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>						
Property and other local taxes	\$ 4,721,268	\$ -	\$ -	\$ 2,295,684	\$ 2,636,994	\$ 9,653,946
Municipal income taxes	9,977,088	2,137,948	-	-	2,137,948	14,252,984
Payments in lieu of taxes	-	-	-	-	501,075	501,075
Charges for services	1,891,911	-	-	-	1,317,840	3,209,751
Fines, licenses and permits	1,484,657	-	-	-	391,992	1,876,649
Intergovernmental	1,584,522	437	34,654	444,401	2,119,054	4,183,068
Investment income	33,918	-	-	2,024	970	36,912
Miscellaneous income	55,906	-	-	-	662,057	717,963
Total revenues	<u>19,749,270</u>	<u>2,138,385</u>	<u>34,654</u>	<u>2,742,109</u>	<u>9,767,930</u>	<u>34,432,348</u>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	3,990,876	-	9,894	-	191,457	4,192,227
Security of persons and property	12,595,599	-	24,892	-	1,486,460	14,106,951
Public health and welfare	484,297	-	-	-	105,742	590,039
Transportation	2,284,917	1,989,562	-	-	1,796,079	6,070,558
Basic utility services	-	-	-	-	1,933,777	1,933,777
Leisure time activities	9,178	-	-	-	2,787,065	2,796,243
Economic development	263,322	-	-	-	9,105	272,427
Capital outlay	-	-	714,701	-	-	714,701
<b>Debt service:</b>						
Principal	4,105	3,042,500	4,477,500	3,122,000	895,902	11,542,007
Interest and fiscal charges	3,417	8,429	16,080	450,760	365,542	844,228
Issuance costs	-	9,750	5,000	161,306	57,075	233,131
Total expenditures	<u>19,635,711</u>	<u>5,050,241</u>	<u>5,248,067</u>	<u>3,734,066</u>	<u>9,628,204</u>	<u>43,296,289</u>
Excess (deficiency) of revenues over expenditures	<u>113,559</u>	<u>(2,911,856)</u>	<u>(5,213,413)</u>	<u>(991,957)</u>	<u>139,726</u>	<u>(8,863,941)</u>
<b>Other financing sources (uses):</b>						
Issuance of notes	-	2,660,000	2,435,000	-	-	5,095,000
Issuance of bonds	-	2,565,000	2,370,000	1,185,000	2,260,000	8,380,000
Premium on issuance of notes and bonds	-	95,000	65,000	197,211	161,357	518,568
Inception of capital lease	60,299	-	-	-	-	60,299
Sale of capital assets	16,033	-	-	-	-	16,033
Payment to refunded bond escrow agent	-	-	-	(1,230,546)	(2,362,729)	(3,593,275)
Transfers - in	53,354	-	-	1,405,955	143,815	1,603,124
Transfers - out	<u>(226,726)</u>	<u>(1,266,616)</u>	<u>-</u>	<u>-</u>	<u>(152,469)</u>	<u>(1,645,811)</u>
Total other financing sources (uses)	<u>(97,040)</u>	<u>4,053,384</u>	<u>4,870,000</u>	<u>1,557,620</u>	<u>49,974</u>	<u>10,433,938</u>
Net change in fund balances	16,519	1,141,528	(343,413)	565,663	189,700	1,569,997
Fund balances, beginning of year	<u>7,165,884</u>	<u>2,623,982</u>	<u>903,067</u>	<u>5,766,321</u>	<u>4,877,988</u>	<u>21,337,242</u>
Fund balances, end of year	\$ <u>7,182,403</u>	\$ <u>3,765,510</u>	\$ <u>559,654</u>	\$ <u>6,331,984</u>	\$ <u>5,067,688</u>	\$ <u>22,907,239</u>

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

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

### **For the Year Ended December 31, 2015**

Net change in fund balances - total governmental funds \$ 1,569,997

*Amounts reported for governmental activities in the Statement of  
Activities are different because:*

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

Capital outlay	\$	2,592,598	
Assets transferred in		5,900	
Depreciation transferred in		(2,065)	
Depreciation expense		<u>(5,392,301)</u>	
Total			(2,795,868)

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

Property and local taxes		(95,872)	
Municipal income taxes		(213,415)	
Charges for services		(50,817)	
Intergovernmental		<u>65,135</u>	
Total			(294,969)

Other financing sources in the governmental funds increase long-term liabilities in the Statement of Net Position.

Long-term notes issued		(5,095,000)	
General obligation bonds		(8,380,000)	
Premium on general obligation bonds		(518,568)	
Inception of capital lease		<u>(60,299)</u>	
Total			(14,053,867)

Repayment of long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

General obligation bonds		3,962,000	
Payment to escrow		3,593,275	
Long-term notes		7,520,000	
Police pension liability		3,490	
Capital leases		<u>56,517</u>	
Total			15,135,282

(Continued)

## City of North Olmsted, Ohio

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

#### **For the Year Ended December 31, 2015**

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

Accrued interest on bonds	(7,039)	
Compensated absences	(95,932)	
Amortization of premium	72,037	
Amortization of deferred loss on refunding	<u>(37,033)</u>	
Total		(67,967)

Internal service funds used by management to charge the costs of insurance to individual funds are not reported in the entity-wide Statement of Activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among governmental activities.

Change in net position	663,589	
Internal balances	<u>(103,347)</u>	
Total		560,242

Contractually required contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.

2,327,040

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

(2,346,955)

Change in net position of governmental activities

\$ 32,935

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other local taxes	\$ 4,483,042	\$ 4,483,042	\$ 4,719,310	\$ 236,268
Municipal income taxes	9,924,000	10,024,000	10,028,309	4,309
Charges for services	1,733,300	1,796,156	2,004,005	207,849
Licenses and permits	1,106,500	1,106,500	1,232,908	126,408
Fines, licenses and permits	229,000	246,749	249,937	3,188
Intergovernmental	1,201,751	1,201,751	1,396,715	194,964
Investment income	35,000	35,000	33,918	(1,082)
Miscellaneous income	<u>25,000</u>	<u>25,000</u>	<u>24,950</u>	<u>(50)</u>
Total revenues	<u>18,737,593</u>	<u>18,918,198</u>	<u>19,690,052</u>	<u>771,854</u>
Expenditures:				
Current:				
General government	4,153,852	4,318,010	4,034,354	283,656
Security of persons and property	12,397,709	12,757,040	12,021,745	735,295
Public health and welfare	511,131	522,302	473,101	49,201
Transportation	3,548,399	3,632,510	2,942,054	690,456
Basic utility services	34,800	34,800	24,485	10,315
Economic development	<u>285,860</u>	<u>282,771</u>	<u>273,381</u>	<u>9,390</u>
Total expenditures	<u>20,931,751</u>	<u>21,547,433</u>	<u>19,769,120</u>	<u>1,778,313</u>
Excess (deficiency) of revenues over expenditures	<u>(2,194,158)</u>	<u>(2,629,235)</u>	<u>(79,068)</u>	<u>2,550,167</u>
Other financing sources (uses):				
Sales of capital assets	30,000	30,000	39,202	9,202
Advances - in	34,654	34,654	34,654	-
Transfers - in	50,000	553,274	553,274	-
Transfers - out	<u>(438,224)</u>	<u>(438,224)</u>	<u>(413,224)</u>	<u>25,000</u>
Total other financing sources (uses)	<u>(323,570)</u>	<u>179,704</u>	<u>213,906</u>	<u>34,202</u>
Net change in fund balance	(2,517,728)	(2,449,531)	134,838	2,584,369
Prior year encumbrances	302,042	302,042	302,042	-
Fund balance, beginning of year	<u>2,548,122</u>	<u>2,548,122</u>	<u>2,548,122</u>	<u>-</u>
Fund balance, end of year	\$ <u>332,436</u>	\$ <u>400,633</u>	\$ <u>2,985,002</u>	\$ <u>2,584,369</u>

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

## Statement of Fund Net Position Proprietary Funds

**December 31, 2015**

	Business-Type Activities – Enterprise Funds			Governmental
	Springvale Golf Course and Ballroom	Sewer Revenue	Total	Internal Service Funds
<b>Assets:</b>				
Current assets:				
Equity in pooled cash and equivalents	\$ 228,938	\$ 8,397,634	\$ 8,626,572	\$ 4,425,415
Materials and supplies inventory	25,647	158,982	184,629	-
Prepaid items	9,896	85,619	95,515	-
Intergovernmental receivable	-	2,469,520	2,469,520	-
Total current assets	<u>264,481</u>	<u>11,111,755</u>	<u>11,376,236</u>	<u>4,425,415</u>
Non-current assets:				
Non-depreciable capital assets	2,284,834	45,468,638	47,753,472	-
Depreciable capital assets, net	2,780,368	26,218,033	28,998,401	-
Net pension asset	2,395	8,721	11,116	-
Total non-current assets	<u>5,067,597</u>	<u>71,695,392</u>	<u>76,762,989</u>	<u>-</u>
Total assets	<u>5,332,078</u>	<u>82,807,147</u>	<u>88,139,225</u>	<u>4,425,415</u>
<b>Deferred outflows or resources:</b>				
Deferred loss on refunding	85,777	46,854	132,631	-
Pension	75,733	275,843	351,576	-
Total deferred outflows or resources	<u>161,510</u>	<u>322,697</u>	<u>484,207</u>	<u>-</u>
<b>Liabilities:</b>				
Current:				
Accounts and contracts payable	14,198	182,703	196,901	48,358
Accrued wages and benefits	8,038	53,798	61,836	-
Intergovernmental payable	154	2,080	2,234	3,603
Interfund payable	3,156,952	566,206	3,723,158	-
Retainage payable	-	81,061	81,061	-
Accrued interest payable	10,140	753,595	763,735	-
Matured compensated absences	-	15,313	15,313	-
Claims payable	-	-	-	101,069
Accrued compensated absences	15,703	152,923	168,626	-
Capital lease payable	9,416	1,067	10,483	-
General obligation bond payable	504,000	1,399,000	1,903,000	-
OWDA loan payable	-	2,433,693	2,433,693	-
OPWC loan payable	-	65,167	65,167	-
Total current liabilities	<u>3,718,601</u>	<u>5,706,606</u>	<u>9,425,207</u>	<u>153,030</u>
Long-term liabilities (net of current portion):				
Advances from other funds	758,039	98,010	856,049	-
Claims payable	-	-	-	17,471
Accrued compensated absences	22,778	201,442	224,220	-
Capital lease payable	9,416	3,475	12,891	-
General obligation bonds payable	2,646,376	312,964	2,959,340	-
OWDA loan payable	-	54,423,770	54,423,770	-
Net pension liability	397,106	1,446,379	1,843,485	-
Total long-term liabilities	<u>3,833,715</u>	<u>56,486,040</u>	<u>60,319,755</u>	<u>17,471</u>
Total liabilities	<u>7,552,316</u>	<u>62,192,646</u>	<u>69,744,962</u>	<u>170,501</u>
<b>Deferred inflows of resources:</b>				
Pension	7,707	28,069	35,776	-
<b>Net position:</b>				
Net investment in capital assets	1,981,771	13,013,328	14,995,099	-
Unrestricted (deficit)	(4,048,206)	7,895,801	3,847,595	4,254,914
Total net position	\$ <u>(2,066,435)</u>	\$ <u>20,909,129</u>	<u>18,842,694</u>	\$ <u>4,254,914</u>

Net position reported for business-type activities in the Statement of Net Position are different because they include accumulated overpayments to the internal service funds:

	603,044
Net position business-type activities	\$ <u>19,445,738</u>

The accompanying notes are an integral part of these financial statements



# City of North Olmsted, Ohio

## Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds

### For the Year Ended December 31, 2015

	Business-Type Activities – Enterprise Funds			Governmental Activities
	Springvale Golf Course and Ballroom	Sewer Revenue	Total	Internal Service Funds
Operating revenues:				
Charges for services	\$ 1,694,648	\$ 9,181,973	\$ 10,876,621	\$ 3,551,655
Reimbursements	-	-	-	9,703
Total operating revenues	<u>1,694,648</u>	<u>9,181,973</u>	<u>10,876,621</u>	<u>3,561,358</u>
Operating expenses:				
Salaries	431,607	1,608,173	2,039,780	-
Benefits	102,271	640,537	742,808	-
Contractual services	314,333	2,023,322	2,337,655	618,193
Materials and supplies	340,126	466,915	807,041	-
Claims	-	-	-	2,279,576
Depreciation	212,799	1,737,268	1,950,067	-
Total operating expenses	<u>1,401,136</u>	<u>6,476,215</u>	<u>7,877,351</u>	<u>2,897,769</u>
Operating income	293,512	2,705,758	2,999,270	663,589
Non-operating revenues (expenses):				
Interest and fiscal charges	(141,366)	(1,022,755)	(1,164,121)	-
Issuance costs	(9,954)	-	(9,954)	-
Loss on disposal of capital assets	(17,215)	-	(17,215)	-
Other non-operating expenses	(3,835)	-	(3,835)	-
Total	<u>(172,370)</u>	<u>(1,022,755)</u>	<u>(1,195,125)</u>	<u>-</u>
Income before transfers	121,142	1,683,003	1,804,145	663,589
Transfers - in	14,182	68,729	82,911	-
Transfers - out	<u>(6,879)</u>	<u>(33,345)</u>	<u>(40,224)</u>	<u>-</u>
Change in net position	128,445	1,718,387	1,846,832	663,589
Net position, beginning of year, restated	<u>(2,194,880)</u>	<u>19,190,742</u>		<u>3,591,325</u>
Net position, end of year	\$ <u>(2,066,435)</u>	\$ <u>20,909,129</u>		\$ <u>4,254,914</u>
Some amounts reported for business-type activities in the Statement of Activities are different because a portion of the net expense of the internal service funds are reported with business-type activities:			<u>103,347</u>	
Change in net position business-type activities			\$ <u>1,950,179</u>	

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

## Statement of Cash Flows Proprietary Funds

**For the Year Ended December 31, 2015**

	Business-Type Activities – Enterprise Funds			Governmental
	Springvale Golf Course and Ballroom	Sewer Revenue	Total	Internal Service Funds
Cash flows from operating activities:				
Receipts from customers and users	\$ 1,694,648	\$ 9,187,892	\$ 10,882,540	\$ 3,551,655
Reimbursements	-	-	-	9,703
Cash paid for goods and services	(318,846)	(2,003,316)	(2,322,162)	(574,927)
Cash paid for materials and supplies	(338,361)	(494,605)	(832,966)	-
Cash paid for employee services and benefits	(560,349)	(2,313,858)	(2,874,207)	-
Cash paid for claims	-	-	-	(2,347,051)
Net cash provided by operating activities	<u>477,092</u>	<u>4,376,113</u>	<u>4,853,205</u>	<u>639,380</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(347,126)	(2,888,926)	(3,236,052)	-
Premium	11,626	-	11,626	-
Proceeds from capital debt - bonds	240,000	-	240,000	-
Proceeds from capital debt - notes	245,000	-	245,000	-
Proceeds from capital debt - loans payable	-	2,547,361	2,547,361	-
Bond issuance costs	(4,954)	-	(4,954)	-
Note issuance costs	(5,000)	-	(5,000)	-
Capital lease principal paid	(9,416)	(78)	(9,494)	-
Capital lease interest paid	-	(1)	(1)	-
Note interest paid	(686)	-	(686)	-
Note principal paid	(245,000)	-	(245,000)	-
Loan principal paid - OPWC	-	(130,333)	(130,333)	-
Loan principal paid - OWDA	-	(473,065)	(473,065)	-
Loan interest paid	-	(291,112)	(291,112)	-
General obligation bonds principal paid	(442,000)	(1,391,000)	(1,833,000)	-
Interest paid on general obligation bonds	(132,636)	(132,298)	(264,934)	-
Net cash used for capital and related financing activities	<u>(690,192)</u>	<u>(2,759,452)</u>	<u>(3,449,644)</u>	<u>-</u>
Cash flows from noncapital financing activities:				
Transfers - in	14,182	68,729	82,911	-
Advances - in	271,356	386,465	657,821	-
Transfers - out	(6,878)	(33,345)	(40,223)	-
Net cash provided by noncapital financing activities	<u>278,660</u>	<u>421,849</u>	<u>700,509</u>	<u>-</u>
Net increase in cash and cash equivalents	65,560	2,038,510	2,104,070	639,380
Cash and cash equivalents, beginning of year	<u>163,378</u>	<u>6,359,124</u>	<u>6,522,502</u>	<u>3,786,035</u>
Cash and cash equivalents, end of year	\$ <u>228,938</u>	\$ <u>8,397,634</u>	\$ <u>8,626,572</u>	\$ <u>4,425,415</u>

(Continued)

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

## Statement of Cash Flows (Continued) Proprietary Funds

**For the Year Ended December 31, 2015**

	Business-Type Activities – Enterprise Funds			Governmental
	Springvale Golf Course and Ballroom	Sewer Revenue	Total	Internal Service Funds
Reconciliation of operating income to net cash from operating activities:				
Operating income	\$ 293,512	\$ 2,705,758	\$ 2,999,270	\$ 663,589
Adjustments:				
Depreciation	212,799	1,737,268	1,950,067	-
Changes in assets and liabilities:				
Materials and supplies inventory	(890)	(39,527)	(40,417)	-
Intergovernmental receivable	-	5,919	5,919	-
Prepaid items	(722)	(23,332)	(24,054)	-
Net pension asset	(1,742)	(6,344)	(8,086)	-
Deferred outflows – pension	(24,564)	(89,471)	(114,035)	-
Accounts and contracts payable	(1,290)	61,002	59,712	47,528
Accrued wages and benefits	(8,637)	(43,632)	(52,269)	-
Intergovernmental payable	154	(5,827)	(5,673)	(4,262)
Claims payable	-	-	-	(67,475)
Matured compensated absences	-	15,313	15,313	-
Accrued compensated absences	(8,204)	(1,752)	(9,956)	-
Net pension liability	8,969	32,669	41,638	-
Deferred inflows - pension	7,707	28,069	35,776	-
Net cash provided by operating activities	\$ <u>477,092</u>	\$ <u>4,376,113</u>	\$ <u>4,853,205</u>	\$ <u>639,380</u>
Non-cash capital financing activities:				
Loan interest expense capitalized into loan principal	\$ -	\$ 538,633	\$ 538,633	\$ -
Change in capital assets purchased on credit	-	(2,371,450)	(2,371,450)	-
Increase in capital assets due to capitalized interest	-	(538,633)	(538,633)	-
Transfer of capital assets to governmental activities	(3,835)	-	(3,835)	-
Amortization of premium on bonds classified as interest expense	(5,292)	(14,382)	(19,674)	-
Amortization of deferred loss on refunding classified as interest expense	14,297	7,811	22,108	-
Capital assets financed by capital lease	-	4,543	4,543	-

**City of North Olmsted, Ohio**

Statement of Fiduciary Assets and Liabilities  
Agency Funds

**December 31, 2015**

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Assets:	
Equity in pooled cash and cash equivalents	\$ <u>754,550</u>
Liabilities:	
Deposits held and due to others	\$ <u>754,550</u>

# City of North Olmsted, Ohio

## Notes to the Basic Financial Statements

### **For the Year Ended December 31, 2015**

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#### **Note 1: Description of the City and Reporting Entity**

The City of North Olmsted, Ohio, (the “City”) was chartered in 1959 under the laws of the State of Ohio. The City operates a Mayor-Council form of government.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading.

The City’s primary government consists of all funds and departments which are not legally separate from the City. They include police and fire fighting forces, sewer services, a golf course, a street maintenance service, planning and zoning, and a staff to provide necessary support to these service providers.

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.

A discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize it is legally separated from the City.

North Olmsted Commission on Paratransit, Inc. (N.O.C.O.P.) provided transportation to the residents of the City of North Olmsted, the City of Olmsted Falls and Olmsted Township who were 60 years of age or older or disabled. N.O.C.O.P. was formed in 1992 and was governed by a Board of Trustees which consisted of nine members. The following four members were automatic members of the Board of Trustees: The Mayor of the City of North Olmsted or designee, the Finance Director of the City of North Olmsted or designee, a member of the Finance Committee of the North Olmsted City Council as designated by the Chairman of the Committee and the President of the North Olmsted City Council. The remaining members of the Board of Trustees were elected by the membership as provided in its by-laws. N.O.C.O.P. utilized the services of a third-party provider, Senior Transportation Connection, to provide transportation services to the residents. Fares were collected by the provider based on the destination and frequency that the service was used. The three communities shared costs or deficits on a prorated agreement based on each community’s population. Effective September 1, 2013, Olmsted Township terminated its membership with NOCOP. In 2013, the formula was as follows for January through August: the City of North Olmsted contributed 65.46 percent, the City of Olmsted Falls contributed 10.39 percent and Olmsted Township contributed 24.15 percent. As of September 1, 2013, the City of North Olmsted contributed 86.3 percent and the City of Olmsted Falls contributed 13.7 percent. Effective January, 1, 2014, the City of North Olmsted and the City of Olmsted Falls each entered into individual contracts with Senior Transportation Connection, and no longer shared the transportation costs on a pro-rated basis. N.O.C.O.P. operated on a fiscal year ending December 31 and the only revenues generated related to the sale of assets. The N.O.C.O.P. is currently in the process of winding up operations. Complete financial statements for N.O.C.O.P. may be obtained by writing the North Olmsted Commission on Paratransit, Inc., 5200 Dover Center Road, North Olmsted, Ohio 44070.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2015**

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### **Note 1: Description of the City and Reporting Entity (continued)**

Information in the following notes to the basic financial statements is applicable to the primary government. Information relative to the component unit is presented in Note 22.

The City is associated with one jointly governed organization, the West Shore Council of Governments. This organization is presented in Note 20 to the basic financial statements.

### **Note 2: Summary of Significant Accounting Policies**

The financial statements of the City of North Olmsted 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.

#### ***A. Basis of Presentation***

The City's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

#### ***Government-wide Financial Statements***

The Statement of Net Position and the Statement of Activities display information about the City as a whole. These Statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type. The activities of the internal service funds are eliminated to avoid "doubling up" revenues and expenses.

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 of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the City.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2015**

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### **Note 2: Summary of Significant Accounting Policies (continued)**

#### **A. Basis of Presentation (continued)**

##### *Fund Financial Statements*

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

#### **B. Fund Accounting**

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

##### *Governmental Funds*

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

*General Fund* - The General Fund is the operating fund of the City and is used to account for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City of North Olmsted and/or the general laws of Ohio.

*Permanent Improvements Fund* – The Permanent Improvements Capital Projects Fund accounts for 15 percent of the municipal income tax receipts and expenditures for the permanent improvement of streets and the storm sewer system.

*Capital Improvement Fund* – The Capital Improvement Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by a proprietary fund).

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2015**

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### **Note 2: Summary of Significant Accounting Policies (continued)**

#### ***B. Fund Accounting (continued)***

The other governmental funds of the City account for grants and other resources whose use is restricted or committed 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 major enterprise funds are:

*Springvale Golf Course and Ballroom Fund* – The Springvale Golf Course and Ballroom Fund accounts for revenues and expenses of the City-owned golf course and ballroom facility.

*Sewer Revenue Fund* – The Sewer Revenue Fund accounts for the revenues and expenses of the sanitary sewer system and wastewater treatment plant facilities.

*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. One internal service fund accounts for a self-insurance program for employee medical, dental and vision benefits. The other internal service fund accounts for assets set aside for claim settlements and related liabilities associated with the workers’ compensation self-insurance program.

#### *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 purely custodial in nature (assets equal liabilities) and thus 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 from contractors, developers and individuals to ensure compliance with City ordinances.

#### ***C. Measurement Focus***

##### *Government-wide Financial Statements*

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All non-fiduciary 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 (i.e. revenues) and decreases (i.e. expenses) in total net position.



# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2015**

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### **Note 2: Summary of Significant Accounting Policies (continued)**

#### ***C. Measurement Focus (continued)***

##### *Fund Financial Statements*

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the Statement of Fund 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 and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows/outflows of resources and in the presentation of expenses versus expenditures.

##### *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 60 days of year-end.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2015**

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### **Note 2: Summary of Significant Accounting Policies (continued)**

#### ***D. Basis of Accounting (continued)***

##### *Revenues - Exchange and Nonexchange Transactions (continued)*

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 (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 fees), fines and forfeitures, interest, grants and entitlements and rentals.

##### *Unearned Revenue*

Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because such amounts have not yet been earned. At December 31, 2015, the City does not have unearned revenue.

##### *Deferred Outflows/Inflows of Resources*

In addition to assets, the financial statements may report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. At December 31, 2015, the City had deferred outflows of resources for deferred losses on refunding and pensions reported in the government-wide Statement of Net Position and the proprietary funds Statement of Fund Net Position. A deferred loss 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. The deferred outflows of resources related to pensions are explained in Note 10.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2015**

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### **Note 2: Summary of Significant Accounting Policies (continued)**

#### ***D. Basis of Accounting (continued)***

##### *Deferred Outflows/Inflows of Resources (continued)*

In addition to liabilities, the financial statements may 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 inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes, unavailable revenue and amounts for the pension. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2015, but which were levied to finance fiscal year 2016 operations. These amounts have been recorded as a deferred inflow on both the government-wide Statement of Net Position and the governmental funds Balance Sheet. Unavailable revenue is reported only on the governmental funds Balance Sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, income taxes, charges for services and intergovernmental revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pensions are reported on the government-wide Statement of Net Position and in the proprietary funds Statement of Fund Net Position.

##### *Expenses/Expenditures*

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

#### ***E. Budgetary Data***

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 City Council may appropriate. The appropriations resolution is City Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by City Council. The legal level of control has been established by City Council at the category level (salaries, benefits, materials and supplies, contractual services, capital outlay, etc.). Budgetary modifications may only be made by resolution of the City Council at the legal level of control.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

### Note 2: Summary of Significant Accounting Policies (continued)

#### *E. Budgetary Data (continued)*

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 amended certificate of estimated resources in effect at the time the final appropriations were enacted by City Council.

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

#### *F. Pooled 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. Interest in the pool is presented as "equity in pooled cash and cash equivalents".

Investments are reported at fair value which is based on quoted market prices, with the exception of nonparticipating certificates of deposit and repurchase agreements, which are reported at cost.

During 2015, investments were limited to money market savings accounts.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue for 2015 consisted of:

	Actual <u>Interest Credited</u>	From (to) other <u>City Funds</u>
General	\$ 33,918	\$ 27,635
Special Revenue Funds:		
Motor Vehicle License Tax	93	29
State Highway	601	(157)
Street Maintenance	275	(166)
Endowment and Grant	1	(360)
Debt Service Funds:		
General Obligation Bond Retirement	2,024	(1,429)
All others	-	(25,552)
	<u>\$ 36,912</u>	<u>\$ -</u>

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2015**

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### **Note 2: Summary of Significant Accounting Policies (continued)**

#### ***G. Materials and Supplies Inventory***

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

#### ***H. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2015 are recorded as prepaid items using the 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 those assets not specifically related to activities reported in the proprietary funds. These assets 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.

Purchased 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. 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, art, 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 estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	5 to 40 years
Buildings and improvements	8 to 40 years
Furniture and fixtures	10 to 20 years
Vehicles and equipment	2 to 25 years
Roads	10 to 30 years
Bridges and culverts	35 to 50 years
Sanitary sewer lines	50 years

The City's infrastructure consists of roads, bridges, culverts and sanitary sewer lines.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2015**

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### **Note 2: Summary of Significant Accounting Policies (continued)**

#### ***J. Interfund Balances***

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as “interfund receivables/payables”. Long-term interfund loans are classified as “advances to/from other funds” on the Balance Sheet and are equally offset by a fund balance reserve account which indicates that they do not constitute available expendable resources. 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.

#### ***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. The City records a liability for all accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year-end taking into consideration any limits specified in the City’s termination policy.

#### ***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 and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and long-term loans are recognized as a liability on the governmental fund financial statements when due.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2015**

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### **Note 2: Summary of Significant Accounting Policies (continued)**

#### ***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 category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans receivable.

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

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

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

***Assigned:*** Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance. The City’s delegated official is the Finance Director.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2015**

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### **Note 2: Summary of Significant Accounting Policies (continued)**

#### ***M. Fund Balance(continued)***

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

#### ***N. Net Position***

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its 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 \$16,911,109 of restricted 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 net position is available.

#### ***O. Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for sewer, golf and self-insurance programs. 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 non-operating.

#### ***P. Deferred Loss on Refunding***

The difference between the reacquisition price (funds required to refund the old debt) of various refunding bonds and the net carrying amount of the old debt, the deferred amount (loss) on refunding, is being amortized as a component of interest expense over the remaining life of the new debt. On fund financial statements, the deferred loss on refunding decreases the fund balance in the year the refunding bonds are issued.



# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2015**

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### **Note 2: Summary of Significant Accounting Policies (continued)**

#### ***Q. Bond Premiums***

On the government-wide financial statements, bond premiums are deferred and amortized over the term of the bonds using the straight-line method. Bond premiums are presented as an increase of the face amount of the general obligation bonds payable. On fund financial statements, bond premiums increase the fund balance in the year the bonds are issued.

#### ***R. Contributions of Capital***

Contributions of capital in 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. The City did not have any contributions of capital for the year ended December 31, 2015.

#### ***S. 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 non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

#### ***T. Pensions***

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

#### ***U. 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. The City did not have any extraordinary or special items for the year ended December 31, 2015.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

### Note 2: Summary of Significant Accounting Policies (continued)

#### V. Estimates

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

### Note 3: Change in Accounting Principles

For 2015, the City implemented the City implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure. The implementation of these pronouncements had the following effect on net position as reported at December 31, 2014:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Net position at December 31, 2014, as previously reported	\$ 52,730,261	\$ 19,056,835	\$ 71,787,096
Net pension asset	9,288	3,030	12,318
Deferred outflow – payments subsequent to measurement date	2,141,381	237,541	2,378,922
Net pension liability	<u>(22,164,008)</u>	<u>(1,801,847)</u>	<u>(23,965,855)</u>
Restated net position at December 31, 2014	\$ <u>32,716,922</u>	\$ <u>17,495,559</u>	\$ <u>50,212,481</u>
	<u>Springvale Golf Course and Ballroom</u>	<u>Waste Water Treatment Plant</u>	<u>Enterprise Total</u>
Net position at December 31, 2014, as previously reported	\$ (1,858,565)	\$ 20,415,703	\$ 18,557,138
Net pension asset	653	2,377	3,030
Deferred outflow – payments subsequent to measurement date	51,169	186,372	237,541
Net pension liability	<u>(388,137)</u>	<u>(1,413,710)</u>	<u>(1,801,847)</u>
Restated net position at December 31, 2014	\$ <u>(2,194,880)</u>	\$ <u>19,190,742</u>	\$ <u>16,995,862</u>

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

### Note 4: Fund Balances

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

<u>Fund Balances</u>	<u>General</u>	<u>Permanent Improvements</u>	<u>Capital Improvements</u>	<u>General Obligation Bond Retirement</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:						
Long-term advances	\$ 856,049	\$ -	\$ -	\$ -	\$ -	\$ 856,049
Inventory	225,179	-	-	-	101,089	326,268
Prepays	<u>92,724</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,750</u>	<u>116,474</u>
Total nonspendable	<u>1,173,952</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>124,839</u>	<u>1,298,791</u>
Restricted for:						
Community diversion	-	-	-	-	5,715	5,715
Recreation	-	-	-	-	53,941	53,941
Court computer	-	-	-	-	11,746	11,746
Alcohol education	-	-	-	-	23,703	23,703
Drug and law enforcement	-	-	-	-	46,749	46,749
Police and fire pension	-	-	-	-	53,234	53,234
Emergency medical services	-	-	-	-	2,773	2,773
Motor vehicle license tax	-	-	-	-	36,401	36,401
State highway	-	-	-	-	561,389	561,389
Street maintenance	-	-	-	-	413,874	413,874
Public way management	-	-	-	-	17,436	17,436
Great Northern TIF	-	-	-	-	500,805	500,805
Endowments and grants	-	-	-	-	255,983	255,983
CDBG	-	-	-	-	2,708	2,708
Title III grant	-	-	-	-	40,067	40,067
Fair capacity housing	-	-	-	-	120,995	120,995
FEMA grant	-	-	-	-	18,500	18,500
Federal grants	-	-	-	-	15,909	15,909
Land and building acquisition	-	-	-	-	123,756	123,756
Debt service payments	-	-	-	6,331,984	1,250,335	7,582,319
Capital improvements	<u>-</u>	<u>-</u>	<u>559,654</u>	<u>-</u>	<u>-</u>	<u>559,654</u>
Total restricted	<u>-</u>	<u>-</u>	<u>559,654</u>	<u>6,331,984</u>	<u>3,556,019</u>	<u>10,447,657</u>

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

### Note 4: Fund Balances (continued)

<u>Fund Balances</u>	<u>General</u>	<u>Permanent Improvements</u>	<u>Capital Improvements</u>	<u>General Obligation Bond Retirement</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Committed to:						
Casualty loss	-	-	-	-	31,701	31,701
Economic development	-	-	-	-	82,468	82,468
Senior center	-	-	-	-	8,860	8,860
Clague Park	-	-	-	-	3,065	3,065
Hotel/motel tax	-	-	-	-	117,661	117,661
STOP program	-	-	-	-	73,862	73,862
Solid waste management	-	-	-	-	1,069,213	1,069,213
Permanent improvements	-	3,765,510	-	-	-	3,765,510
Purchases on order	<u>42,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,000</u>
Total committed	<u>42,000</u>	<u>3,765,510</u>	<u>-</u>	<u>-</u>	<u>1,386,830</u>	<u>5,194,340</u>
Assigned to:						
Separation pay	1,344,360	-	-	-	-	1,344,360
Year 2016 appropriations	2,646,447	-	-	-	-	2,646,447
Purchases on order	<u>246,547</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>246,547</u>
Total assigned	<u>4,237,354</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,237,354</u>
Unassigned	<u>1,729,097</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,729,097</u>
Total fund balance	\$ <u>7,182,403</u>	\$ <u>3,765,510</u>	\$ <u>559,654</u>	\$ <u>6,331,984</u>	\$ <u>5,067,688</u>	\$ <u>22,907,239</u>

### Note 5: Accountability

There is a deficit in the Springvale Golf Course and Ballroom Fund of \$2,066,435. The deficit in the Springvale Golf Course and Ballroom Fund is the result of interfund loans which are used to finance the debt payments until resources are accumulated to repay the General Obligation Bond Retirement Fund. The General Fund is liable for a deficit in this fund and provides operating transfers when cash is required, not when accruals occur.

### Note 6: Budgetary Basis of Accounting

While the City is reporting financial position, results of operations, and changes in fund balances on the accrual basis as required by generally accepted accounting principles (GAAP), the budgetary basis, as provided by law, is based upon accounting for certain transactions on the 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 is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

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### **Note 6: Budgetary Basis of Accounting (continued)**

- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- (c) Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).

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

#### Net Change in Fund Balance

	<u>General</u>
GAAP basis	\$ 16,519
Increase (decrease) due to:	
Revenue accruals	491,580
Expenditure accruals	(352,161)
Outstanding encumbrances	(418,027)
To reclassify the net change in fund balance for funds combined with the General Fund for GASB 54	<u>396,927</u>
Budget basis	\$ <u><u>134,838</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 public deposits that City Council has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

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.

## City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

### **For the Year Ended December 31, 2015**

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#### **Note 7: Deposits and Investments (continued)**

Interim monies can be invested in the following obligations:

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

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

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2015**

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### **Note 7: Deposits and Investments (continued)**

#### ***Deposits***

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

At year-end, the carrying amount of the City's deposits was \$29,739,863 and the bank balance was \$30,268,844. Of the bank balance \$14,520,290 was covered by the Federal Depository Insurance Corporation and \$15,748,554 was uninsured and collateralized with securities held by the pledging institution's trust department, not in the City's name.

#### ***Investments***

Investments are reported at fair value. As of December 31, 2015, the City did not have any investments.

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

*Custodial Risk* for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The securities underlying the repurchase agreements are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty. The City has no investment policy dealing with investment custodial credit risk beyond the requirement in State statute that requires securities shall be delivered into the custody of the Finance Director or governing board or an agent designated by the Finance Director or governing board. All financial institutions and broker/dealers who desire to become qualified for investment transactions with the City must meet a set of prescribed standards and be periodically reviewed.

*Credit Risk* is addressed by the City's investment policy by the requirements that all investments are authorized by Ohio Revised Code and that the portfolio be diversified both by types of investment and issuer.

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2015**

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### **Note 8: Receivables**

Receivables at December 31, 2015, consisted primarily of municipal income taxes, property and other taxes, accounts (billings for user charged services and court fines), and intergovernmental receivables arising from grants, entitlements and shared revenues.

No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant.

#### **A. Property Taxes**

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2015 for real and public utility property taxes represents collections of the 2014 taxes.

Real property taxes are levied after October 1, 2015, on the assessed value as of January 1, 2015, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2015 real property taxes are collected in and intended to finance 2016. Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2015 public utility property taxes which became a lien on December 31, 2014, are levied after October 1, 2015, and are collected in 2016 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2015, was \$13.30 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2015 property tax receipts were based as follows:

Real estate	
Residential/Agriculture	\$ 519,801,080
Commercial/Industrial/Mineral	250,048,570
Public utility	<u>15,583,140</u>
Total valuation	\$ <u>785,432,790</u>

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



## City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

### **For the Year Ended December 31, 2015**

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#### **Note 8: Receivables (continued)**

##### ***A. Property Taxes (continued)***

The County Fiscal Officer collects property taxes on behalf of all taxing districts in the County, including the City of North Olmsted. The County Fiscal Officer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2015 and for which there is an enforceable legal claim. In the General Fund; Recreation, Fire Pension and Police Pension Special Revenue Funds; and General Obligation Bond Retirement, Library Bond Retirement and Fire Station Bond Retirement Debt Service Funds; the entire receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2015 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, delinquent property taxes have been recorded as revenue while the remainder of the receivable is offset by deferred inflows of resources.

##### ***B. Income Taxes***

The City levies and collects an income tax of two percent on all income earned within the City as well as income of residents earned outside the City. The City allows a credit of 100 percent of the tax paid to another municipality, not to exceed the amount owed. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file an annual return.

Income tax revenues are distributed by a 1991 vote of the people as follows: 70 percent to the General Fund; 15 percent for solid waste management, recycling and disposal (Solid Waste Management Fund); and 15 percent for maintaining and equipping streets, storm water drainage systems and other permanent improvements, including debt charges on obligations issued after 1990 for those purposes (Permanent Improvements Fund).

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

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### Note 8: Receivables (continued)

#### C. Intergovernmental Receivables

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
Governmental activities:	
Local government	\$ 324,797
Homestead and rollback	593,284
Gasoline tax	542,371
Estate tax	27,988
CAT tax reimbursement	76,611
Permissive tax	18,461
Auto registration	115,220
Prisoner care reimbursement	299
Miscellaneous	27,036
Bullet proof vest grant	368
Payments in lieu of taxes	<u>797,819</u>
Total governmental activities	<u>2,524,254</u>
Business-type activities:	
Sewer charges	<u>2,469,520</u>
Total	<u>\$ 4,993,774</u>

# City of North Olmsted, Ohio

## Notes to the Basic Financial Statements (Continued)

### For the Year Ended December 31, 2015

#### Note 9: Capital Assets

A summary of changes in capital assets during 2015 follows:

	Balance 12/31/14	Additions	Disposals	Reclassifications and Transfers	Balance 12/31/15
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 4,445,992	\$ -	\$ -	\$ -	\$ 4,445,992
Art	23,000	-	-	-	23,000
Construction in progress	<u>1,590,295</u>	<u>1,015,567</u>	<u>(125,883)</u>	<u>-</u>	<u>2,479,979</u>
Total capital assets not being depreciated	<u>6,059,287</u>	<u>1,015,567</u>	<u>(125,883)</u>	<u>-</u>	<u>6,948,971</u>
Capital assets, being depreciated:					
Land improvements	1,971,503	27,050	-	-	1,998,553
Buildings and improvements	31,522,639	125,883	-	-	31,648,522
Furniture and fixtures	546,048	-	-	-	546,048
Vehicles and equipment	10,517,707	295,949	(193,521)	5,900	10,626,035
Infrastructure:					
Roads	139,989,052	1,254,032	-	-	141,243,084
Bridges and culverts	<u>3,190,320</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,190,320</u>
Total capital assets, being depreciated	<u>187,737,269</u>	<u>1,702,914</u>	<u>(193,521)</u>	<u>5,900</u>	<u>189,252,562</u>
Less accumulated depreciation:					
Land improvements	(859,324)	(73,862)	-	-	(933,186)
Buildings and improvements	(16,901,689)	(667,038)	-	-	(17,568,727)
Furniture and fixtures	(500,124)	(4,009)	-	-	(504,133)
Vehicles and equipment	(7,761,684)	(459,360)	193,521	(2,065)	(8,029,588)
Infrastructure:					
Roads	(113,310,234)	(4,112,777)	-	-	(117,423,011)
Bridges and culverts	<u>(1,863,953)</u>	<u>(75,255)</u>	<u>-</u>	<u>-</u>	<u>(1,939,208)</u>
Total accumulated depreciation	<u>(141,197,008)</u>	<u>(5,392,301)</u>	<u>193,521</u>	<u>(2,065)</u>	<u>(146,397,853)</u>
Total capital assets, being depreciated, net	<u>46,540,261</u>	<u>(3,689,387)</u>	<u>-</u>	<u>3,835</u>	<u>42,854,709</u>
Total governmental capital assets, net	\$ <u>52,599,548</u>	\$ <u>(2,673,820)</u>	\$ <u>(125,883)</u>	\$ <u>3,835</u>	\$ <u>49,803,680</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 419,288
Security of persons and property	448,767
Transportation	4,343,339
Public health and welfare	8,481
Leisure time activities	165,855
Economic development	<u>6,571</u>
Total depreciation expense	\$ <u>5,392,301</u>

# City of North Olmsted, Ohio

## Notes to the Basic Financial Statements (Continued)

### For the Year Ended December 31, 2015

#### Note 9: Capital Assets (continued)

	Balance 12/31/14	Additions	Disposals	Reclassifications and Transfers	Balance 12/31/15
Business-type activities:					
Capital assets not being depreciated:					
Land	\$ 2,340,714	\$ -	\$ -	\$ -	\$ 2,340,714
Construction in progress	<u>44,549,356</u>	<u>863,402</u>	<u>-</u>	<u>-</u>	<u>45,412,758</u>
Total capital assets not being depreciated	<u>46,890,070</u>	<u>863,402</u>	<u>-</u>	<u>-</u>	<u>47,753,472</u>
Capital assets, being depreciated:					
Land improvements	2,258,121	68,103	-	-	2,326,224
Buildings and improvements	21,498,792	81,277	-	-	21,580,069
Furniture and fixtures	81,047	-	-	-	81,047
Vehicles and equipment	40,710,458	394,996	(132,068)	(5,900)	40,967,486
Sanitary sewer lines	<u>18,243,334</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,243,334</u>
Total capital assets, being depreciated	<u>82,791,752</u>	<u>544,376</u>	<u>(132,068)</u>	<u>(5,900)</u>	<u>83,198,160</u>
Less accumulated depreciation:					
Land improvements	(1,190,751)	(112,856)	-	-	(1,303,607)
Buildings and improvements	(15,896,988)	(324,226)	-	-	(16,221,214)
Furniture and fixtures	(67,363)	(782)	-	-	(68,145)
Vehicles and equipment	(25,953,665)	(1,160,535)	114,853	2,065	(26,997,282)
Sanitary sewer lines	<u>(9,257,843)</u>	<u>(351,668)</u>	<u>-</u>	<u>-</u>	<u>(9,609,511)</u>
Total accumulated depreciation	<u>(52,366,610)</u>	<u>(1,950,067)</u>	<u>114,853</u>	<u>2,065</u>	<u>(54,199,759)</u>
Total capital assets, being depreciated, net	<u>30,425,142</u>	<u>(1,405,691)</u>	<u>(17,215)</u>	<u>(3,835)</u>	<u>28,998,401</u>
Total business-type capital assets, net	\$ <u>77,315,212</u>	\$ <u>(542,289)</u>	\$ <u>(17,215)</u>	\$ <u>(3,835)</u>	\$ <u>76,751,873</u>

During the year, the City transferred vehicles and equipment from the Governmental Activities to the Sewer Revenue Fund. The vehicles and equipment had a cost basis of \$5,900 and accumulated depreciation of \$2,065. These transfers are reported in the reclassifications and transfers column in the tables above.

#### Note 10: Defined Benefit Pension Plans

##### A. Net Pension Liability

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

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2015**

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### **Note 10: Defined Benefit Pension Plans (continued)**

#### **A. Net Pension Liability (continued)**

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

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

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

#### **B. Plan Description – Ohio Public Employees Retirement System (OPERS)**

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

### Note 10: Defined Benefit Pension Plans (continued)

#### *B. Plan Description – Ohio Public Employees Retirement System (OPERS) (continued)*

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

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

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

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

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2015**

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### **Note 10: Defined Benefit Pension Plans (continued)**

#### ***B. Plan Description – Ohio Public Employees Retirement System (OPERS) (continued)***

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

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

The City's 2015 contribution rate was 14 percent of earnable salary. In fiscal year 2015, the City's contractually required contribution was \$1,026,796 for 2015. Of this amount, \$119,954 is reported as accrued wages and benefits at December 31, 2015.

#### ***C. Plan Description – Ohio Police & Fire Pension Fund (OP&F)***

Plan Description - the City's full-time police and fire participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. 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 and detailed information about OP&F fiduciary net position. The report that may be obtained by visiting the OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

### **Note 10: Defined Benefit Pension Plans (continued)**

#### ***C. Plan Description – Ohio Police & Fire Pension Fund (OP&F) (continued)***

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

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

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

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

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

Employer contribution rates are expressed as a percentage of covered payroll. In fiscal year 2015, the City's contractually required contribution to OP&F was \$1,552,780 for 2015. Of this amount, \$201,577 is reported as accrued wages and benefits at December 31, 2015.



# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

### Note 10: Defined Benefit Pension Plans (continued)

#### *D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

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

	<u>OPERS Traditional</u>	<u>OPERS Combined</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportionate share of the net pension liability (asset)	\$ 7,495,502	\$ (45,196)	\$ 17,699,133	\$ 25,149,439
Proportion of the net pension liability (asset)	0.062146%	0.117384%	0.341654%	
Pension expense	\$ 817,259	\$ 27,762	\$ 1,709,763	\$ 2,554,784

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

	<u>OPERS Traditional</u>	<u>OPERS Combined</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred outflow of resources</b>				
City contributions subsequent to the measurement date	\$ 980,493	\$ 46,303	\$ 1,552,780	\$ 2,579,576
Net difference between projected and actual earnings on pension plan investments	<u>399,936</u>	<u>2,758</u>	<u>762,816</u>	<u>1,165,510</u>
Total deferred outflow of resources	\$ <u>1,380,429</u>	\$ <u>49,061</u>	\$ <u>2,315,596</u>	\$ <u>3,745,086</u>
<b>Deferred inflow of resources</b>				
Differences between expected and actual experience	\$ <u>131,680</u>	\$ <u>13,790</u>	\$ <u>-</u>	\$ <u>145,470</u>
Total deferred inflow of resources	\$ <u>131,680</u>	\$ <u>13,790</u>	\$ <u>-</u>	\$ <u>145,470</u>

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

### Note 10: Defined Benefit Pension Plans (continued)

#### *D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)*

The \$2,579,576 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending December 31:	OPERS		OPERS		OP&F	Total
	Traditional		Combined			
2016	\$ 39,226	\$	(951)	\$	190,704	\$ 228,979
2017	39,226		(951)		190,704	228,979
2018	89,819		(951)		190,704	279,572
2019	99,985		(951)		190,704	289,738
2020	-		(1,640)		-	(1,640)
2021-2024	-		(5,588)		-	(5,588)
	\$ <u>268,256</u>	\$	<u>(11,032)</u>	\$	<u>762,816</u>	\$ <u>1,020,040</u>

#### *E. Actuarial Assumptions - OPERS*

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

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

	OPERS Traditional Plan	OPERS Combined Plan
Wage Inflation	3.75 percent	3.75 percent
Future Salary Increases, including inflation	4.25 to 10.05 percent	4.25 to 8.05 percent
COLA or Ad Hoc COLA	3 percent	3 percent
Investment Rate of Return	8 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

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### **Note 10: Defined Benefit Pension Plans (continued)**

#### *E. Actuarial Assumptions – OPERS (continued)*

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

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

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

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

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

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

### Note 10: Defined Benefit Pension Plans (continued)

#### E. Actuarial Assumptions – OPERS (continued)

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

#### **Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following table presents the City’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 8 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (7 percent) or one-percentage-point higher (9 percent) than the current rate:

	1% Decrease (7%)	Discount Rate (8%)	1% Increase (9%)
City’s proportionate share of the net pension liability – Traditional	\$ 13,789,576	\$ 7,495,502	\$ 2,194,375
City’s proportionate share of the net pension liability (asset) – Combined	\$ 5,869	\$ (45,195)	\$ (85,690)

#### F. Actuarial Assumptions – OP&F

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

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

Valuation Date	January 1, 2014
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11.00 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

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### **Note 10: Defined Benefit Pension Plans (continued)**

#### *F. Actuarial Assumptions – OP&F (continued)*

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

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00 %	(0.25) %
Domestic Equity	16.00	4.47
Non-US Equity	16.00	4.47
Core Fixed Income	20.00	1.62
Global Inflation Protected	20.00	1.33
High Yield	15.00	3.39
Real Estate	12.00	3.93
Private Markets	8.00	6.98
Timber	5.00	4.92
Master Limited Partnerships	8.00	7.03
Total	<u>120.00 %</u>	

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

### Note 10: Defined Benefit Pension Plans (continued)

#### F. Actuarial Assumptions – OP&F (continued)

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

#### **Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

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

	1% Decrease <u>(7.25%)</u>	Discount Rate <u>(8.25%)</u>	1% Increase <u>(9.25%)</u>
City’s proportionate share of the net pension liability	\$ 24,480,578	\$ 17,699,133	\$ 11,957,310

### Note 11: Post-Employment Benefits

#### A. Ohio Public Employees Retirement System

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

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

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 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 45. Please see the Plan Statement in the OPERS 2014 CAFR for details.

## City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

### **For the Year Ended December 31, 2015**

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#### **Note 11: Post-Employment Benefits (continued)**

##### ***A. Ohio Public Employees Retirement System (continued)***

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

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

The Ohio Revised Code provides the statutory authority requiring public employers to fund health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2015, State and Local employers contributed at a rate of 14.0% of earnable salary. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

OPERS maintains three health care trusts. The two cost-sharing, multiple-employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0% during calendar year 2015. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 remained at 2.0% for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Directed Plan for 2015 was 4.5%.

The City's contributions for health care for the years ended December 31, 2015, 2014, and 2013 were \$175,721, \$163,930, and \$79,127, respectively. The full amount has been contributed for 2014 and 2013. For 2015, 90 percent has been contributed for 2015 with the remainder being reported as a liability.

##### ***B. Ohio Police and Fire Pension Fund***

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing, multiple-employer defined 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.

## City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

### **For the Year Ended December 31, 2015**

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#### **Note 11: Post-Employment Benefits (continued)**

##### ***B. Ohio Police and Fire Pension Fund (continued)***

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 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 are codified in Chapter 742 of the Ohio Revised Code.

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

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, 19.5% and 24% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was 0.5% of covered payroll from January 1, 2015 thru December 31, 2015. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions to OP&F for police and fire for the years ending December 31, 2015, 2014, and 2013 were \$794,300 and \$795,418, \$758,843 and \$701,541, and \$688,098 and \$764,153, respectively, of which \$20,652 and \$16,704, \$19,730 and \$14,732, and \$127,700 and \$115,132, respectively, was allocated to the health care plan. The full amount has been contributed for 2014 and 2013. For 2015, 88 percent for police and 86 percent for firefighters has been contributed, with the remainder being reported as a liability.



# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## **For the Year Ended December 31, 2015**

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### **Note 12: Risk Management**

#### ***A. Property and Liability***

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. By maintaining comprehensive insurance coverage with private carriers, the City has addressed these various types of risk. There were no reductions in insurance coverage from the previous year. Settled claims have not exceeded this commercial coverage in any of the past three years.

#### ***B. Health Insurance Benefits***

The City provides health, dental and vision insurance to its employees through a self-insurance plan. The City pays a monthly premium for the self-insurance plan. The City contracts with a third-party administrator to direct this program. During 2015, self-insurance was in effect for claims up to \$100,000 per covered individual and \$3,614,859 in aggregate. This aggregate includes both medical and drug coverage. Claims in excess of this aggregated amount are insured by private carriers.

The claims liability of \$48,654 as estimated by the third-party administrator and reported in the Hospitalization Internal Service Fund at December 31, 2015, is based on the requirements of GASB Statement No. 30 which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the Fund's claims liability amount in 2015 and 2014 were as follows:

	<u>2015</u>	<u>2014</u>
Unpaid claims, beginning of year	\$ 55,608	\$ 230,681
Incurred claims and adjustments	2,268,606	1,898,297
Claims payments	<u>(2,275,560)</u>	<u>(2,073,370)</u>
Unpaid claims, end of year	<u>\$ 48,654</u>	<u>\$ 55,608</u>

#### ***C. Workers' Compensation Program***

On January 1, 2009, the City was approved for self-insurance status by the Bureau of Workers' Compensation and began to administer its own workers' compensation program (the program). The City established the Workers' Compensation Self-Insurance Internal Service Fund to account for assets set aside for claim settlements and related liabilities associated with the program. Liabilities of the fund are reported when an employee injury has occurred, it is probable that a claim will be filed under the program, and the amount of the claim can be reasonably estimated. The City utilizes the services of Care Works Consultants, Inc., the third-party administrator, to review, process, and pay employee claims. The City also maintains excess insurance coverage which would pay the portion of claims that exceed \$500,000 per occurrence, up to a maximum of an additional \$1,000,000 per occurrence.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

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### **Note 12: Risk Management (continued)**

#### **C. Workers' Compensation Program (continued)**

The claims liability of \$69,886 reported in the Workers' Compensation Self-Insurance Internal Service Fund is based on the requirements of Governmental Standards Board No. 30, which requires a liability for the unpaid claims costs, including estimates of costs relating to incurred but not report claims, be reported. Changes in the Fund's claims liability amount in 2015 and 2014 were as follows:

	<u>2015</u>	<u>2014</u>
Unpaid claims, beginning of year	\$ 130,407	\$ 158,579
Incurred claims and adjustments	10,970	44,671
Claims payments	<u>(71,491)</u>	<u>(72,843)</u>
Unpaid claims, end of year	\$ <u><u>69,886</u></u>	\$ <u><u>130,407</u></u>

### **Note 13: Short-Term Obligations**

Changes in the City's note activity for the year ended December 31, 2015, were as follows:

	<u>Balance</u> <u>12/31/14</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/15</u>
Various improvement	\$ <u><u>150,000</u></u>	\$ <u><u>-</u></u>	\$ <u><u>150,000</u></u>	\$ <u><u>-</u></u>

The note was backed by the full faith and credit of the City. The note liability was reflected in the funds which received the proceeds. All note proceeds were fully expended and repaid in 2015.

By Ohio law, notes can be issued in anticipation of bond proceeds, special assessment bond proceeds and levies, or for up to 50 percent of anticipated revenue collections. There are limitations on the number of times a note can be renewed.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

### Note 14: Long-Term Obligations

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

	<u>Original Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>
Governmental activities:				
General obligation bonds:				
Various purpose refunding, series 2006	2006	2021	4.00-4.25%	\$ 9,120,000
Library improvements refunding	2006	2020	4.00-5.25	6,795,000
Fire station improvement bonds	2006	2025	4.00-4.25	3,990,000
Capital improvements bonds	2006	2021	4.00-4.375	7,325,000
Street improvement bonds	2010	2020	1.75-4.00	3,715,000
Capital improvement and refunding bonds	2015	2030	2.00-3.50	6,120,000
Fire station improvement refunding bonds	2015	2025	2.00-3.25	2,260,000
Police pension	1968	2031	4.25	272,250
Long-term bond anticipation notes	2014	2015	0.75	2,575,000
Long-term bond anticipation notes	2015	2016	0.30	5,095,000
Business-type activities:				
General obligation bonds:				
Various purpose and golf course improvements refunding, series 2006	2006	2021	4.00-4.25	10,525,000
Capital improvement bonds	2006	2021	4.00-4.375	450,000
Sewer truck bonds	2010	2020	1.75-4.00	290,000
Capital improvement and equipment bonds	2013	2023	1.50-2.125	380,000
Capital improvement and refunding bonds	2015	2020	2.00-3.00	240,000
OWDA sanitary sewer loan	1997	2017	4.12	1,060,795
OWDA sanitary sewer loan	2012	2034	2.80	8,754,814
OWDA sanitary sewer loan	2013	2035	2.44	48,047,355
OPWC sanitary sewer loan	1994	2016	0.00	2,610,456
Long-term bond anticipation notes	2015	2016	0.30	245,000

# City of North Olmsted, Ohio

## Notes to the Basic Financial Statements (Continued)

### For the Year Ended December 31, 2015

#### **Note 14: Long-Term Obligations (continued)**

Changes in long-term obligations during the year ended December 31, 2015, consisted of the following:

	<u>Balance</u> <u>12/31/14</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>12/31/15</u>	<u>Amounts Due</u> <u>in One Year</u>
Governmental activities:					
General obligation bonds:					
Various purpose bonds refunding	\$ 4,000,000	\$ -	\$ 1,752,000	\$ 2,248,000	\$ 1,677,000
Premium on various purpose bonds refunding	84,624	-	12,090	72,534	-
Library improvements refunding	4,405,000	-	650,000	3,755,000	680,000
Premium on library improvements bonds refunding	186,076	-	31,013	155,063	-
Capital improvements bonds	2,280,000	-	1,720,000	560,000	560,000
Fire station improvement bonds	2,645,000	-	2,450,000	195,000	195,000
Street improvement bonds	2,560,000	-	445,000	2,115,000	465,000
Premium on street improvement bonds	101,365	-	16,895	84,470	-
Capital improvement and equipment bonds	4,380,000	-	390,000	3,990,000	400,000
Premium on capital improvement and equipment bonds	108,355	-	12,039	96,316	-
Capital improvement and refunding bonds	-	6,120,000	-	6,120,000	270,000
Premium on capital improvement and refunding bonds	-	357,211	-	357,211	-
Fire station improvement refunding bonds	-	2,260,000	-	2,260,000	20,000
Premium on fire station improvement bond refunding	-	161,357	-	161,357	-
Total general obligation bonds	20,750,420	8,898,568	7,479,037	22,169,951	4,267,000
Police pension liability	81,218	-	3,490	77,728	3,640
Long-term notes	2,425,000	5,095,000	7,520,000	-	-
Capital lease payable	163,862	60,299	56,517	167,644	72,968
Claims payable	186,015	2,279,576	2,347,051	118,540	101,069
Compensated absences payable	4,717,759	983,237	887,305	4,813,691	1,797,793
Net pension liability	22,164,008	1,187,142	-	23,351,150	-
Total governmental activities	\$ <u>50,488,282</u>	\$ <u>18,503,822</u>	\$ <u>18,293,400</u>	\$ <u>50,698,704</u>	\$ <u>6,242,470</u>

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

### Note 14: Long-Term Obligations (continued)

	Balance <u>12/31/14</u>	<u>Increase</u>	<u>Decrease</u>	Balance <u>12/31/15</u>	Amounts Due <u>in One Year</u>
Business - type activities:					
General obligation bonds:					
Various purpose and golf course improvements bonds refunding	\$ 5,910,000	\$ -	\$ 1,663,000	\$ 4,247,000	\$ 1,748,000
Premium on various purpose and golf course improvement bonds refunding	97,666	-	13,952	83,714	-
Capital improvement bonds	80,000	-	40,000	40,000	40,000
Sewer truck bonds	60,000	-	60,000	-	-
Premium on sewer truck bonds	5,722	-	5,722	-	-
Capital improvement and equipment bonds	310,000	-	70,000	240,000	70,000
Capital improvement and refunding bonds	-	240,000	-	240,000	45,000
Premium on capital improvement and refunding bonds	-	<u>11,626</u>	<u>-</u>	<u>11,626</u>	<u>-</u>
Total general obligation bonds	6,463,388	251,626	1,852,674	4,862,340	1,903,000
OWDA sanitary sewer loans	54,244,535	3,085,993	473,065	56,857,463	2,433,693
OPWC sanitary sewer loan	195,500	-	130,333	65,167	65,167
Capital lease payable	28,325	4,543	9,494	23,374	10,483
Compensated absences payable	402,802	119,212	129,168	392,846	168,626
Long-term notes	-	245,000	245,000	-	-
Net pension liability	1,801,847	41,638	-	1,843,485	-
Other long-term liabilities	<u>401,805</u>	<u>-</u>	<u>401,805</u>	<u>-</u>	<u>-</u>
Total business - type activities	\$ <u>63,538,202</u>	\$ <u>3,748,012</u>	\$ <u>3,241,539</u>	\$ <u>64,044,675</u>	\$ <u>4,580,969</u>

General obligation bonds are direct obligations of the City for which its full faith and credit are pledged for repayment. General obligation bonds are to be repaid from both voted and unvoted general property taxes levied on all taxable property located within the City, sewer user charges and golf fees. Tax monies will be received in and the debt will be retired from the General Obligation, Library, and Fire Station Bond Retirement Funds.

Compensated absences are generally paid from the General Fund, Recreation Fund, Springvale Golf Course and Ballroom Fund and Sewer Revenue Fund. The police pension liability is paid from the General Fund. The OWDA and OPWC loan liabilities are payable semi-annually from the Sewer Bond Funds. The OPWC loan is interest-free. The City pays obligations related to employee compensation from the fund benefitting from their service.

During the year, the City obtained partial proceeds from an Ohio Water Development Authority (OWDA) loan that relates to the wastewater treatment plant improvements to be repaid in semi-annual principal and interest payments that started during 2014. The City has not yet collected the total proceeds to be received on this loan but has estimated the future principal and interest payments based on the loan balance as of December 31, 2015.

The other long-term liabilities related to costs for the sanitary sewer improvement project that were liabilities of the City at December 31, 2014 but were paid using OWDA loan proceeds in 2015.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

### Note 14: Long-Term Obligations (continued)

The City's overall legal debt margin was \$65,677,672 at December 31, 2015.

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

Year	Governmental Activities			
	General Obligation Bonds		Police Pension	
	Principal	Interest	Principal	Interest
2016	\$ 4,267,000	\$ 884,439	\$ 3,640	\$ 3,265
2017	2,789,000	565,059	3,797	3,109
2018	2,637,000	511,343	3,960	2,946
2019	2,596,000	454,224	4,130	2,776
2020	2,659,000	400,144	4,307	2,598
2021-2025	5,520,000	565,649	24,475	10,052
2026-2030	775,000	83,125	30,202	4,325
2031	-	-	3,217	68
Totals	\$ <u>21,243,000</u>	\$ <u>3,463,983</u>	\$ <u>77,728</u>	\$ <u>29,139</u>

Year	Governmental Activities (continued)	
	Total	
	Principal	Interest
2016	\$ 4,270,640	\$ 887,704
2017	2,792,797	568,168
2018	2,640,960	514,289
2019	2,600,130	457,000
2020	2,663,307	402,742
2021-2025	5,544,475	575,701
2026-2030	805,202	87,450
2031	3,217	68
Totals	\$ <u>21,320,728</u>	\$ <u>3,493,122</u>

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

### Note 14: Long-Term Obligations (continued)

Year	Business-Type Activities			
	General Obligation Bonds		OWDA Loans	
	Principal	Interest	Principal	Interest
2016	\$ 1,903,000	\$ 192,172	\$ 2,433,693	\$ 1,491,813
2017	541,000	114,035	2,445,011	1,441,309
2018	578,000	93,088	2,467,240	1,379,888
2019	594,000	70,551	2,529,400	1,317,729
2020	626,000	46,718	2,593,131	1,253,998
2021-2025	525,000	21,525	13,979,442	5,256,206
2026-2030	-	-	15,832,469	3,403,177
2031-2035	-	-	14,577,077	1,305,914
Totals	\$ <u>4,767,000</u>	\$ <u>538,089</u>	\$ <u>56,857,463</u>	\$ <u>16,850,034</u>

Year	Business-Type Activities (continued)		
	OPWC Loans	Total	
	Principal	Principal	Interest
2016	\$ 65,167	\$ 4,401,860	\$ 1,683,985
2017	-	2,986,011	1,555,344
2018	-	3,045,240	1,472,976
2019	-	3,123,400	1,388,280
2020	-	3,219,131	1,300,716
2021-2025	-	14,504,442	5,277,731
2026-2030	-	15,832,469	3,403,177
2031-2035	-	14,577,077	1,305,914
Totals	\$ <u>65,167</u>	\$ <u>61,689,630</u>	\$ <u>17,388,123</u>

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

### Note 15: Lease Obligations

The City entered into lease agreements for several copiers. The City's lease obligations meet the criteria of a capital lease and have been recorded on the government-wide statements. All capital leases are secured by the related equipment. Capital lease payments for governmental fund-type capital leases have been reclassified and are reflected as debt service expenses in the fund financial statements for the General Fund, Recreation Fund and Senior Center Fund. These expenditures are reflected as capital outlay expenditures on a budgetary basis.

The original amounts capitalized for the capital leases and the book value as of December 31, 2015 follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Assets:		
Vehicles and equipment	\$ 280,352	\$ 46,311
Less: accumulated depreciation	<u>(60,715)</u>	<u>(6,989)</u>
Current book value	<u>\$ 219,637</u>	<u>\$ 39,322</u>

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2015.

<u>Year</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2016	\$ 78,505	\$ 10,528
2017	63,730	10,443
2018	13,686	1,026
2019	13,505	1,026
2020	<u>12,289</u>	<u>941</u>
Total minimum lease payments	181,715	23,964
Less: amount representing interest	<u>(14,071)</u>	<u>(590)</u>
Present value of minimum lease payments	<u>\$ 167,644</u>	<u>\$ 23,374</u>

The following is a schedule of the future long-term minimum lease payments required under operating leases that have initial or remaining noncancellable lease terms in excess of one year as of December 31, 2015.

<u>Year</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2016	\$ 1,439	\$ 72,975
2017	<u>603</u>	<u>-</u>
Total minimum lease payments	<u>\$ 2,042</u>	<u>\$ 72,975</u>

The total cost for operating leases in 2015 was \$1,439 for governmental activities and \$72,975 for business-type activities.



# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

### Note 16: Compensated Absences

Vacation leave is earned at rates which vary depending upon length of service and standard work week. City employees are paid for earned, unused vacation leave at the time of termination of employment if the employee has acquired at least one year of service to the City. Sick leave is earned at the rate of 10 hours for each month worked. Each employee upon retirement is paid for a portion of the employee's earned unused sick leave balances, from 900 hours to 1,500 hours, depending upon the union contract and termination with the City.

### Note 17: Subsequent Events

On April 5, 2016, the City issued \$1,605,000 in capital improvement notes, in anticipation of the issuance of bonds, for the purposes of improving Barton Road and certain other designated streets. The notes mature on February 8, 2017, and have an interest rate of 1.25 percent.

### Note 18: Construction and Other Significant Commitments

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

<u>Project</u>	<u>Contract Amount</u>	<u>Amount Paid or Accrued</u>	<u>Remaining on Contract</u>
City-wide signalization project	\$ 440,000	\$ 296,087	\$ 143,913
Recreation center renovation – fitness center	1,788,709	1,637,939	150,770
Wastewater treatment plant improvements:			
Plant construction	38,569,831	38,488,770	81,061
Plant construction management	1,857,854	1,848,989	8,865
Technical services – project supervision	140,745	115,047	25,698
Technical services – inspection	<u>150,000</u>	<u>114,553</u>	<u>35,447</u>
Total commitments	<u>\$ 42,947,139</u>	<u>\$ 42,501,385</u>	<u>\$ 445,754</u>

Other significant commitments include the encumbrances outstanding at year-end. The amount of the encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

	<u>Encumbrances</u>
General Fund	\$ 288,547
Capital Improvements Fund	20,407
Other Governmental Funds	<u>529,678</u>
Total other significant commitments	<u>\$ 838,632</u>

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

## For the Year Ended December 31, 2015

### Note 19: Interfund Transfers and Balances

#### A. Interfund Transfers

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

	Transfer From					Total
	General Fund	Permanent Improvement Fund	Non-major Governmental Funds	Springvale Golf and Ballroom Fund	Sewer Revenue Fund	
Transfer to:						
General Fund	\$ -	\$ -	\$ 13,130	\$ 6,879	\$ 33,345	\$ 53,354
General Obligation Bond Retirement Fund	-	1,266,616	139,339	-	-	1,405,955
Springvale Golf and Ballroom Fund	14,182	-	-	-	-	14,182
Sewer Revenue Fund	68,729	-	-	-	-	68,729
Non-major Governmental Funds	143,815	-	-	-	-	143,815
Total	\$ 226,726	\$ 1,266,616	\$ 152,469	\$ 6,879	\$ 33,345	\$ 1,686,035

The transfers to the General Fund were made in accordance with Ohio Revised Code section 5705.13(B). The transfers to the General Obligation Bond Retirement Fund were made for the payment of debt.

During the year the City also had a transfer of capital assets. See Note 9 for more information.

#### B. Interfund Balances

As of December 31, 2015, interfund balances were as follows:

	Receivable		Payable	
	Interfund	Advance to Other Funds	Interfund	Advance from Other Funds
Major Funds:				
General Fund	\$ -	\$ 856,049	\$ -	\$ -
General Obligation Bond Retirement Fund	3,723,158	-	-	-
Total Governmental Activities	3,723,158	856,049	-	-
Business-Type Activities:				
Springvale Golf Course and Ballroom Fund	-	-	3,156,952	758,039
Sewer Revenue Fund	-	-	566,206	98,010
Total Business-Type Activities	-	-	3,723,158	856,049
Total	\$ 3,723,158	\$ 856,049	\$ 3,723,158	\$ 856,049

The General Obligation Bond Retirement Fund loaned the Springvale Golf Course and Ballroom Fund and the Sewer Revenue Fund additional resources to meet the debt service requirements for the year. The General Fund loaned the Springvale Golf Course and Ballroom Fund and Sewer Revenue Fund operating monies that will be paid back in future years.

## City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

### **For the Year Ended December 31, 2015**

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#### **Note 20: Jointly Governed Organizations**

##### *West Shore Council of Governments*

The West Shore Council of Governments helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions and regional development. The Board is comprised of one member from each of the six participating entities. The Board exercises total control over the operation of the Council including budgeting, appropriating, contracting and designating management. Budgets are adopted by the Board. Each city's degree of control is limited to its representation on the Board. In 2015, the City contributed \$68,202. Complete financial information can be obtained from the City of Bay Village 350 Dover Center Road, Bay Village, Ohio 44140.

The Council has established two subsidiary organizations, the West Shore Hazardous Materials Committee (HAZ MAT) which provides hazardous material protection and assistance, and the West Shore Enforcement Bureau which provides extra assistance to cities in the form of a Swat Team.

#### **Note 21: Contingent Liabilities**

The City of North Olmsted is a party to legal proceedings seeking damages. City management is of the opinion that ultimate disposition of these claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

#### **Note 22: Component Unit**

##### ***A. Summary of Significant Accounting Policies***

*Nature of Organization* - North Olmsted Commission on Paratransit, Inc. (N.O.C.O.P.) is a not-for-profit corporation that provided transportation to residents of the City of North Olmsted, the City of Olmsted Falls and Olmsted Township who were 60 years of age or older or disabled. N.O.C.O.P. utilized the services of a third-party provider, Senior Transportation Connection, to provide transportation services to the residents. Fares were collected by the provider based on the destination and frequency that the service was used. The three communities shared costs or deficits on a prorated agreement based on each community's population. Effective September 1, 2013, Olmsted Township terminated its membership with NOCOP. In 2013, the formula was as follows for January through August: the City of North Olmsted contributed 65.46 percent, the City of Olmsted Falls contributed 10.39 percent and Olmsted Township contributed 24.15 percent. As of September 1, 2013, the City of North Olmsted contributed 86.3 percent and the City of Olmsted Falls contributed 13.7 percent. Effective January, 1, 2014, the City of North Olmsted and the City of Olmsted Falls each entered into individual contracts with Senior Transportation Connection, and no longer shared the transportation costs on a pre-rated basis. The N.O.C.O.P. is currently in the process of winding up operations. The N.O.C.O.P. is exempt under Internal Revenue Code Section 501(c) (3) from Federal income tax. It is also currently exempt from Federal unemployment tax and Ohio franchise, personal property, and sales taxes.

## City of North Olmsted, Ohio

Notes to the Basic Financial Statements (Continued)

### **For the Year Ended December 31, 2015**

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#### **Note 22: Component Unit (continued)**

##### ***A. Summary of Significant Accounting Policies (continued)***

*Financial Statement Presentation* - The N.O.C.O.P. has prepared financial statements in conformity with general 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.

*Classification of Net Position* - Unrestricted net position is comprised of amounts upon which donors have placed no restriction on expenditure of these assets themselves or their investment income.

Temporarily restricted net position and investment income generated by these assets comprise those amounts the expenditure of which has been restricted by donors for use during a specific time period or for a particular purpose. When such a restriction expires; that is, when a stipulated time restriction ends or a program restriction is accomplished, temporarily restricted net position is released to unrestricted.

Permanently restricted net position comprises those assets contributed to the N.O.C.O.P. by donors who have indicated an intention that the assets are to remain in perpetuity as permanent endowments of the N.O.C.O.P.

*Use of Estimates* - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

##### ***B. Cash Equivalents and Cash on Hand***

At year-end, the carrying amount of the N.O.C.O.P.'s deposits were \$40,177 and the bank balance was \$40,177, all of which was covered by the Federal Deposit Insurance Coverage (FDIC).

## City of North Olmsted, Ohio

Required Supplementary Information  
Schedule of the City's Proportionate Share of the Net Pension Liability  
Ohio Public Employee Retirement System – Traditional Plan

### **For the Last Two Years (1)**

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	<u>2014</u>	<u>2013</u>
City's proportion of the net pension liability	0.062146%	0.062146%
City's proportionate share of the net pension liability	\$ 7,495,502	\$ 7,326,204
City's covered-employee payroll	\$ 7,635,146	\$ 7,193,840
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	98.17%	101.84%
Plan fiduciary net position as a percentage of the total pension liability	86.45%	n/a

(1) Information prior to 2013 is not available.

## City of North Olmsted, Ohio

Required Supplementary Information  
Schedule of the City's Proportionate Share of the Net Pension Asset  
Ohio Public Employee Retirement System – Combined Plan

### **For the Last Two Years (1)**

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	<u>2014</u>	<u>2013</u>
City's proportion of the net pension asset	0.117384%	0.117384%
City's proportionate share of the net pension asset	\$ 45,196	\$ 12,318
City's covered-employee payroll	\$ 413,399	\$ 339,946
City's proportionate share of the net pension asset as a percentage of its covered-employee payroll	10.93%	3.62%
Plan fiduciary net position as a percentage of the total pension asset	114.83%	n/a

(1) Information prior to 2013 is not available.

## City of North Olmsted, Ohio

Required Supplementary Information  
Schedule of the City's Proportionate Share of the Net Pension Liability  
Ohio Police and Fire Pension Fund

### **For the Last Two Years (1)**

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	<u>2014</u>	<u>2013</u>
City's proportion of the net pension liability	0.341646%	0.341646%
City's proportionate share of the net pension liability	\$ 17,699,133	\$ 16,639,651
City's covered-employee payroll	\$ 6,699,634	\$ 6,712,291
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	264.18%	247.90%
Plan fiduciary net position as a percentage of the total pension liability	72.20%	n/a

(1) Information prior to 2013 is not available.

## City of North Olmsted, Ohio

Required Supplementary Information  
 Schedule of the City Contributions  
 Ohio Public Employee Retirement System – Traditional Plan

### For the Last Ten Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually-required contribution	\$ 980,493	\$ 916,217	\$ 935,199	\$ 690,331	\$ 655,112
Contributions in relation to the contractually-required contribution	<u>(980,493)</u>	<u>(916,217)</u>	<u>(935,199)</u>	<u>(690,331)</u>	<u>(655,112)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
City covered-employee payroll	\$ 8,170,779	\$ 7,635,146	\$ 7,193,840	\$ 6,903,306	\$ 6,551,122
Contributions as a percentage of covered-employee payroll	12.00%	12.00%	13.00%	10.00%	10.00%
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Contractually-required contribution	\$ 582,690	\$ 583,577	\$ 551,539	\$ 654,007	\$ 712,753
Contributions in relation to the contractually-required contribution	<u>(582,690)</u>	<u>(583,577)</u>	<u>(551,539)</u>	<u>(654,007)</u>	<u>(712,753)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
City covered-employee payroll	\$ 6,474,335	\$ 6,865,616	\$ 7,879,128	\$ 7,832,416	\$ 7,747,315
Contributions as a percentage of covered-employee payroll	9.00%	8.50%	7.00%	8.35%	9.20%



## City of North Olmsted, Ohio

Required Supplementary Information  
 Schedule of the City Contributions  
 Ohio Public Employee Retirement System – Combined Plan

### For the Last Ten Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually-required contribution	\$ 46,303	\$ 49,608	\$ 44,193	\$ 32,622	\$ 30,957
Contributions in relation to the contractually-required contribution	<u>(46,303)</u>	<u>(49,608)</u>	<u>(44,193)</u>	<u>(32,622)</u>	<u>(30,957)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
City covered-employee payroll	\$ 385,862	\$ 413,399	\$ 339,946	\$ 326,217	\$ 309,574
Contributions as a percentage of covered-employee payroll	12.00%	12.00%	13.00%	10.00%	10.00%
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Contractually-required contribution	\$ 27,535	\$ 27,577	\$ 26,063	\$ 30,905	\$ 33,681
Contributions in relation to the contractually-required contribution	<u>(27,535)</u>	<u>(27,577)</u>	<u>(26,063)</u>	<u>(30,905)</u>	<u>(33,681)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
City covered-employee payroll	\$ 305,945	\$ 324,435	\$ 372,329	\$ 370,122	\$ 366,100
Contributions as a percentage of covered-employee payroll	9.00%	8.50%	7.00%	8.35%	9.20%

## City of North Olmsted, Ohio

### Required Supplementary Information Schedule of the City Contributions Ohio Police and Fire Pension Fund

#### **For the Last Ten Years**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually-required contribution	\$ 1,552,780	\$ 1,413,097	\$ 1,209,419	\$ 952,073	\$ 866,244
Contributions in relation to the contractually-required contribution	<u>(1,552,780)</u>	<u>(1,413,097)</u>	<u>(1,209,419)</u>	<u>(952,073)</u>	<u>(866,244)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
City covered-employee payroll	\$ 7,387,575	\$ 6,699,634	\$ 6,712,291	\$ 6,424,504	\$ 5,841,179
Contributions as a percentage of covered-employee payroll	21.02%	21.09%	18.02%	14.82%	14.83%
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Contractually-required contribution	\$ 943,463	\$ 984,274	\$ 1,126,152	\$ 1,004,550	\$ 980,694
Contributions in relation to the contractually-required contribution	<u>(943,463)</u>	<u>(984,274)</u>	<u>(1,126,152)</u>	<u>(1,004,550)</u>	<u>(980,694)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
City covered-employee payroll	\$ 6,380,377	\$ 6,667,215	\$ 7,621,158	\$ 6,786,073	\$ 7,103,164
Contributions as a percentage of covered-employee payroll	14.79%	14.76%	14.78%	14.80%	13.81%

## City of North Olmsted, Ohio

### Combining Statements – Non-Major Funds Fund Descriptions

#### **For the Year Ended December 31, 2015**

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##### ***Non-Major Special Revenue Funds***

To account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specific purposes.

***Casualty Loss Fund*** - Accounts for resources designated to pay for property damages that are not covered by insurance.

***Community Development Block Grant Fund (CDBG)*** - Accounts for block grants received and grant reimbursable expenditures.

***Alcohol Education Fund*** - Accounts for court fees obtained from DUI cases and approved alcohol education related expenditures.

***Economic Development Fund*** - Accounts for the revenues generated from annual fees paid by new development agreements through tax abatement and community reinvestment incentives and expenditures in promoting economic development and compliance.

***FEMA Grant Fund*** - Accounts for revenues received from the federal government and expenditures as prescribed under the Federal Emergency Management Agency's Assistance to Firefighters and Staffing for Adequate Fire and Emergency Response Grant Programs.

***Federal Grants Fund*** - Accounts for revenues received for federal grants and the expenditures for those grants when the terms of the grant do not require that the grant be tracked in another fund.

***Motor Vehicle License Tax Fund*** - Accounts for the additional motor vehicle registration fees designated for maintenance and repair of streets within the City.

***Recreation Fund*** - Accounts for real and personal property taxes and program revenues and expenditures for the operation and maintenance of recreation programs, services, parks and the recreation center facility.

***Clague Park Fund*** - Accounts for the proceeds from the sale of land as well as Clague Park wireless communication tower upfront proceeds and the expenditures related to revitalizing and improving Clague Park.

***Hotel/Motel Tax Fund*** - Accounts for the City's hotel and motel tax revenues and related authorized expenditures of the police and fire divisions. Authorized expenditures from the fund shall be limited to the purchase of vehicles and equipment for police and fire division staff and the repair or replacement of buildings and other capital items or improvements at the police and fire stations.

***Emergency Medical Services Fund*** - Until 2008, accounted for 25 percent of the resident emergency medical service's receipts. Expenditures are restricted to capital improvements for the Fire Division of the Department of Public Safety.

***State Highway Fund*** - Accounts for the portion of the State gasoline tax and motor vehicle registration fees designated for maintenance and repair of State highways within the City.

## City of North Olmsted, Ohio

### Combining Statements – Non-Major Funds Fund Descriptions

#### **For the Year Ended December 31, 2015**

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

***Street Maintenance Fund*** - Accounts for the portion of State gasoline tax and motor vehicle registration fees designated for maintenance and repair of streets within the City.

***Great Northern 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 2012-72. The general area affected by this TIF is Great Northern Boulevard and Country Club Boulevard.

***Court Computerization Fund*** - Accounts for the receipt of funds collected by the City's Mayor's Court designated to computerize the court and the clerk of court's office.

***Solid Waste Management Fund*** - Accounts for 15 percent of the municipal income tax receipts and expenditures associated with tax collection, solid waste removal, and costs of recycling services provided to residents.

***Community Diversion Fund*** - Accounts for the federal grant receipts, County and local program fees and expenditures related to the youth community diversion program contracted with the County juvenile court system.

***Drug Enforcement Fund*** - Accounts for fines and forfeitures from drug court cases and expenditures for use in drug enforcement.

***Endowment and Grant Fund*** - Accounts for donations restricted for a specific purpose and expenditures for those specific restricted uses.

***Fair Capacity Housing Fund*** - Accounts for revenue and expenditures related to the Housing and Urban Development (HUD) Fair Capacity Housing Grant.

***Fire Pension Fund*** - Accounts for property taxes levied for the payment of current employer contributions for fire disability and pension benefits.

***Law Enforcement Fund*** - Accounts for other monies seized from criminals by law enforcement officers or the sale of contraband in the course of their work restricted for expenditures that would enhance the police services.

***STOP Program Fund*** - Accounts for fines on traffic violations restricted to paying overtime wages and benefits to officers issuing tickets under this program, wages of the prosecuting attorney and police equipment used in the STOP program. Surplus monies from this fund can be used to pay any other operational expenditure that meets the need of the police and dispatch divisions, with the exception of wages and benefits unrelated to STOP.

***Police Pension Fund*** - Accounts for property taxes levied for the payment of current employer contributions for police disability and pension benefits.

***Senior Center Fund*** - Accounts for the daily operations of the senior center and its programs and the services provided on a cost reimbursement basis to senior citizens.

## City of North Olmsted, Ohio

Combining Statements – Non-Major Funds  
Fund Descriptions

### **For the Year Ended December 31, 2015**

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

**Title III Fund** - Accounts for the hot lunch program which provides lunch to senior citizens on a cost reimbursement basis.

**Public Way Management Fund** - Accounts for fees that are levied by the City on service providers that install above ground facilities in public right of way areas and the expenditures associated with maintaining the right of way areas.

**Separation Pay Fund** - Accounts for resources set aside for the payment of accumulated sick and vacation leave upon termination. 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 legally adopted budget.

**27<sup>th</sup> Pay Fund** - Accounts for resource set aside for the payment of the 27<sup>th</sup> payrolls that are experienced every 13 years. 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 legally adopted budget.

#### *Non-Major Debt Service Funds*

**Library Bond Retirement Fund** - Accounts for resources restricted to pay the principal, interest and related fiscal charges on the library bonded debt.

**Fire Station Bond Retirement Fund** - Accounts for resources restricted to pay the principal, interest and related fiscal charges on the fire station funded debt.

#### *Non-Major Capital Projects Funds*

**Building and Land Acquisition and Improvement Fund** - Accounts for financial resources for acquiring real property, constructing improvements, including additions to buildings, upon lands owned by the City, or for substantially rehabilitating or renovating existing City-owned buildings.

#### *Non-Major Internal Service Funds*

**Hospitalization Fund** - Accounts for a self-insurance program for employee medical, dental and vision benefits.

**Workers' Compensation Self-Insurance Fund** - Accounts for assets set aside for claim settlements and related liabilities associated with the workers' compensation self-insurance program.

# City of North Olmsted, Ohio

## Combining Balance Sheet Non-Major Governmental Funds

**December 31, 2015**

	Non-Major Special Revenue Funds	Non-Major Debt Service Funds	Non-Major Capital Projects Funds	Total Non-Major Governmental Funds
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 3,138,556	\$ 1,250,335	\$ 123,756	\$ 4,512,647
Income taxes receivable	564,054	-	-	564,054
Taxes receivable - property and other	1,273,654	1,043,540	-	2,317,194
Intergovernmental receivable	1,560,210	66,912	-	1,627,122
Accounts receivable	33,287	-	-	33,287
Inventories and supplies	101,089	-	-	101,089
Prepaid items	23,750	-	-	23,750
Total assets	<u>\$ 6,694,600</u>	<u>\$ 2,360,787</u>	<u>\$ 123,756</u>	<u>\$ 9,179,143</u>
<b>Liabilities, deferred inflows of resources and fund balances:</b>				
<b>Liabilities:</b>				
Accounts and contracts payable	\$ 107,918	\$ -	\$ -	\$ 107,918
Accrued wages and benefits	56,225	-	-	56,225
Intergovernmental payable	5,724	-	-	5,724
Total liabilities	<u>169,867</u>	<u>-</u>	<u>-</u>	<u>169,867</u>
<b>Deferred inflows of resources:</b>				
Property taxes	1,216,458	1,013,713	-	2,230,171
Payments in lieu of taxes	797,818	-	-	797,818
Unavailable revenues	816,860	96,739	-	913,599
Total deferred inflows of resources	<u>2,831,136</u>	<u>1,110,452</u>	<u>-</u>	<u>3,941,588</u>
<b>Fund balances:</b>				
Nonspendable	124,839	-	-	124,839
Restricted	2,181,928	1,250,335	123,756	3,556,019
Committed	1,386,830	-	-	1,386,830
Total fund balances	<u>3,693,597</u>	<u>1,250,335</u>	<u>123,756</u>	<u>5,067,688</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 6,694,600</u>	<u>\$ 2,360,787</u>	<u>\$ 123,756</u>	<u>\$ 9,179,143</u>

# City of North Olmsted, Ohio

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

**For the Year Ended December 31, 2015**

	Non-Major Special Revenue Funds	Non-Major Debt Service Funds	Non-Major Capital Projects Funds	Total Non-Major Governmental Funds
<b>Revenues:</b>				
Property and other local taxes	\$ 1,593,492	\$ 1,043,502	\$ -	\$ 2,636,994
Municipal income taxes	2,137,948	-	-	2,137,948
Payments in lieu of taxes	501,075	-	-	501,075
Charges for services	1,317,840	-	-	1,317,840
Fines, licenses and permits	391,992	-	-	391,992
Intergovernmental	1,985,231	133,823	-	2,119,054
Investment income	970	-	-	970
Miscellaneous income	662,056	-	1	662,057
Total revenues	<u>8,590,604</u>	<u>1,177,325</u>	<u>1</u>	<u>9,767,930</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	191,457	-	-	191,457
Security of persons and property	1,486,460	-	-	1,486,460
Public health and welfare	105,742	-	-	105,742
Transportation	1,796,079	-	-	1,796,079
Basic utility services	1,933,777	-	-	1,933,777
Leisure time activities	2,787,065	-	-	2,787,065
Economic development	9,105	-	-	9,105
<b>Debt service:</b>				
Principal	55,902	840,000	-	895,902
Interest and fiscal charges	8,241	357,301	-	365,542
Issuance cost	-	57,075	-	57,075
Total expenditures	<u>8,373,828</u>	<u>1,254,376</u>	<u>-</u>	<u>9,628,204</u>
Excess (deficiency) of revenues over expenditures	<u>216,776</u>	<u>(77,051)</u>	<u>1</u>	<u>139,726</u>
<b>Other financing sources (uses):</b>				
Proceeds from issuance of bonds	-	2,260,000	-	2,260,000
Premium on issuance of bonds	-	161,357	-	161,357
Payment to refunded bond escrow agent	-	(2,362,729)	-	(2,362,729)
Transfers - in	143,815	-	-	143,815
Transfers - out	(152,469)	-	-	(152,469)
Total other financing sources (uses)	<u>(8,654)</u>	<u>58,628</u>	<u>-</u>	<u>49,974</u>
Net change in fund balances	208,122	(18,423)	1	189,700
Fund balances, beginning of year	<u>3,485,475</u>	<u>1,268,758</u>	<u>123,755</u>	<u>4,877,988</u>
Fund balances, end of year	\$ <u>3,693,597</u>	\$ <u>1,250,335</u>	\$ <u>123,756</u>	\$ <u>5,067,688</u>

# City of North Olmsted, Ohio

## Combining Balance Sheet Non-Major Special Revenue Funds

**December 31, 2015**

	<u>Casualty Loss</u>	<u>CDBG</u>	<u>Alcohol Education</u>	<u>Economic Development</u>	<u>FEMA Grant</u>	<u>Federal Grants</u>
Assets:						
Equity in pooled cash and cash equivalents	\$ 47,093	\$ 2,708	\$ 23,039	\$ 82,468	\$ 18,500	\$ 15,541
Income taxes receivable	-	-	-	-	-	-
Taxes receivable - property and other	-	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-	368
Accounts receivable	-	-	664	-	-	-
Inventories and supplies	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Total assets	<u>\$ 47,093</u>	<u>\$ 2,708</u>	<u>\$ 23,703</u>	<u>\$ 82,468</u>	<u>\$ 18,500</u>	<u>\$ 15,909</u>
Liabilities, deferred inflows of resources and fund balances:						
Liabilities:						
Accounts and contracts payable	\$ 15,392	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued wages and benefits	-	-	-	-	-	-
Intergovernmental payable	-	-	-	-	-	-
Total liabilities	<u>15,392</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:						
Property taxes	-	-	-	-	-	-
Payments in lieu of taxes	-	-	-	-	-	-
Unavailable revenues	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:						
Nonspendable	-	-	-	-	-	-
Restricted	-	2,708	23,703	-	18,500	15,909
Committed	31,701	-	-	82,468	-	-
Total fund balances	<u>31,701</u>	<u>2,708</u>	<u>23,703</u>	<u>82,468</u>	<u>18,500</u>	<u>15,909</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 47,093</u>	<u>\$ 2,708</u>	<u>\$ 23,703</u>	<u>\$ 82,468</u>	<u>\$ 18,500</u>	<u>\$ 15,909</u>



<u>Motor Vehicle License Tax</u>	<u>Recreation</u>	<u>Clague Park</u>	<u>Hotel/Motel Tax</u>	<u>Emergency Medical Services</u>	<u>State Highway</u>	<u>Street Maintenance</u>	<u>Great Northern TIF</u>
\$ 18,386	\$ 137,288	\$ 3,065	\$ 97,412	\$ 2,773	\$ 546,916	\$ 241,606	\$ 500,805
-	-	-	-	-	-	-	-
-	834,833	-	21,405	-	-	-	-
18,461	53,529	-	-	-	49,319	608,271	797,818
-	1,513	-	-	-	-	-	-
25,726	-	-	-	-	18,942	56,421	-
-	23,750	-	-	-	-	-	-
<u>\$ 62,573</u>	<u>\$ 1,050,913</u>	<u>\$ 3,065</u>	<u>\$ 118,817</u>	<u>\$ 2,773</u>	<u>\$ 615,177</u>	<u>\$ 906,298</u>	<u>\$ 1,298,623</u>
\$ -	\$ 44,580	\$ -	\$ 1,156	\$ -	\$ -	\$ 4,671	\$ -
-	34,556	-	-	-	-	15,905	-
-	5,724	-	-	-	-	-	-
<u>-</u>	<u>84,860</u>	<u>-</u>	<u>1,156</u>	<u>-</u>	<u>-</u>	<u>20,576</u>	<u>-</u>
-	810,972	-	-	-	-	-	-
-	-	-	-	-	-	-	797,818
<u>446</u>	<u>77,390</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,846</u>	<u>415,427</u>	<u>-</u>
<u>446</u>	<u>888,362</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,846</u>	<u>415,427</u>	<u>797,818</u>
25,726	23,750	-	-	-	18,942	56,421	-
36,401	53,941	-	-	2,773	561,389	413,874	500,805
-	-	3,065	117,661	-	-	-	-
<u>62,127</u>	<u>77,691</u>	<u>3,065</u>	<u>117,661</u>	<u>2,773</u>	<u>580,331</u>	<u>470,295</u>	<u>500,805</u>
<u>\$ 62,573</u>	<u>\$ 1,050,913</u>	<u>\$ 3,065</u>	<u>\$ 118,817</u>	<u>\$ 2,773</u>	<u>\$ 615,177</u>	<u>\$ 906,298</u>	<u>\$ 1,298,623</u>

(Continued)

# City of North Olmsted, Ohio

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

**December 31, 2015**

	<u>Court Computerization</u>	<u>Solid Waste Management</u>	<u>Community Diversion</u>	<u>Drug Enforcement</u>	<u>Endowment and Grant</u>	<u>Fair Capacity Housing</u>
Assets:						
Equity in pooled cash and cash equivalents	\$ 11,247	\$ 750,902	\$ 6,038	\$ 23,984	\$ 258,818	\$ 157,985
Income taxes receivable	-	564,054	-	-	-	-
Taxes receivable - property and other	-	-	-	-	-	-
Intergovernmental receivable	-	219	-	-	-	-
Accounts receivable	745	-	-	-	-	-
Inventories and supplies	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Total assets	<u>\$ 11,992</u>	<u>\$ 1,315,175</u>	<u>\$ 6,038</u>	<u>\$ 23,984</u>	<u>\$ 258,818</u>	<u>\$ 157,985</u>
Liabilities, deferred inflows of resources and fund balances:						
Liabilities:						
Accounts and contracts payable	\$ 246	\$ 1,366	\$ -	\$ -	\$ 2,835	\$ 36,000
Accrued wages and benefits	-	-	323	-	-	990
Intergovernmental payable	-	-	-	-	-	-
Total liabilities	<u>246</u>	<u>1,366</u>	<u>323</u>	<u>-</u>	<u>2,835</u>	<u>36,990</u>
Deferred inflows of resources:						
Property taxes	-	-	-	-	-	-
Payments in lieu of taxes	-	-	-	-	-	-
Unavailable revenues	-	244,596	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>244,596</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:						
Nonspendable	-	-	-	-	-	-
Restricted	11,746	-	5,715	23,984	255,983	120,995
Committed	-	1,069,213	-	-	-	-
Total fund balances	<u>11,746</u>	<u>1,069,213</u>	<u>5,715</u>	<u>23,984</u>	<u>255,983</u>	<u>120,995</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 11,992</u>	<u>\$ 1,315,175</u>	<u>\$ 6,038</u>	<u>\$ 23,984</u>	<u>\$ 258,818</u>	<u>\$ 157,985</u>

<u>Fire Pension</u>	<u>Law Enforcement</u>	<u>STOP Program</u>	<u>Police Pension</u>	<u>Senior Center</u>	<u>Title III</u>	<u>Public Way Management</u>	<u>Total</u>
\$ 26,617	\$ 22,765	\$ 47,453	\$ 26,617	\$ 10,532	\$ 40,562	\$ 17,436	\$ 3,138,556
-	-	-	-	-	-	-	564,054
208,708	-	-	208,708	-	-	-	1,273,654
15,618	-	-	16,607	-	-	-	1,560,210
-	-	30,365	-	-	-	-	33,287
-	-	-	-	-	-	-	101,089
-	-	-	-	-	-	-	23,750
<u>\$ 250,943</u>	<u>\$ 22,765</u>	<u>\$ 77,818</u>	<u>\$ 251,932</u>	<u>\$ 10,532</u>	<u>\$ 40,562</u>	<u>\$ 17,436</u>	<u>\$ 6,694,600</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,672	\$ -	\$ -	\$ 107,918
-	-	3,956	-	-	495	-	56,225
-	-	-	-	-	-	-	5,724
-	-	<u>3,956</u>	-	<u>1,672</u>	<u>495</u>	-	<u>169,867</u>
202,743	-	-	202,743	-	-	-	1,216,458
-	-	-	-	-	-	-	797,818
<u>21,583</u>	-	-	<u>22,572</u>	-	-	-	<u>816,860</u>
<u>224,326</u>	-	-	<u>225,315</u>	-	-	-	<u>2,831,136</u>
-	-	-	-	-	-	-	124,839
26,617	22,765	-	26,617	-	40,067	17,436	2,181,928
-	-	73,862	-	8,860	-	-	1,386,830
<u>26,617</u>	<u>22,765</u>	<u>73,862</u>	<u>26,617</u>	<u>8,860</u>	<u>40,067</u>	<u>17,436</u>	<u>3,693,597</u>
<u>\$ 250,943</u>	<u>\$ 22,765</u>	<u>\$ 77,818</u>	<u>\$ 251,932</u>	<u>\$ 10,532</u>	<u>\$ 40,562</u>	<u>\$ 17,436</u>	<u>\$ 6,694,600</u>

# City of North Olmsted, Ohio

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

**For the Year Ended December 31, 2015**

	Casualty Loss	CDBG	Alcohol Education	Economic Development	FEMA Grant	Federal Grants
Revenues:						
Property and other local taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income taxes	-	-	-	-	-	-
Payments in lieu of taxes	-	-	-	-	-	-
Charges for services	4,142	-	-	-	-	-
Fines, licenses and permits	-	-	4,835	-	-	-
Intergovernmental	-	-	-	-	254,252	7,157
Investment income	-	-	-	-	-	-
Miscellaneous income	-	-	-	17,618	-	-
Total revenues	<u>4,142</u>	<u>-</u>	<u>4,835</u>	<u>17,618</u>	<u>254,252</u>	<u>7,157</u>
Expenditures:						
Current:						
General government	54,854	-	-	-	-	-
Security of persons and property	-	-	196	-	243,601	7,793
Public health and welfare	-	-	-	-	-	-
Transportation	18,831	-	-	-	-	-
Basic utility services	-	-	-	-	-	-
Leisure time activities	-	-	-	-	-	-
Economic development	-	-	-	9,105	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	<u>73,685</u>	<u>-</u>	<u>196</u>	<u>9,105</u>	<u>243,601</u>	<u>7,793</u>
Excess (deficiency) of revenues over expenditures	<u>(69,543)</u>	<u>-</u>	<u>4,639</u>	<u>8,513</u>	<u>10,651</u>	<u>(636)</u>
Other financing sources (uses):						
Transfers - in	30,000	-	-	-	-	-
Transfers - out	-	-	-	-	-	-
Total other financing sources (uses)	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(39,543)	-	4,639	8,513	10,651	(636)
Fund balances, beginning of year	<u>71,244</u>	<u>2,708</u>	<u>19,064</u>	<u>73,955</u>	<u>7,849</u>	<u>16,545</u>
Fund balances, end of year	\$ <u>31,701</u>	\$ <u>2,708</u>	\$ <u>23,703</u>	\$ <u>82,468</u>	\$ <u>18,500</u>	\$ <u>15,909</u>

<u>Motor Vehicle License Tax</u>	<u>Recreation</u>	<u>Clague Park</u>	<u>Hotel/Motel Tax</u>	<u>Emergency Medical Services</u>	<u>State Highway</u>	<u>Street Maintenance</u>	<u>Great Northern TIF</u>
\$ -	\$ 834,775	\$ -	\$ 341,310	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	501,075
-	1,272,785	-	-	-	-	-	-
-	-	-	-	-	-	-	-
209,816	108,999	-	-	-	95,975	1,198,032	-
93	-	-	-	-	601	275	-
-	541,170	-	-	-	-	23,056	-
<u>209,909</u>	<u>2,757,729</u>	<u>-</u>	<u>341,310</u>	<u>-</u>	<u>96,576</u>	<u>1,221,363</u>	<u>501,075</u>
-	-	-	-	-	-	-	270
-	-	-	272,704	-	-	-	-
-	-	-	-	-	-	-	-
275,503	-	-	-	-	140,985	1,351,129	-
-	-	-	-	-	-	-	-
-	2,761,131	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	55,812	-	-	-	-	-	-
-	8,241	-	-	-	-	-	-
<u>275,503</u>	<u>2,825,184</u>	<u>-</u>	<u>272,704</u>	<u>-</u>	<u>140,985</u>	<u>1,351,129</u>	<u>270</u>
<u>(65,594)</u>	<u>(67,455)</u>	<u>-</u>	<u>68,606</u>	<u>-</u>	<u>(44,409)</u>	<u>(129,766)</u>	<u>500,805</u>
-	52,978	-	-	-	-	22,932	-
-	(27,744)	-	(124,725)	-	-	-	-
-	25,234	-	(124,725)	-	-	22,932	-
(65,594)	(42,221)	-	(56,119)	-	(44,409)	(106,834)	500,805
<u>127,721</u>	<u>119,912</u>	<u>3,065</u>	<u>173,780</u>	<u>2,773</u>	<u>624,740</u>	<u>577,129</u>	<u>-</u>
\$ <u>62,127</u>	\$ <u>77,691</u>	\$ <u>3,065</u>	\$ <u>117,661</u>	\$ <u>2,773</u>	\$ <u>580,331</u>	\$ <u>470,295</u>	\$ <u>500,805</u>

(Continued)

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2015

	Court Computerization	Solid Waste Management	Community Diversion	Drug Enforcement	Endowment and Grant	Fair Capacity Housing
Revenues:						
Property and other local taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income taxes	-	2,137,948	-	-	-	-
Payments in lieu of taxes	-	-	-	-	-	-
Charges for services	8,986	-	2,809	-	-	-
Fines, licenses and permits	-	-	-	1,150	-	-
Intergovernmental	-	5,437	20,975	-	-	-
Investment income	-	-	-	-	1	-
Miscellaneous income	-	-	-	-	73,971	-
Total revenues	<u>8,986</u>	<u>2,143,385</u>	<u>23,784</u>	<u>1,150</u>	<u>73,972</u>	<u>-</u>
Expenditures:						
Current:						
General government	5,582	-	-	-	102,079	28,672
Security of persons and property	-	-	-	-	4,255	-
Public health and welfare	-	-	23,023	-	19,854	36,000
Transportation	-	-	-	-	-	-
Basic utility services	-	1,933,777	-	-	-	-
Leisure time activities	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	<u>5,582</u>	<u>1,933,777</u>	<u>23,023</u>	<u>-</u>	<u>126,188</u>	<u>64,672</u>
Excess (deficiency) of revenues over expenditures	<u>3,404</u>	<u>209,608</u>	<u>761</u>	<u>1,150</u>	<u>(52,216)</u>	<u>(64,672)</u>
Other financing sources (uses):						
Transfers - in	-	-	-	-	25,000	963
Transfers - out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>963</u>
Net change in fund balances	3,404	209,608	761	1,150	(27,216)	(63,709)
Fund balances, beginning of year	<u>8,342</u>	<u>859,605</u>	<u>4,954</u>	<u>22,834</u>	<u>283,199</u>	<u>184,704</u>
Fund balances, end of year	\$ <u>11,746</u>	\$ <u>1,069,213</u>	\$ <u>5,715</u>	\$ <u>23,984</u>	\$ <u>255,983</u>	\$ <u>120,995</u>

	<u>Fire Pension</u>	<u>Law Enforcement</u>	<u>STOP Program</u>	<u>Police Pension</u>	<u>Senior Center</u>	<u>Title III</u>	<u>Public Way Management</u>	<u>Total</u>
\$	208,703	\$ -	\$ -	\$ 208,704	\$ -	\$ -	\$ -	\$ 1,593,492
	-	-	-	-	-	-	-	2,137,948
	-	-	-	-	-	-	-	501,075
	-	-	-	-	18,530	6,117	4,471	1,317,840
	-	5,789	377,468	-	2,750	-	-	391,992
	31,392	-	-	33,368	-	19,828	-	1,985,231
	-	-	-	-	-	-	-	970
	-	-	-	-	6,241	-	-	662,056
	<u>240,095</u>	<u>5,789</u>	<u>377,468</u>	<u>242,072</u>	<u>27,521</u>	<u>25,945</u>	<u>4,471</u>	<u>8,590,604</u>
	-	-	-	-	-	-	-	191,457
	240,095	12,726	463,018	242,072	-	-	-	1,486,460
	-	-	-	-	-	26,865	-	105,742
	-	-	-	-	-	-	9,631	1,796,079
	-	-	-	-	-	-	-	1,933,777
	-	-	-	-	25,934	-	-	2,787,065
	-	-	-	-	-	-	-	9,105
	-	-	-	-	90	-	-	55,902
	-	-	-	-	-	-	-	8,241
	<u>240,095</u>	<u>12,726</u>	<u>463,018</u>	<u>242,072</u>	<u>26,024</u>	<u>26,865</u>	<u>9,631</u>	<u>8,373,828</u>
	-	(6,937)	(85,550)	-	1,497	(920)	(5,160)	216,776
	-	-	11,296	-	-	646	-	143,815
	-	-	-	-	-	-	-	(152,469)
	-	-	11,296	-	-	646	-	(8,654)
	-	(6,937)	(74,254)	-	1,497	(274)	(5,160)	208,122
	<u>26,617</u>	<u>29,702</u>	<u>148,116</u>	<u>26,617</u>	<u>7,363</u>	<u>40,341</u>	<u>22,596</u>	<u>3,485,475</u>
\$	<u>26,617</u>	\$ <u>22,765</u>	\$ <u>73,862</u>	\$ <u>26,617</u>	\$ <u>8,860</u>	\$ <u>40,067</u>	\$ <u>17,436</u>	\$ <u>3,693,597</u>

# City of North Olmsted, Ohio

## Combining Balance Sheet Non-Major Debt Service Funds

**December 31, 2015**

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	Library Bond <u>Retirement</u>	Fire Station Bond <u>Retirement</u>	<u>Total</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 724,062	\$ 526,273	\$ 1,250,335
Taxes receivable – property and other	765,263	278,277	1,043,540
Intergovernmental receivable	<u>49,069</u>	<u>17,843</u>	<u>66,912</u>
Total assets	\$ <u>1,538,394</u>	\$ <u>822,393</u>	\$ <u>2,360,787</u>
Liabilities, deferred inflows of resources and fund balances:			
Deferred inflows of resources:			
Property taxes	\$ 743,390	\$ 270,323	\$ 1,013,713
Unavailable revenues	<u>70,942</u>	<u>25,797</u>	<u>96,739</u>
Total deferred inflows of resources	<u>814,332</u>	<u>296,120</u>	<u>1,110,452</u>
Fund balances:			
Restricted	<u>724,062</u>	<u>526,273</u>	<u>1,250,335</u>
Total liabilities, deferred inflows of resources, and fund balances	\$ <u>1,538,394</u>	\$ <u>822,393</u>	\$ <u>2,360,787</u>



# City of North Olmsted, Ohio

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances Non-Major Debt Service Funds

### **For the Year Ended December 31, 2015**

	Library Bond <u>Retirement</u>	Fire Station Bond <u>Retirement</u>	<u>Total</u>
Revenues:			
Property and other local taxes	\$ 765,223	\$ 278,279	\$ 1,043,502
Intergovernmental	<u>98,137</u>	<u>35,686</u>	<u>133,823</u>
Total revenues	<u>863,360</u>	<u>313,965</u>	<u>1,177,325</u>
Expenditures:			
Debt service:			
Principal	650,000	190,000	840,000
Interest and fiscal charges	227,938	129,363	357,301
Issuance cost	<u>-</u>	<u>57,075</u>	<u>57,075</u>
Total expenditures	<u>877,938</u>	<u>376,438</u>	<u>1,254,376</u>
Other financing sources (uses):			
Proceeds from issuance of bonds	-	2,260,000	2,260,000
Premium on issuance of bonds	-	161,357	161,357
Payment to refunded bond escrow agent	<u>-</u>	<u>(2,362,729)</u>	<u>(2,362,729)</u>
Total other financing sources	<u>-</u>	<u>58,628</u>	<u>58,628</u>
Net change in fund balances	(14,578)	(3,845)	(18,423)
Fund balances, beginning of year	<u>738,640</u>	<u>530,118</u>	<u>1,268,758</u>
Fund balances, end of year	\$ <u>724,062</u>	\$ <u>526,273</u>	\$ <u>1,250,335</u>

# City of North Olmsted, Ohio

## Combining Statement of Fund Net Position Non-Major Internal Service Funds

**December 31, 2015**

	<u>Hospitalization</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Total Internal Service Funds</u>
Assets:			
Current assets:			
Equity in pooled cash and cash equivalents	\$ <u>3,255,726</u>	\$ <u>1,169,689</u>	\$ <u>4,425,415</u>
Liabilities:			
Current liabilities:			
Accounts and contracts payable	-	48,358	48,358
Intergovernmental payable	-	3,603	3,603
Claims payable	<u>48,654</u>	<u>52,415</u>	<u>101,069</u>
Total current liabilities	48,654	104,376	153,030
Long-term liabilities:			
Claims payable	<u>-</u>	<u>17,471</u>	<u>17,471</u>
Total liabilities	<u>48,654</u>	<u>121,847</u>	<u>170,501</u>
Net position:			
Unrestricted	\$ <u><u>3,207,072</u></u>	\$ <u><u>1,047,842</u></u>	\$ <u><u>4,254,914</u></u>

## City of North Olmsted, Ohio

### Combining Statement of Revenues, Expenses and Changes in Fund Net Position Non-Major Internal Service Funds

#### For the Year Ended December 31, 2015

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	<u>Hospitalization</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Total Internal Service Funds</u>
Operating revenues:			
Charges for services	\$ 3,251,655	\$ 300,000	\$ 3,551,655
Reimbursements	<u>9,703</u>	<u>-</u>	<u>9,703</u>
Total revenues	<u>3,261,358</u>	<u>300,000</u>	<u>3,561,358</u>
Operating expenses:			
Contractual services	469,431	148,762	618,193
Claims	<u>2,268,606</u>	<u>10,970</u>	<u>2,279,576</u>
Total operating expenses	<u>2,738,037</u>	<u>159,732</u>	<u>2,897,769</u>
Change in net position	523,321	140,268	663,589
Net position, beginning of year	<u>2,683,751</u>	<u>907,574</u>	<u>3,591,325</u>
Net position, end of year	\$ <u>3,207,072</u>	\$ <u>1,047,842</u>	\$ <u>4,254,914</u>

# City of North Olmsted, Ohio

## Combining Statement of Cash Flows Non-Major Internal Service Funds

### For the Year Ended December 31, 2015

	<u>Hospitalization</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Total Internal Service Funds</u>
Cash flows from operating activities:			
Receipts from customers and users	\$ 3,251,655	\$ 300,000	\$ 3,551,655
Reimbursements	9,703	-	9,703
Cash paid for goods and services	(469,431)	(105,496)	(574,927)
Cash paid for claims	<u>(2,275,560)</u>	<u>(71,491)</u>	<u>(2,347,051)</u>
Net cash provided by operating activities	<u>516,367</u>	<u>123,013</u>	<u>639,380</u>
Net increase in cash and cash equivalents	516,367	123,013	639,380
Cash and cash equivalents, beginning of year	<u>2,739,359</u>	<u>1,046,676</u>	<u>3,786,035</u>
Cash and cash equivalents, end of year	\$ <u><u>3,255,726</u></u>	\$ <u><u>1,169,689</u></u>	\$ <u><u>4,425,415</u></u>
Reconciliation of operating income to net cash from operating activities:			
Operating income	\$ 523,321	\$ 140,268	\$ 663,589
Adjustments:			
Changes in assets/liabilities:			
Decrease accounts and contracts payable	-	47,528	47,528
Decrease in intergovernmental payable	-	(4,262)	(4,262)
Decrease in claims payable	<u>(6,954)</u>	<u>(60,521)</u>	<u>(67,475)</u>
Net cash provided by operating activities	\$ <u><u>516,367</u></u>	\$ <u><u>123,013</u></u>	\$ <u><u>639,380</u></u>

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

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Revenues:</b>				
Municipal income tax	\$ 9,924,000	\$ 10,024,000	\$ 10,028,309	\$ 4,309
Property and other taxes	4,483,042	4,483,042	4,719,310	236,268
Charges for services	1,733,300	1,796,156	2,004,005	207,849
Licenses and permits	1,106,500	1,106,500	1,232,908	126,408
Fines and forfeitures	229,000	246,749	249,937	3,188
Intergovernmental revenue	1,201,751	1,201,751	1,396,715	194,964
Investment income	35,000	35,000	33,918	(1,082)
Other revenue	25,000	25,000	24,950	(50)
Total revenues	<u>18,737,593</u>	<u>18,918,198</u>	<u>19,690,052</u>	<u>771,854</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government</b>				
<b>Council</b>				
Salaries	152,985	158,958	153,899	5,059
Benefits	34,716	36,600	36,283	317
Materials and supplies	1,500	1,500	515	985
Contractual services	23,150	28,150	13,819	14,331
Capital outlay	<u>31,000</u>	<u>25,038</u>	<u>6,151</u>	<u>18,887</u>
Total council	<u>243,351</u>	<u>250,246</u>	<u>210,667</u>	<u>39,579</u>
<b>Office of the mayor</b>				
Salaries	145,532	151,215	146,383	4,832
Benefits	52,660	53,538	53,466	72
Materials and supplies	9,056	9,056	4,948	4,108
Contractual services	<u>14,585</u>	<u>14,585</u>	<u>12,411</u>	<u>2,174</u>
Total office of the mayor	<u>221,833</u>	<u>228,394</u>	<u>217,208</u>	<u>11,186</u>
<b>Mayor's court</b>				
Salaries	119,545	136,247	135,114	1,133
Benefits	48,394	55,319	53,104	2,215
Materials and supplies	13,875	13,875	12,726	1,149
Contractual services	8,900	8,900	7,388	1,512
Capital outlay	<u>1,600</u>	<u>1,600</u>	<u>600</u>	<u>1,000</u>
Total mayor's court	<u>192,314</u>	<u>215,941</u>	<u>208,932</u>	<u>7,009</u>
<b>Finance department</b>				
Salaries	341,001	350,226	341,990	8,236
Benefits	146,277	151,968	151,590	378
Materials and supplies	14,594	14,594	7,686	6,908
Contractual services	<u>576,614</u>	<u>621,674</u>	<u>609,587</u>	<u>12,087</u>
Total finance department	<u>1,078,486</u>	<u>1,138,462</u>	<u>1,110,853</u>	<u>27,609</u>

(Continued)

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Law department				
Salaries	188,587	197,922	190,849	7,073
Benefits	98,749	101,039	100,421	618
Materials and supplies	800	800	581	219
Contractual services	24,104	22,856	19,163	3,693
Total law department	312,240	322,617	311,014	11,603
Department of human resources				
Salaries	262,679	286,744	284,200	2,544
Benefits	112,075	116,319	116,021	298
Materials and supplies	28,895	28,895	27,324	1,571
Contractual services	176,777	176,777	164,846	11,931
Total department of human resources	580,426	608,735	592,391	16,344
Civil service				
Salaries	1,500	1,500	626	874
Benefits	306	306	118	188
Materials and supplies	400	400	181	219
Contractual services	27,655	27,655	21,705	5,950
Total civil service	29,861	29,861	22,630	7,231
Division of information technology				
Salaries	40,357	27,271	27,271	-
Benefits	26,908	16,709	15,357	1,352
Materials and supplies	12,200	3,000	576	2,424
Contractual services	111,369	154,190	152,367	1,823
Capital outlay	60,500	51,204	5,185	46,019
Total division of information technology	251,334	252,374	200,756	51,618
Boards and commissions				
Salaries	48,839	50,758	49,789	969
Benefits	27,919	28,215	20,527	7,688
Materials and supplies	7,775	7,629	7,213	416
Contractual services	5,100	6,673	6,534	139
Total boards and commissions	89,633	93,275	84,063	9,212
Building department				
Salaries	514,534	531,536	496,579	34,957
Benefits	236,218	240,920	214,957	25,963
Materials and supplies	20,672	18,597	13,787	4,810
Contractual services	96,510	96,510	88,158	8,352
Total building department	867,934	887,563	813,481	74,082

(Continued)

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Engineering department				
Salaries	90,001	93,554	89,206	4,348
Benefits	15,291	15,840	15,103	737
Materials and supplies	603	603	566	37
Contractual services	180,045	180,045	157,484	22,561
Capital outlay	500	500	-	500
Total engineering department	<u>286,440</u>	<u>290,542</u>	<u>262,359</u>	<u>28,183</u>
Total general government	<u>4,153,852</u>	<u>4,318,010</u>	<u>4,034,354</u>	<u>283,656</u>
Security of persons and property				
Public safety director				
Salaries	89,220	92,692	90,849	1,843
Benefits	34,896	35,872	35,845	27
Materials and supplies	1,955	1,955	395	1,560
Contractual services	<u>1,680</u>	<u>1,240</u>	<u>559</u>	<u>681</u>
Total public safety director	<u>127,751</u>	<u>131,759</u>	<u>127,648</u>	<u>4,111</u>
Division of fire				
Salaries	3,409,628	3,535,149	3,355,649	179,500
Benefits	1,545,658	1,578,638	1,433,491	145,147
Materials and supplies	98,266	98,266	87,202	11,064
Contractual services	311,062	309,705	262,633	47,072
Capital outlay	<u>3,000</u>	<u>3,000</u>	<u>2,212</u>	<u>788</u>
Total fire division	<u>5,367,614</u>	<u>5,524,758</u>	<u>5,141,187</u>	<u>383,571</u>
Division of police				
Salaries	3,932,538	4,078,036	3,942,294	135,742
Benefits	1,503,593	1,529,492	1,479,447	50,045
Materials and supplies	149,224	164,224	114,657	49,567
Contractual services	383,164	369,164	324,492	44,672
Capital outlay	<u>10,610</u>	<u>10,610</u>	<u>9,957</u>	<u>653</u>
Total division of police	<u>5,979,129</u>	<u>6,151,526</u>	<u>5,870,847</u>	<u>280,679</u>
Emergency central dispatch				
Salaries	512,288	529,991	494,823	35,168
Benefits	197,254	200,963	196,444	4,519
Materials and supplies	2,000	2,000	280	1,720
Contractual services	<u>9,000</u>	<u>7,960</u>	<u>6,121</u>	<u>1,839</u>
Total emergency central dispatch	<u>720,542</u>	<u>740,914</u>	<u>697,668</u>	<u>43,246</u>

(Continued)



# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Corrections				
Salaries	83,085	53,678	51,072	2,606
Benefits	38,262	36,329	28,817	7,512
Materials and supplies	3,800	3,800	631	3,169
Contractual services	75,846	112,596	102,195	10,401
Capital outlay	1,680	1,680	1,680	-
Total corrections	<u>202,673</u>	<u>208,083</u>	<u>184,395</u>	<u>23,688</u>
Total security of persons and property	<u>12,397,709</u>	<u>12,757,040</u>	<u>12,021,745</u>	<u>735,295</u>
Public health and welfare				
Division of aging				
Salaries	159,615	165,708	161,252	4,456
Benefits	74,559	79,153	78,391	762
Materials and supplies	5,897	6,387	3,987	2,400
Contractual services	46,624	42,481	33,842	8,639
Capital outlay	1,000	1,000	1,000	-
Total division of aging	<u>287,695</u>	<u>294,729</u>	<u>278,472</u>	<u>16,257</u>
Division of youth & family services				
Salaries	96,920	100,503	94,639	5,864
Benefits	26,261	26,815	25,465	1,350
Materials and supplies	4,226	4,226	1,726	2,500
Contractual services	94,379	94,379	72,603	21,776
Capital outlay	1,650	1,650	196	1,454
Total division of community and youth services	<u>223,436</u>	<u>227,573</u>	<u>194,629</u>	<u>32,944</u>
Total public health and welfare	<u>511,131</u>	<u>522,302</u>	<u>473,101</u>	<u>49,201</u>
Transportation				
Public service director				
Salaries	89,220	92,502	86,086	6,416
Benefits	34,844	35,351	30,267	5,084
Materials and supplies	1,300	1,300	1,185	115
Contractual services	513,411	543,111	540,057	3,054
Total service director	<u>638,775</u>	<u>672,264</u>	<u>657,595</u>	<u>14,669</u>
Division of public works				
Salaries	905,662	889,076	740,249	148,827
Benefits	464,730	468,719	333,136	135,583
Materials and supplies	59,672	61,172	43,223	17,949
Contractual services	405,017	411,517	331,972	79,545
Capital outlay	22,166	53,166	50,396	2,770
Total division of public works	<u>1,857,247</u>	<u>1,883,650</u>	<u>1,498,976</u>	<u>384,674</u>

(Continued)

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Division of fleet maintenance				
Salaries	380,642	402,690	382,573	20,117
Benefits	165,608	167,779	156,433	11,346
Materials and supplies	484,715	484,715	233,339	251,376
Contractual services	15,743	15,912	9,639	6,273
Capital outlay	5,669	5,500	3,499	2,001
Total division of fleet maintenance	<u>1,052,377</u>	<u>1,076,596</u>	<u>785,483</u>	<u>291,113</u>
Total transportation	<u>3,548,399</u>	<u>3,632,510</u>	<u>2,942,054</u>	<u>690,456</u>
Basic utility services				
Service department				
Contractual services	<u>34,800</u>	<u>34,800</u>	<u>24,485</u>	<u>10,315</u>
Economic development				
Planning				
Salaries	144,874	150,382	142,920	7,462
Benefits	51,905	52,915	51,719	1,196
Materials and supplies	1,500	515	225	290
Contractual services	<u>87,581</u>	<u>78,959</u>	<u>78,517</u>	<u>442</u>
Total planning	<u>285,860</u>	<u>282,771</u>	<u>273,381</u>	<u>9,390</u>
Total expenditures	<u>20,931,751</u>	<u>21,547,433</u>	<u>19,769,120</u>	<u>1,778,313</u>
Excess of revenues over (under) expenditures	<u>(2,194,158)</u>	<u>(2,629,235)</u>	<u>(79,068)</u>	<u>2,550,167</u>
Other financing sources (uses):				
Sale of capital assets	30,000	30,000	39,202	9,202
Advances – in	34,654	34,654	34,654	-
Transfers – in	50,000	553,274	553,274	-
Transfers – out	<u>(438,224)</u>	<u>(438,224)</u>	<u>(413,224)</u>	<u>25,000</u>
Total other financing sources (uses)	<u>(323,570)</u>	<u>179,704</u>	<u>213,906</u>	<u>34,202</u>
Net change in fund balance	<u>(2,517,728)</u>	<u>(2,449,531)</u>	<u>134,838</u>	<u>2,584,369</u>
Prior year encumbrances	302,042	302,042	302,042	-
Fund balance, beginning of year	<u>2,548,122</u>	<u>2,548,122</u>	<u>2,548,122</u>	-
Fund balance, end of year	\$ <u>332,436</u>	\$ <u>400,633</u>	\$ <u>2,985,002</u>	\$ <u>2,584,369</u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Separation Pay Fund

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
General government				
Division of information technology				
Salaries	\$ -	\$ 2,127	\$ 2,127	\$ -
Division of building				
Salaries	12,178	13,326	13,326	-
Total general government	12,178	15,453	15,453	-
Security of persons and property				
Division of police				
Salaries	250,000	250,000	187,675	62,325
Division of police				
Salaries	259,320	202,436	-	202,436
Total security of persons and property	509,320	452,436	187,675	264,761
Transportation				
Division of public works				
Salaries	60,000	92,184	34,002	58,182
Benefits	-	467	467	-
Total division of public works	60,000	92,651	34,469	58,182
Leisure time activities				
Recreation department				
Salaries	-	2,187	2,187	-
Golf course and ballroom				
Salaries	-	6,991	6,991	-
Sewer				
Salaries	40,000	51,780	31,780	20,000
Total expenditures	621,498	621,498	278,555	342,943
Excess of revenues over (under) expenditures	(621,498)	(621,498)	(278,555)	342,943
Other financing sources (uses):				
Transfers – in	226,578	226,578	226,578	-
Net change in fund balance	(394,920)	(394,920)	(51,977)	342,943
Fund balance, beginning of year	1,396,337	1,396,337	1,396,337	-
Fund balance, end of year	\$ 1,001,417	\$ 1,001,417	\$ 1,344,360	\$ 342,943

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – 27<sup>th</sup> Pay Fund

#### **For the Year Ended December 31, 2015**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Transfers – in	\$ 135,000	\$ 135,000	\$ 135,000	\$ -
Transfers – out	<u>-</u>	<u>(675,000)</u>	<u>(675,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>135,000</u>	<u>(540,000)</u>	<u>(540,000)</u>	<u>-</u>
Net change in fund balance	135,000	(540,000)	(540,000)	-
Fund balance, beginning of year	<u>540,000</u>	<u>540,000</u>	<u>540,000</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>675,000</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Permanent Improvements Fund

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Municipal income taxes	\$ 2,126,000	\$ 2,126,000	\$ 2,148,924	\$ 22,924
Intergovernmental revenue	-	-	437	437
Total revenues	<u>2,126,000</u>	<u>2,126,000</u>	<u>2,149,361</u>	<u>23,361</u>
Expenditures:				
Current:				
Transportation Service				
Contractual services	53,500	53,500	42,278	11,222
Capital outlay	<u>2,667,604</u>	<u>2,483,519</u>	<u>1,433,027</u>	<u>1,050,492</u>
Total service	<u>2,721,104</u>	<u>2,537,019</u>	<u>1,475,305</u>	<u>1,061,714</u>
Engineering				
Contractual services	-	1,118	1,118	-
Capital outlay	<u>452,098</u>	<u>832,690</u>	<u>797,097</u>	<u>35,593</u>
Total engineering	<u>452,098</u>	<u>833,808</u>	<u>798,215</u>	<u>35,593</u>
Total transportation	<u>3,173,202</u>	<u>3,370,827</u>	<u>2,273,520</u>	<u>1,097,307</u>
Debt service:				
Principal	425,000	3,085,000	3,085,000	-
Interest and fiscal charges	<u>18,179</u>	<u>18,179</u>	<u>18,179</u>	<u>-</u>
Total debt service	<u>443,179</u>	<u>3,103,179</u>	<u>3,103,179</u>	<u>-</u>
Total expenditures	<u>3,616,381</u>	<u>6,474,006</u>	<u>5,376,699</u>	<u>1,097,307</u>
Excess of revenues over (under) expenditures	(1,490,381)	(4,348,006)	(3,227,338)	1,120,668
Other financing sources (uses):				
Note proceeds	2,660,000	2,660,000	2,660,000	-
Bond proceeds	-	2,660,000	2,660,000	-
Transfers – out	<u>(1,273,092)</u>	<u>(1,273,092)</u>	<u>(1,266,616)</u>	<u>6,476</u>
Total other financing sources (uses)	<u>1,386,908</u>	<u>4,046,908</u>	<u>4,053,384</u>	<u>6,476</u>
Net change in fund balance	(103,473)	(301,098)	826,046	1,127,144
Prior year encumbrances	362,916	362,916	362,916	-
Fund balance, beginning of year	<u>1,974,032</u>	<u>1,974,032</u>	<u>1,974,032</u>	<u>-</u>
Fund balance, end of year	\$ <u>2,233,475</u>	\$ <u>2,035,850</u>	\$ <u>3,162,994</u>	\$ <u>1,127,144</u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Capital Improvements Fund

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 34,654	\$ 34,654	\$ 34,654	\$ -
Expenditures:				
Current:				
General government				
Division of finance				
Capital outlay	227,584	227,584	31,928	195,656
Division of information services				
Capital outlay	579	579	-	579
Total general government	228,163	228,163	31,928	196,235
Security of persons and property				
Division of police				
Capital outlay	388,478	388,478	41,542	346,936
Leisure time activities				
Recreation department				
Capital outlay	824,491	824,491	732,532	91,959
Total current	1,441,132	1,441,132	806,002	635,130
Debt service:				
Principal	2,150,000	4,585,000	4,585,000	-
Interest and fiscal charges	21,080	21,080	21,080	-
Total debt service	2,171,080	4,606,080	4,606,080	-
Total expenditures	3,612,212	6,047,212	5,412,082	635,130
Excess of revenues over (under) expenditures	(3,577,558)	(6,012,558)	(5,377,428)	635,130
Other financing sources (uses):				
Note proceeds	2,435,000	2,435,000	2,435,000	-
Bond proceeds	-	2,435,000	2,435,000	-
Advances – out	(34,654)	(34,654)	(34,654)	-
Transfers – in	121,080	121,080	-	(121,080)
Transfers – out	(8,548)	(8,548)	-	8,548
Total other financing sources (uses)	2,512,878	4,947,878	4,835,346	(112,532)
Net change in fund balance	(1,064,680)	(1,064,680)	(542,082)	522,598
Prior year encumbrances	656,034	656,034	656,034	-
Fund balance, beginning of year	425,295	425,295	425,295	-
Fund balance, end of year	\$ 16,649	\$ 16,649	\$ 539,247	\$ 522,598

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ 2,173,587	\$ 2,173,587	\$ 2,295,685	\$ 122,098
Intergovernmental revenue	433,379	433,379	444,400	11,021
Investment income	<u>2,000</u>	<u>2,000</u>	<u>2,024</u>	<u>24</u>
Total revenues	<u>2,608,966</u>	<u>2,608,966</u>	<u>2,742,109</u>	<u>133,143</u>
Expenditures:				
Debt service:				
Principal	5,558,398	5,558,398	5,558,398	-
Interest and fiscal charges	<u>1,028,501</u>	<u>1,177,884</u>	<u>1,173,751</u>	<u>4,133</u>
Total debt service	<u>6,586,899</u>	<u>6,736,282</u>	<u>6,732,149</u>	<u>4,133</u>
Excess of revenues over (under) expenditures	<u>(3,977,933)</u>	<u>(4,127,316)</u>	<u>(3,990,040)</u>	<u>137,276</u>
Other financing sources (uses):				
Payment to escrow agent	-	(1,230,546)	(1,230,546)	-
Bond proceeds	-	1,388,837	1,388,837	-
Transfers – in	<u>4,201,808</u>	<u>4,201,808</u>	<u>3,815,495</u>	<u>(386,313)</u>
Total other financing sources (uses)	<u>4,201,808</u>	<u>4,360,099</u>	<u>3,973,786</u>	<u>(386,313)</u>
Net change in fund balance	223,875	232,783	(16,254)	(249,037)
Fund balance, beginning of year	<u>2,625,080</u>	<u>2,625,080</u>	<u>2,625,080</u>	<u>-</u>
Fund balance, end of year	\$ <u>2,848,955</u>	\$ <u>2,857,863</u>	\$ <u>2,608,826</u>	\$ <u>(249,037)</u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Casualty Loss Fund

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 60,000	\$ 60,000	\$ 4,142	\$ (55,858)
Expenditures:				
Current:				
General government				
Department of human resources				
Contractual services	45,000	35,551	22,143	13,408
Capital outlay	16,460	16,460	16,460	-
Total department of human resources	61,460	52,011	38,603	13,408
Engineering department				
Contractual services	33,721	39,731	37,894	1,837
Total general government	95,181	91,742	76,497	15,245
Transportation				
Division of fleet maintenance				
Contractual services	-	3,439	3,439	-
Total expenditures	95,181	95,181	79,936	15,245
Excess of revenues over (under) expenditures	(35,181)	(35,181)	(75,794)	(40,613)
Other financing sources (uses):				
Transfers – in	30,000	30,000	30,000	-
Net change in fund balance	(5,181)	(5,181)	(45,794)	(40,613)
Prior year encumbrances	25,181	25,181	25,181	-
Fund balance, beginning of year	47,863	47,863	47,863	-
Fund balance, end of year	\$ 67,863	\$ 67,863	\$ 27,250	\$ (40,613)



**City of North Olmsted, Ohio**

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

**For the Year Ended December 31, 2015**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund balance, beginning of year	\$ <u>2,708</u>	\$ <u>2,708</u>	\$ <u>2,708</u>	\$ <u>-</u>
Fund balance, end of year	\$ <u><u>2,708</u></u>	\$ <u><u>2,708</u></u>	\$ <u><u>2,708</u></u>	\$ <u><u>-</u></u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Alcohol Education Fund

#### **For the Year Ended December 31, 2015**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 2,000	\$ 2,000	\$ 4,271	\$ 2,271
Expenditures:				
Current:				
Security of persons and property				
Police department				
Materials and supplies	<u>-</u>	<u>3,000</u>	<u>196</u>	<u>2,804</u>
Net change in fund balance	2,000	(1,000)	4,075	5,075
Fund balance, beginning of year	<u>18,964</u>	<u>18,964</u>	<u>18,964</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>20,964</u></u>	\$ <u><u>17,964</u></u>	\$ <u><u>23,039</u></u>	\$ <u><u>5,075</u></u>

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other revenue	\$ 18,000	\$ 18,000	\$ 17,618	\$ (382)
Expenditures:				
Current:				
Economic development				
Finance department				
Salaries	4,500	4,500	-	4,500
Benefits	785	785	89	696
Total finance department	5,285	5,285	89	5,196
Department of planning & development				
Salaries	-	1,530	1,530	-
Benefits	-	236	236	-
Contractual services	27,550	25,783	7,250	18,533
Total department of planning and development	27,550	27,549	9,016	18,533
Total expenditures	32,835	32,834	9,105	23,729
Net change in fund balance	(14,835)	(14,834)	8,513	23,347
Prior year encumbrances	7,550	7,550	7,550	-
Fund balance, beginning of year	66,405	66,405	66,405	-
Fund balance, end of year	\$ 59,120	\$ 59,121	\$ 82,468	\$ 23,347

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – FEMA Grant Fund

#### **For the Year Ended December 31, 2015**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 243,601	\$ 256,088	\$ 254,252	\$ (1,836)
Expenditures:				
Current:				
Security of persons and property				
Capital outlay	<u>243,601</u>	<u>256,088</u>	<u>256,088</u>	<u>-</u>
Net change in fund balance	-	-	(1,836)	(1,836)
Prior year encumbrances	243,601	243,601	243,601	-
Fund balance, beginning of year	<u>(235,753)</u>	<u>(235,753)</u>	<u>(235,753)</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>7,848</u></u>	\$ <u><u>7,848</u></u>	\$ <u><u>6,012</u></u>	\$ <u><u>(1,836)</u></u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Federal Grants Fund

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 15,000	\$ 15,000	\$ 7,793	\$ (7,207)
Expenditures:				
Current:				
Public health and welfare				
Department of planning and development				
Capital outlay	<u>15,000</u>	<u>15,000</u>	<u>7,793</u>	<u>7,207</u>
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	<u>15,541</u>	<u>15,541</u>	<u>15,541</u>	-
Fund balance, end of year	\$ <u><u>15,541</u></u>	\$ <u><u>15,541</u></u>	\$ <u><u>15,541</u></u>	\$ <u><u>-</u></u>

# City of North Olmsted, 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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 222,500	\$ 222,500	\$ 227,767	\$5,267
Interest	-	-	93	93
Total revenues	<u>222,500</u>	<u>222,500</u>	<u>227,860</u>	<u>5,360</u>
Expenditures:				
Current:				
Transportation				
Department of public service				
Materials and supplies	134,503	134,503	129,646	4,857
Contractual services	<u>164,000</u>	<u>164,000</u>	<u>159,793</u>	<u>4,207</u>
Total expenditures	<u>298,503</u>	<u>298,503</u>	<u>289,439</u>	<u>9,064</u>
Net change in fund balance	(76,003)	(76,003)	(61,579)	14,424
Prior year encumbrances	4,503	4,503	4,503	-
Fund balance, beginning of year	<u>74,319</u>	<u>74,319</u>	<u>74,319</u>	-
Fund balance, end of year	\$ <u><u>2,819</u></u>	\$ <u><u>2,819</u></u>	\$ <u><u>17,243</u></u>	\$ <u><u>14,424</u></u>

# City of North Olmsted, Ohio

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

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ 790,395	\$ 790,395	\$ 834,775	\$ 44,380
Charges for services	2,165,325	2,071,508	1,812,606	(258,902)
Intergovernmental revenue	105,846	105,846	108,999	3,153
Other revenue	<u>500</u>	<u>500</u>	<u>999</u>	<u>499</u>
Total revenues	<u>3,062,066</u>	<u>2,968,249</u>	<u>2,757,379</u>	<u>(210,870)</u>
Expenditures:				
Current:				
Leisure time activities				
Recreation department				
Salaries	1,214,339	1,205,028	1,169,220	35,808
Benefits	394,252	415,141	374,410	40,731
Materials and supplies	210,796	212,796	201,691	11,105
Contractual services	1,309,512	1,255,096	1,174,582	80,514
Capital outlay	<u>1,294</u>	<u>1,294</u>	<u>1,249</u>	<u>45</u>
Total expenditures	<u>3,130,193</u>	<u>3,089,355</u>	<u>2,921,152</u>	<u>168,203</u>
Excess of revenues over (under) expenditures	<u>(68,127)</u>	<u>(121,106)</u>	<u>(163,773)</u>	<u>(42,667)</u>
Other financing sources (uses):				
Transfers – in	-	52,978	52,978	-
Transfers – out	<u>(134,211)</u>	<u>(134,211)</u>	<u>(27,744)</u>	<u>106,467</u>
Total other financing sources (uses)	<u>(134,211)</u>	<u>(81,233)</u>	<u>25,234</u>	<u>106,467</u>
Net change in fund balance	(202,338)	(202,339)	(138,539)	63,800
Prior year encumbrances	89,053	89,053	89,053	-
Fund balance, beginning of year	<u>113,294</u>	<u>113,294</u>	<u>113,294</u>	<u>-</u>
Fund balance, end of year	\$ <u>9</u>	\$ <u>8</u>	\$ <u>63,808</u>	\$ <u>63,800</u>

**City of North Olmsted, Ohio**

Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget (Non-GAAP Basis) and Actual – Clague Park Fund

**For the Year Ended December 31, 2015**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund balance, beginning of year	\$ <u>3,065</u>	\$ <u>3,065</u>	\$ <u>3,065</u>	\$ <u>-</u>
Fund balance, end of year	\$ <u><u>3,065</u></u>	\$ <u><u>3,065</u></u>	\$ <u><u>3,065</u></u>	\$ <u><u>-</u></u>



# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Hotel/Motel Tax Fund

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ <u>315,000</u>	\$ <u>315,000</u>	\$ <u>342,108</u>	\$ <u>27,108</u>
Expenditures:				
Current:				
Security of persons and property				
Fire department				
Materials and Supplies	26,418	26,418	26,405	13
Contractual services	29,200	29,200	27,157	2,043
Capital outlay	<u>154,096</u>	<u>154,096</u>	<u>149,097</u>	<u>4,999</u>
Total fire department	<u>209,714</u>	<u>209,714</u>	<u>202,659</u>	<u>7,055</u>
Police department				
Materials and supplies	50,063	50,063	33,707	16,356
Contractual services	15,000	15,000	9,180	5,820
Capital outlay	<u>65,432</u>	<u>65,432</u>	<u>58,654</u>	<u>6,778</u>
Total police department	<u>130,495</u>	<u>130,495</u>	<u>101,541</u>	<u>28,954</u>
Total expenditures	<u>340,209</u>	<u>340,209</u>	<u>304,200</u>	<u>36,009</u>
Excess of revenues over(Under)Expenditures	(25,209)	(25,209)	37,908	63,117
Other financing sources (uses):				
Transfers – out	<u>(124,725)</u>	<u>(124,725)</u>	<u>(124,725)</u>	<u>-</u>
Net change in fund balance	(149,934)	(149,934)	(86,817)	63,117
Prior year encumbrances	32,352	32,352	32,352	-
Fund balance, beginning of year	<u>123,466</u>	<u>123,466</u>	<u>123,466</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>5,884</u></u>	\$ <u><u>5,884</u></u>	\$ <u><u>69,001</u></u>	\$ <u><u>63,117</u></u>

**City of North Olmsted, Ohio**

Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget (Non-GAAP Basis) and Actual – Emergency Medical Service Fund

**For the Year Ended December 31, 2015**

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Fund balance, beginning of year	\$ <u>2,773</u>	\$ <u>2,773</u>	\$ <u>2,773</u>	\$ <u>-</u>
Fund balance, end of year	\$ <u><u>2,773</u></u>	\$ <u><u>2,773</u></u>	\$ <u><u>2,773</u></u>	\$ <u><u>-</u></u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – State Highway Fund

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 90,000	\$ 90,000	\$ 98,638	\$ 8,638
Interest	<u>-</u>	<u>-</u>	<u>601</u>	<u>601</u>
Total revenues	<u>90,000</u>	<u>90,000</u>	<u>99,239</u>	<u>9,239</u>
Expenditures:				
Current:				
Transportation				
Service department				
Materials and supplies	128,044	128,044	110,505	17,539
Contractual services	65,000	63,600	31,002	32,598
Capital outlay	<u>11,097</u>	<u>12,497</u>	<u>12,415</u>	<u>82</u>
Total expenditures	<u>204,141</u>	<u>204,141</u>	<u>153,922</u>	<u>50,219</u>
Net change in fund balance	(114,141)	(114,141)	(54,683)	59,458
Prior year encumbrances	24,641	24,641	24,641	-
Fund balance, beginning of year	<u>576,958</u>	<u>576,958</u>	<u>576,958</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>487,458</u></u>	\$ <u><u>487,458</u></u>	\$ <u><u>546,916</u></u>	\$ <u><u>59,458</u></u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Street Maintenance Fund

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Intergovernmental revenue	\$ 1,187,400	\$ 1,187,400	\$ 1,216,542	\$ 29,142
Other revenue	-	-	23,056	23,056
Interest	-	-	275	275
Total revenues	<u>1,187,400</u>	<u>1,187,400</u>	<u>1,239,873</u>	<u>52,473</u>
Expenditures:				
Current:				
Transportation				
Service department				
Salaries	537,546	547,246	532,086	15,160
Benefits	206,067	219,299	206,114	13,185
Materials and supplies	513,255	466,855	439,475	27,380
Contractual services	155,671	202,071	182,708	19,363
Capital outlay	<u>201,867</u>	<u>201,867</u>	<u>195,804</u>	<u>6,063</u>
Total expenditures	<u>1,614,406</u>	<u>1,637,338</u>	<u>1,556,187</u>	<u>81,151</u>
Excess of revenues over (under) expenditures	<u>(427,006)</u>	<u>(449,938)</u>	<u>(316,314)</u>	<u>133,624</u>
Other financing sources (uses):				
Transfers– in	<u>-</u>	<u>22,932</u>	<u>22,932</u>	<u>-</u>
Net change in fund balance	(427,006)	(427,006)	(293,382)	133,624
Prior year encumbrances	102,944	102,944	102,944	-
Fund balance, beginning of year	<u>324,112</u>	<u>324,112</u>	<u>324,112</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>50</u></u>	\$ <u><u>50</u></u>	\$ <u><u>133,674</u></u>	\$ <u><u>133,624</u></u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Great Northern TIF

#### **For the Year Ended December 31, 2015**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ -	\$ 500,000	\$ 501,075	\$ 1,075
Expenditures:				
Current:				
General government				
Contractual services	-	300	270	30
Net change in fund balance	-	499,700	500,805	1,105
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ 499,700	\$ 500,805	\$ 1,105

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Court Computerization Fund

#### **For the Year Ended December 31, 2015**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 8,000	\$ 8,000	\$ 8,876	\$ 876
Expenditures:				
Current:				
General government				
Mayor's court				
Contractual services	6,094	6,094	4,920	1,174
Capital outlay	<u>2,979</u>	<u>2,979</u>	<u>1,915</u>	<u>1,064</u>
Total expenditures	<u>9,073</u>	<u>9,073</u>	<u>6,835</u>	<u>2,238</u>
Net change in fund balance	(1,073)	(1,073)	2,041	3,114
Prior year encumbrances	1,587	1,587	1,587	-
Fund balance, beginning of year	<u>6,119</u>	<u>6,119</u>	<u>6,119</u>	-
Fund balance, end of year	\$ <u><u>6,633</u></u>	\$ <u><u>6,633</u></u>	\$ <u><u>9,747</u></u>	\$ <u><u>3,114</u></u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Solid Waste Management Fund

### **For the Year Ended December 31, 2015**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Municipal income tax	\$ 2,126,000	\$ 2,126,000	\$ 2,148,923	\$ 22,923
Intergovernmental revenue	<u>5,000</u>	<u>5,000</u>	<u>5,437</u>	<u>437</u>
Total revenues	<u>2,131,000</u>	<u>2,131,000</u>	<u>2,154,360</u>	<u>23,360</u>
Expenditures:				
Current:				
Basic utility services				
Service department				
Salaries	75,000	128,971	128,971	-
Benefits	22,588	55,585	55,585	-
Contractual services	1,836,455	1,853,855	1,753,845	100,010
Capital outlay	<u>18,000</u>	<u>600</u>	<u>-</u>	<u>600</u>
Total expenditures	<u>1,952,043</u>	<u>2,039,011</u>	<u>1,938,401</u>	<u>100,610</u>
Net change in fund balance	178,957	91,989	215,959	123,970
Prior year encumbrances	2,700	2,700	2,700	-
Fund balance, beginning of year	<u>527,157</u>	<u>527,157</u>	<u>527,157</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>708,814</u></u>	\$ <u><u>621,846</u></u>	\$ <u><u>745,816</u></u>	\$ <u><u>123,970</u></u>

## City of North Olmsted, 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, 2015**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 25,705	\$ 25,705	\$ 16,079	\$ (9,626)
Intergovernmental revenue	-	-	7,706	7,706
Total revenues	<u>25,705</u>	<u>25,705</u>	<u>23,785</u>	<u>(1,920)</u>
Expenditures:				
Current:				
Public health and welfare				
Division of youth services				
Salaries	21,931	21,931	18,115	3,816
Benefits	3,727	3,727	3,050	677
Materials and supplies	1,600	1,600	340	1,260
Contractual services	<u>4,340</u>	<u>4,340</u>	<u>2,135</u>	<u>2,205</u>
Total expenditures	<u>31,598</u>	<u>31,598</u>	<u>23,640</u>	<u>7,958</u>
Excess of revenues over (under) expenditures	(5,893)	(5,893)	145	6,038
Other financing sources (uses):				
Transfers – in	<u>2,170</u>	<u>2,170</u>	-	<u>(2,170)</u>
Net change in fund balance	(3,723)	(3,723)	145	3,868
Fund balance, beginning of year	<u>5,893</u>	<u>5,893</u>	<u>5,893</u>	-
Fund balance, end of year	\$ <u>2,170</u>	\$ <u>2,170</u>	\$ <u>6,038</u>	\$ <u>3,868</u>



## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Drug Enforcement Fund

#### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ -	\$ 1,150	\$ 1,150
Expenditures:				
Current:				
Security of persons and property				
Materials and supplies	-	3,000	-	3,000
Net change in fund balance	-	(3,000)	1,150	4,150
Fund balance, beginning of year	22,834	22,834	22,834	-
Fund balance, end of year	\$ 22,834	\$ 19,834	\$ 23,984	\$ 4,150

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Endowment and Grant Fund

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)
Other revenue	<u>54,000</u>	<u>54,880</u>	<u>73,971</u>	<u>19,091</u>
Total revenues	<u>55,000</u>	<u>55,880</u>	<u>73,971</u>	<u>18,091</u>
Expenditures:				
Current:				
Security of persons and property				
Fire department				
Capital outlay	-	880	880	-
Police department				
Materials and supplies	<u>15,000</u>	<u>15,000</u>	<u>5,086</u>	<u>9,914</u>
Total security of persons and property	<u>15,000</u>	<u>15,880</u>	<u>5,966</u>	<u>9,914</u>
Leisure time activities				
Parks and recreation				
Capital outlay	<u>989</u>	<u>989</u>	<u>-</u>	<u>989</u>
Public health and welfare				
Division of youth and family services				
Materials and supplies	108,626	108,626	16,440	92,186
Contractual services	<u>21,306</u>	<u>21,306</u>	<u>7,705</u>	<u>13,601</u>
Total public health and welfare	<u>129,932</u>	<u>129,932</u>	<u>24,145</u>	<u>105,787</u>
Economic development				
Department of planning and development				
Materials and supplies	25,000	10,000	9,820	180
Contractual services	<u>80,987</u>	<u>95,987</u>	<u>95,884</u>	<u>103</u>
Total economic development	<u>105,987</u>	<u>105,987</u>	<u>105,704</u>	<u>283</u>
Total expenditures	<u>251,908</u>	<u>252,788</u>	<u>135,815</u>	<u>116,973</u>
Excess of revenues over (under) expenditures	(196,908)	(196,908)	(61,844)	135,064
Other financing sources (uses):				
Transfers – in	<u>50,000</u>	<u>50,000</u>	<u>25,000</u>	<u>(25,000)</u>
Net change in fund balance	(146,908)	(146,908)	(36,844)	110,064
Prior year encumbrances	7,487	7,487	7,487	-
Fund balance, beginning of year	<u>281,023</u>	<u>281,023</u>	<u>281,023</u>	<u>-</u>
Fund balance, end of year	\$ <u>141,602</u>	\$ <u>141,602</u>	\$ <u>251,666</u>	\$ <u>110,064</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Fair Capacity Housing Fund

#### **For the Year Ended December 31, 2015**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 13,920	\$ 13,920
Expenditures:				
Current:				
General government				
Law department				
Salaries	20,809	21,643	21,643	-
Benefits	3,628	3,757	3,698	59
Materials and supplies	3,750	3,750	-	3,750
Contractual services	<u>135,850</u>	<u>135,850</u>	<u>3,659</u>	<u>132,191</u>
Total general government	<u>164,037</u>	<u>165,000</u>	<u>29,000</u>	<u>136,000</u>
Excess of revenues over (under) expenditures	(164,037)	(165,000)	(15,080)	149,920
Other financing sources (uses):				
Transfers – in	-	962	962	-
Net change in fund balance	(164,037)	(164,038)	(14,118)	149,920
Fund balance, beginning of year	<u>172,103</u>	<u>172,103</u>	<u>172,103</u>	-
Fund balance, end of year	\$ <u>8,066</u>	\$ <u>8,065</u>	\$ <u>157,985</u>	\$ <u>149,920</u>

# City of North Olmsted, 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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ 197,599	\$ 197,599	\$ 208,703	\$ 11,104
Intergovernmental revenue	<u>29,696</u>	<u>29,696</u>	<u>31,392</u>	<u>1,696</u>
Total revenues	227,295	227,295	240,095	12,800
Expenditures:				
Current:				
Security of persons and property				
Fire department				
Benefits	<u>253,912</u>	<u>253,912</u>	<u>240,095</u>	<u>13,817</u>
Net change in fund balance	(26,617)	(26,617)	-	26,617
Fund balance, beginning of year	<u>26,617</u>	<u>26,617</u>	<u>26,617</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>26,617</u></u>	\$ <u><u>26,617</u></u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Law Enforcement Fund

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ 5,789	\$ 5,789	\$ -
Expenditures:				
Current:				
Security of persons and property				
Police department				
Salaries	25,000	15,000	-	15,000
Benefits	4,702	4,702	-	4,702
Materials and supplies	-	12,000	11,607	393
Contractual services	-	1,219	1,119	100
Total expenditures	<u>29,702</u>	<u>32,921</u>	<u>12,726</u>	<u>20,195</u>
Net change in fund balance	(29,702)	(27,132)	(6,937)	20,195
Fund balance, beginning of year	<u>29,702</u>	<u>29,702</u>	<u>29,702</u>	-
Fund balance, end of year	\$ <u>-</u>	\$ <u>2,570</u>	\$ <u>22,765</u>	\$ <u>20,195</u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – STOP Program Fund

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeiture	\$ 300,000	\$ 390,000	\$ 369,484	\$ (20,516)
Expenditures:				
Current:				
Security of persons and property				
Law department				
Salaries	29,558	31,292	31,285	7
Benefits	16,714	17,128	16,803	325
Total law department	46,272	48,420	48,088	332
Police department				
Salaries	170,000	220,225	211,601	8,624
Benefits	65,747	84,170	79,408	4,762
Materials and supplies	4,500	4,500	1,639	2,861
Contractual services	32,000	32,000	15,377	16,623
Capital outlay	128,509	139,509	124,690	14,819
Total police department	400,756	480,404	432,715	47,689
Total expenditures	447,028	528,824	480,803	48,021
Excess of revenues over (under) expenditures	(147,028)	(138,824)	(111,319)	27,505
Other financing sources(uses):				
Transfers – in	-	11,296	11,296	-
Net change in fund balance	(147,028)	(127,528)	(100,023)	27,505
Prior year encumbrances	38,174	38,174	38,174	-
Fund balance, beginning of year	109,302	109,302	109,302	-
Fund balance, end of year	\$ 448	\$ 19,948	\$ 47,453	\$ 27,505

# City of North Olmsted, 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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ 197,599	\$ 197,599	\$ 208,704	\$ 11,105
Intergovernmental revenue	<u>29,696</u>	<u>29,696</u>	<u>33,368</u>	<u>3,672</u>
Total revenues	227,295	227,295	242,072	14,777
Expenditures:				
Current:				
Security of persons and property				
Police department				
Benefits	<u>253,912</u>	<u>253,912</u>	<u>242,072</u>	<u>11,840</u>
Net change in fund balance	(26,617)	(26,617)	-	26,617
Fund balance, beginning of year	<u>26,617</u>	<u>26,617</u>	<u>26,617</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>26,617</u></u>	\$ <u><u>26,617</u></u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Senior Center Fund

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 20,000	\$ 20,000	\$ 18,530	\$ (1,470)
Fines and forfeitures	1,000	2,100	2,750	650
Donations	<u>5,200</u>	<u>5,200</u>	<u>6,240</u>	<u>1,040</u>
Total revenues	<u>26,200</u>	<u>27,300</u>	<u>27,520</u>	<u>220</u>
Expenditures:				
Current:				
Leisure time activities				
Department of community life services				
Materials and supplies	16,037	13,297	11,433	1,864
Contractual services	<u>15,257</u>	<u>21,574</u>	<u>16,309</u>	<u>5,265</u>
Total expenditures	<u>31,294</u>	<u>34,871</u>	<u>27,742</u>	<u>7,129</u>
Net change in fund balance	(5,094)	(7,571)	(222)	7,349
Prior year encumbrances	3,287	3,287	3,287	-
Fund balance, beginning of year	<u>4,284</u>	<u>4,284</u>	<u>4,284</u>	<u>-</u>
Fund balance, end of year	\$ <u>2,477</u>	\$ <u>-</u>	\$ <u>7,349</u>	\$ <u>7,349</u>



# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Title III Fund

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 5,800	\$ 5,800	\$ 6,118	\$ 318
Intergovernmental revenue	<u>9,800</u>	<u>9,800</u>	<u>9,913</u>	<u>113</u>
Total revenues	<u>15,600</u>	<u>15,600</u>	<u>16,031</u>	<u>431</u>
Expenditures:				
Current:				
Public health and welfare				
Senior services				
Salaries	14,142	14,702	14,702	-
Benefits	<u>2,415</u>	<u>2,501</u>	<u>2,462</u>	<u>39</u>
Total expenditures	<u>16,557</u>	<u>17,203</u>	<u>17,164</u>	<u>39</u>
Excess of revenues over (under) expenditures	(957)	(1,603)	(1,133)	470
Other financing sources (uses):				
Transfers – in	<u>-</u>	<u>646</u>	<u>646</u>	<u>-</u>
Net change in fund balance	(957)	(957)	(487)	470
Fund balance, beginning of year	<u>41,049</u>	<u>41,049</u>	<u>41,049</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>40,092</u></u>	\$ <u><u>40,092</u></u>	\$ <u><u>40,562</u></u>	\$ <u><u>470</u></u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Public Way Management Fund

#### **For the Year Ended December 31, 2015**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ 4,471	\$ 4,471
Expenditures:				
Current:				
Transportation				
Public service and properties				
Contractual services	<u>16,495</u>	<u>16,495</u>	<u>14,782</u>	<u>1,713</u>
Net change in fund balance	(16,495)	(16,495)	(10,311)	6,184
Prior year encumbrances	2,495	2,495	2,495	-
Fund balance, beginning of year	<u>20,100</u>	<u>20,100</u>	<u>20,100</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>6,100</u></u>	\$ <u><u>6,100</u></u>	\$ <u><u>12,284</u></u>	\$ <u><u>6,184</u></u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Library Bond Retirement Fund

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ 724,528	\$ 724,528	\$ 765,223	\$ 40,695
Intergovernmental revenue	<u>97,026</u>	<u>97,026</u>	<u>98,137</u>	<u>1,111</u>
Total revenues	<u>821,554</u>	<u>821,554</u>	<u>863,360</u>	<u>41,806</u>
Expenditures:				
Debt service:				
Principal	650,000	650,000	650,000	-
Interest and fiscal charges	<u>227,938</u>	<u>227,938</u>	<u>227,938</u>	<u>-</u>
Total expenditures	<u>877,938</u>	<u>877,938</u>	<u>877,938</u>	<u>-</u>
Net change in fund balance	(56,384)	(56,384)	(14,578)	41,806
Fund balance, beginning of year	<u>738,640</u>	<u>738,640</u>	<u>738,640</u>	<u>-</u>
Fund balance, end of year	\$ <u>682,256</u>	\$ <u>682,256</u>	\$ <u>724,062</u>	\$ <u>41,806</u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Fire Station Bond Retirement Fund

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property and other taxes	\$ 263,464	\$ 263,464	\$ 278,280	\$ 14,816
Intergovernmental revenue	<u>35,282</u>	<u>35,282</u>	<u>35,686</u>	<u>404</u>
Total revenues	<u>298,746</u>	<u>298,746</u>	<u>313,966</u>	<u>15,220</u>
Expenditures:				
Debt service:				
Principal	190,000	190,000	190,000	-
Interest and fiscal charges	<u>129,363</u>	<u>186,439</u>	<u>186,439</u>	<u>-</u>
Total expenditures	<u>319,363</u>	<u>376,439</u>	<u>376,439</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>(20,617)</u>	<u>(77,693)</u>	<u>(62,473)</u>	<u>15,220</u>
Other financing sources (uses):				
Payment to escrow agent	-	(2,362,729)	(2,362,729)	-
Bond proceeds	<u>-</u>	<u>2,421,357</u>	<u>2,421,357</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>58,628</u>	<u>58,628</u>	<u>-</u>
Net change in fund balance	(20,617)	(19,065)	(3,845)	15,220
Fund balance, beginning of year	<u>530,118</u>	<u>530,118</u>	<u>530,118</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>509,501</u></u>	\$ <u><u>511,053</u></u>	\$ <u><u>526,273</u></u>	\$ <u><u>15,220</u></u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Building and Land Acquisition and Improvement Fund

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Transportation				
Department of public service				
Capital outlay	\$ 14,912	\$ 14,912	\$ 14,912	\$ -
Net change in fund balance	(14,912)	(14,912)	(14,912)	-
Prior year encumbrances	14,913	14,913	14,913	-
Fund balance, beginning of year	123,755	123,755	123,755	-
Fund balance, end of year	\$ 123,756	\$ 123,756	\$ 123,756	\$ -

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Equity Budget (Non-GAAP Basis) and Actual – Springvale Golf Course and Ballroom Fund

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 1,640,000	\$ 1,640,000	\$ 1,694,648	\$ 54,648
Expenses:				
Current:				
Golf course and ballroom				
Salaries	494,459	480,147	448,448	31,699
Benefits	121,477	127,916	111,960	15,956
Materials and supplies	391,785	374,780	355,552	19,228
Contractual services	262,351	315,521	299,888	15,633
Capital outlay	302,781	318,672	314,309	4,363
Total golf course and ballroom	1,572,853	1,617,036	1,530,157	86,879
Debt service:				
Principal	-	245,000	245,000	-
Interest and fiscal charges	5,000	5,000	5,000	-
Total debt service	5,000	250,000	250,000	-
Total expenses	1,577,853	1,867,036	1,780,157	86,879
Excess of revenues over (under) expenses	62,147	(227,036)	(85,509)	141,527
Other financing sources (uses):				
Note proceeds	245,000	245,000	245,000	-
Bond proceeds	-	245,000	245,000	-
Transfers – in	-	14,182	14,182	-
Transfers – out	(385,076)	(385,076)	(385,076)	-
Total other financing sources (uses)	(140,076)	119,106	119,106	-
Net change in fund equity	(77,929)	(107,930)	33,597	141,527
Prior year encumbrances	22,468	22,468	22,468	-
Fund equity, beginning of year	140,910	140,910	140,910	-
Fund equity, end of year	\$ 85,449	\$ 55,448	\$ 196,975	\$ 141,527

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Equity Budget (Non-GAAP Basis) and Actual – Sewer Revenue Fund

### For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ <u>8,699,311</u>	\$ <u>8,699,311</u>	\$ <u>9,187,117</u>	\$ <u>487,806</u>
Expenses:				
Sewer				
Salaries	1,754,201	1,813,733	1,638,243	175,490
Benefits	671,453	715,254	675,610	39,644
Materials and supplies	732,716	698,113	541,495	156,618
Contractual services	1,813,223	2,118,222	1,804,307	313,915
Capital outlay	<u>6,325,740</u>	<u>6,170,830</u>	<u>3,472,441</u>	<u>2,698,389</u>
Total sewer	<u>11,297,333</u>	<u>11,516,152</u>	<u>8,132,096</u>	<u>3,384,056</u>
Excess of revenues over (under) expenses	<u>(2,598,022)</u>	<u>(2,816,841)</u>	<u>1,055,021</u>	<u>3,871,862</u>
Other financing sources (uses):				
Sale of capital assets	-	-	775	775
Loan proceeds	5,132,010	5,132,010	2,547,361	(2,584,649)
Transfers – in	-	68,729	68,729	-
Transfers – out	<u>(2,450,591)</u>	<u>(2,450,591)</u>	<u>(2,064,688)</u>	<u>385,903</u>
Total other financing sources (uses)	<u>2,681,419</u>	<u>2,750,148</u>	<u>552,177</u>	<u>(2,197,971)</u>
Net change in fund equity	83,397	(66,693)	1,607,198	1,673,891
Prior year encumbrances	620,401	620,401	620,401	-
Fund equity, beginning of year	<u>5,738,723</u>	<u>5,738,723</u>	<u>5,738,723</u>	<u>-</u>
Fund equity, end of year	\$ <u><u>6,442,521</u></u>	\$ <u><u>6,292,431</u></u>	\$ <u><u>7,966,322</u></u>	\$ <u><u>1,673,891</u></u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Equity Budget (Non-GAAP Basis) and Actual – Hospitalization Fund

#### **For the Year Ended December 31, 2015**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 2,900,670	\$ 2,900,670	\$ 3,261,359	\$ 360,689
Expenses:				
Contractual services	<u>3,288,278</u>	<u>3,288,278</u>	<u>2,744,992</u>	<u>543,286</u>
Net change in fund equity	(387,608)	(387,608)	516,367	903,975
Fund equity, beginning of year	<u>2,739,359</u>	<u>2,739,359</u>	<u>2,739,359</u>	<u>-</u>
Fund equity, end of year	\$ <u><u>2,351,751</u></u>	\$ <u><u>2,351,751</u></u>	\$ <u><u>3,255,726</u></u>	\$ <u><u>903,975</u></u>



## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Equity Budget (Non-GAAP Basis) and Actual – Workers’ Compensation Self-Insurance Fund

#### **For the Year Ended December 31, 2015**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 300,000	\$ 300,000	\$ 300,000	\$ -
Expenses:				
Contractual services	<u>304,312</u>	<u>304,312</u>	<u>186,552</u>	<u>117,760</u>
Net change in fund equity	(4,312)	(4,312)	113,448	117,760
Prior year encumbrances	3,312	3,312	3,312	-
Fund equity, beginning of year	<u>1,043,364</u>	<u>1,043,364</u>	<u>1,043,364</u>	<u>-</u>
Fund equity, end of year	\$ <u><u>1,042,364</u></u>	\$ <u><u>1,042,364</u></u>	\$ <u><u>1,160,124</u></u>	\$ <u><u>117,760</u></u>

## City of North Olmsted, Ohio

### Fund Description

#### **For the Year Ended December 31, 2015**

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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 purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

##### ***Agency Fund***

***Deposits Fund*** – Accounts for deposits held by the City from contractors, developers and individuals to ensure compliance with City ordinances. These monies net of inspection charges are returned when the work is properly completed.

***Mayor's Court Fund*** – Accounts for the receipt and disbursement of fines collected through the Mayor's Court established by the Ohio Revised Code and City ordinance.

***Mayor's Court Bond Fund*** – Accounts for the receipt and disbursement of bonds collected the Mayor's Court.

# City of North Olmsted, Ohio

## Combining Statement of Changes in Assets and Liabilities Agency Funds

### **For the Year Ended December 31, 2015**

	<u>Balance</u> <u>12/31/14</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/15</u>
<b>Deposits Fund</b>				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>560,141</u>	\$ <u>206,629</u>	\$ <u>138,884</u>	\$ <u>627,886</u>
Liabilities:				
Deposits held and due to others	\$ <u>560,141</u>	\$ <u>206,629</u>	\$ <u>138,884</u>	\$ <u>627,886</u>
<b>Mayor's Court Fund</b>				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>105,430</u>	\$ <u>1,594,060</u>	\$ <u>1,575,993</u>	\$ <u>123,497</u>
Liabilities:				
Deposits held and due to others	\$ <u>105,430</u>	\$ <u>1,594,060</u>	\$ <u>1,575,993</u>	\$ <u>123,497</u>
<b>Mayor's Court Bond Fund</b>				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>975</u>	\$ <u>10,550</u>	\$ <u>8,358</u>	\$ <u>3,167</u>
Liabilities:				
Deposits held and due to others	\$ <u>975</u>	\$ <u>10,550</u>	\$ <u>8,358</u>	\$ <u>3,167</u>
<b>Total Agency Funds</b>				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>666,546</u>	\$ <u>1,811,239</u>	\$ <u>1,723,235</u>	\$ <u>754,550</u>
Liabilities:				
Deposits held and due to others	\$ <u>666,546</u>	\$ <u>1,811,239</u>	\$ <u>1,723,235</u>	\$ <u>754,550</u>

**STATISTICAL  
SECTION**

# City of North Olmsted, 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.

<u>Contents</u>	<u>Page(s)</u>
<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-S9
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City’s most significant local revenue sources, the property tax and municipal income tax.	S10-S14
<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.	S15-S19
<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.	S20-S21
<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.	S22-S29

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

# City of North Olmsted, Ohio

## Net Position by Component Accrual Basis of Accounting

### Last Ten Years

	2015	2014 (a)	2013	2012	2011	2010	2009	2008	2007	2006
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 27,813,444	\$ 29,341,888	\$ 31,940,364	\$ 35,550,385	\$ 36,787,582	\$ 38,558,141	\$ 32,357,653	\$ 34,062,983	\$ 35,283,840	\$ 34,684,616
Restricted for:										
Debt service	7,889,330	7,384,896	6,851,903	6,094,752	5,196,104	4,680,441	4,516,771	3,609,078	3,131,035	3,063,298
Capital projects	683,410	1,138,817	762,911	623,236	797,848	597,111	716,489	622,757	1,709,930	1,724,072
Community development	82,468	73,955	60,633	42,307	49,644	50,857	71,498	63,763	59,323	71,779
Highways and streets	6,091,819	4,723,437	4,353,921	3,328,866	4,224,951	4,654,165	4,582,846	4,042,357	3,707,648	2,587,209
Public safety	379,598	509,197	736,249	825,663	615,805	642,429	604,339	531,438	560,447	492,274
Recreation	16,513	86,380	222,472	215,836	88,177	87,335	148,141	24,215	38,575	51,999
Solid waste management	1,313,809	1,136,124	965,775	577,462	509,787	672,589	859,742	1,119,036	1,191,771	1,054,852
Federal and other grants	454,162	535,346	524,945	530,871	655,170	610,274	612,177	336,920	514,869	136,985
Unrestricted	<u>(11,974,696)</u>	<u>(12,213,118)</u>	<u>7,178,951</u>	<u>6,779,505</u>	<u>6,476,551</u>	<u>4,154,220</u>	<u>1,596,678</u>	<u>2,178,595</u>	<u>2,709,305</u>	<u>5,344,936</u>
Total net position – governmental activities	<u>32,749,857</u>	<u>32,716,922</u>	<u>53,598,124</u>	<u>54,568,883</u>	<u>55,401,619</u>	<u>54,707,562</u>	<u>46,066,334</u>	<u>46,591,142</u>	<u>48,906,743</u>	<u>49,212,020</u>
<b>Business-type activities:</b>										
Net investment in capital assets	14,995,099	14,085,646	15,645,038	13,838,058	13,329,367	13,079,015	12,896,414	12,775,644	12,986,719	13,247,138
Unrestricted	<u>4,450,639</u>	<u>3,409,913</u>	<u>917,874</u>	<u>1,573,485</u>	<u>948,996</u>	<u>577,913</u>	<u>(92,254)</u>	<u>(178,678)</u>	<u>586,799</u>	<u>935,392</u>
Total net position – business-type activities	<u>19,445,738</u>	<u>17,495,559</u>	<u>16,562,912</u>	<u>15,411,543</u>	<u>14,278,363</u>	<u>13,656,928</u>	<u>12,804,160</u>	<u>12,596,966</u>	<u>13,573,518</u>	<u>14,182,530</u>
<b>Primary government:</b>										
Net investment in capital assets	42,808,543	43,427,534	47,585,402	49,388,443	50,116,949	51,637,156	45,254,067	46,838,627	48,270,559	47,931,754
Restricted	16,911,109	15,588,152	14,478,809	12,238,993	12,137,486	11,995,201	12,112,003	10,349,564	10,913,598	9,182,468
Unrestricted	<u>(7,524,057)</u>	<u>(8,803,205)</u>	<u>8,096,825</u>	<u>8,352,990</u>	<u>7,425,547</u>	<u>4,732,133</u>	<u>1,504,424</u>	<u>1,999,917</u>	<u>3,296,104</u>	<u>6,280,328</u>
Total net position – primary government	<u>\$ 52,195,595</u>	<u>\$ 50,212,481</u>	<u>\$ 70,161,036</u>	<u>\$ 69,980,426</u>	<u>\$ 69,679,982</u>	<u>\$ 68,364,490</u>	<u>\$ 58,870,494</u>	<u>\$ 59,188,108</u>	<u>\$ 62,480,261</u>	<u>\$ 63,394,550</u>

(a) Net position in 2014 was restated for the implementation of GASB Statement No. 68.

Source: City financial records

# City of North Olmsted, Ohio

## Changes in Net Position Accrual Basis of Accounting

### Last Ten Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental activities:										
Charges for services:										
General government	\$ 2,298,332	2,030,517	\$ 2,109,396	\$ 1,528,928	\$ 1,599,848	\$ 1,247,442	\$ 1,245,426	\$ 1,294,947	\$ 1,380,444	\$ 1,377,673
Security of persons and property	1,436,003	1,341,069	1,253,737	1,287,158	1,206,279	1,191,835	1,132,436	983,509	913,899	919,841
Public health and welfare	8,926	7,446	10,698	17,015	20,989	40,077	32,742	35,723	34,924	17,076
Transportation	210,341	241,171	235,112	283,571	257,183	173,141	230,351	370,720	257,444	234,374
Basic utility services	-	-	-	-	-	-	-	-	-	10,379
Leisure time activities	1,838,790	1,570,024	1,523,574	1,413,519	1,282,907	1,226,424	1,158,712	1,188,305	1,115,611	1,132,666
Economic development	17,618	18,608	25,663	19,421	21,206	19,875	21,447	20,826	20,771	18,969
Total charges for services	<u>5,810,010</u>	<u>5,208,835</u>	<u>5,158,180</u>	<u>4,549,612</u>	<u>4,388,412</u>	<u>3,898,794</u>	<u>3,821,114</u>	<u>3,894,030</u>	<u>3,723,093</u>	<u>3,710,978</u>
Operating grants and contributions:										
General government	30,939	55,726	37,500	41,442	11,260	48,547	29,998	53,548	259,898	18,911
Security of persons and property	411,329	129,368	342,433	415,442	26,322	54,646	55,111	73,554	52,724	69,342
Public health and welfare	61,366	60,909	64,031	63,112	60,327	63,017	46,530	53,436	42,152	63,097
Transportation	1,526,293	1,545,273	1,632,366	1,510,295	1,381,255	1,603,510	1,442,017	1,506,885	1,532,237	1,576,013
Basic utility services	5,000	5,000	12,441	-	3,282	3,634	4,350	-	8,018	-
Leisure time activities	1,940	55	12,185	9,500	62,491	69,136	64,267	75,757	71,678	75,495
Economic development	-	-	-	-	65,000	15,400	54,600	19,975	-	-
Total operating grants and contributions	<u>2,036,867</u>	<u>1,796,331</u>	<u>2,100,956</u>	<u>2,039,791</u>	<u>1,609,937</u>	<u>1,857,890</u>	<u>1,696,873</u>	<u>1,783,155</u>	<u>1,966,707</u>	<u>1,802,858</u>
Capital grants and contributions:										
General government	34,654	-	32,877	67,419	134,839	-	-	-	-	-
Security of persons and property	7,793	-	-	-	288,228	-	100,000	-	-	47,834
Public health and welfare	-	-	115,000	-	105,000	-	-	-	-	-
Transportation	-	-	270,295	299,061	246,967	8,162,080	681,725	161,267	1,086,471	2,966,101
Leisure time activities	-	-	-	-	-	-	18,654	-	112,200	-
Total capital grants and contributions	<u>42,447</u>	<u>-</u>	<u>418,172</u>	<u>366,480</u>	<u>775,034</u>	<u>8,162,080</u>	<u>800,379</u>	<u>161,267</u>	<u>1,198,671</u>	<u>3,013,935</u>
Total governmental activities program revenues	<u>7,889,324</u>	<u>7,005,166</u>	<u>7,677,308</u>	<u>6,955,883</u>	<u>6,773,383</u>	<u>13,918,764</u>	<u>6,318,366</u>	<u>5,838,452</u>	<u>6,888,471</u>	<u>8,527,771</u>

(Continued)

# City of North Olmsted, Ohio

## Changes in Net Position Accrual Basis of Accounting (Continued)

### Last Ten Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Business-type activities:										
Charges for services:										
NOMBL	-	-	-	-	-	-	-	-	1,608	31,277
Springvale Golf Course and Ballroom	1,694,648	1,655,305	1,524,267	1,476,024	1,166,214	1,304,849	1,286,334	1,309,635	1,236,571	1,311,244
Sewer	<u>9,181,973</u>	<u>8,738,033</u>	<u>7,770,214</u>	<u>7,327,028</u>	<u>6,673,982</u>	<u>6,769,950</u>	<u>6,371,014</u>	<u>6,291,597</u>	<u>5,902,415</u>	<u>5,705,603</u>
Total charges for services	<u>10,876,621</u>	<u>10,393,338</u>	<u>9,294,481</u>	<u>8,803,052</u>	<u>7,840,196</u>	<u>8,074,799</u>	<u>7,657,348</u>	<u>7,601,232</u>	<u>7,140,594</u>	<u>7,048,124</u>
Capital grants and contributions:										
Sewer	-	-	31,676	62,299	187,887	71,428	124,197	40,886	141,130	471,157
Total business-type activities program revenues	<u>10,876,621</u>	<u>10,393,338</u>	<u>9,326,157</u>	<u>8,865,351</u>	<u>8,028,083</u>	<u>8,146,227</u>	<u>7,781,545</u>	<u>7,642,118</u>	<u>7,281,724</u>	<u>7,519,281</u>
Total primary government program revenues	<u>18,765,945</u>	<u>17,398,504</u>	<u>17,003,465</u>	<u>15,821,234</u>	<u>14,801,466</u>	<u>22,064,991</u>	<u>14,099,911</u>	<u>13,480,570</u>	<u>14,170,195</u>	<u>16,047,052</u>
Expenses:										
Governmental activities:										
General government	4,516,867	4,200,635	4,612,689	4,096,769	3,582,339	3,276,027	3,900,267	4,556,304	4,272,866	4,272,186
Security of persons and property	14,205,425	12,948,527	12,974,261	12,847,883	11,367,748	11,627,831	12,806,773	14,754,497	14,450,742	14,334,131
Public health services	551,565	529,304	504,219	527,602	489,183	467,464	536,943	565,271	567,033	549,892
Transportation	8,416,485	9,608,806	10,161,662	10,314,338	10,125,472	9,184,733	9,493,814	10,144,063	9,877,064	9,899,888
Basic utility services	1,929,636	1,920,086	1,700,564	2,100,931	2,306,879	2,246,112	2,111,966	2,162,069	1,806,726	1,678,150
Leisure time activities	3,136,618	2,850,349	2,583,952	2,472,946	2,414,279	2,519,617	2,493,927	2,618,770	2,451,564	2,479,209
Economic development	275,635	328,696	339,198	476,253	432,497	377,094	548,066	562,343	343,280	156,942
Interest and fiscal charges	<u>1,049,394</u>	<u>941,826</u>	<u>1,371,593</u>	<u>1,197,352</u>	<u>1,370,320</u>	<u>1,580,084</u>	<u>1,754,255</u>	<u>1,947,244</u>	<u>2,125,469</u>	<u>2,320,133</u>
Total governmental activities expenses	<u>34,081,625</u>	<u>33,328,229</u>	<u>34,248,138</u>	<u>34,034,074</u>	<u>32,088,717</u>	<u>31,278,962</u>	<u>33,646,011</u>	<u>37,310,561</u>	<u>35,894,744</u>	<u>35,690,531</u>

(Continued)



# City of North Olmsted, Ohio

## Changes in Net Position Accrual Basis of Accounting (Continued)

### Last Ten Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Business-type activities:										
NOMBL	-	-	-	-	-	-	13,158	13,158	13,158	42,057
Springvale Golf Course and Ballroom	1,557,162	1,547,407	1,598,902	1,561,234	1,393,346	1,403,969	1,337,078	1,417,950	1,470,220	1,451,094
Sewer revenue	<u>7,408,132</u>	<u>6,311,785</u>	<u>6,562,518</u>	<u>5,959,665</u>	<u>5,950,651</u>	<u>5,965,290</u>	<u>6,251,896</u>	<u>6,659,020</u>	<u>6,735,440</u>	<u>6,752,055</u>
Total business-type activities expenses	<u>8,965,294</u>	<u>7,859,192</u>	<u>8,161,420</u>	<u>7,520,899</u>	<u>7,343,997</u>	<u>7,369,259</u>	<u>7,602,132</u>	<u>8,090,128</u>	<u>8,218,818</u>	<u>8,245,206</u>
Total primary government expenses	<u>43,046,919</u>	<u>41,187,421</u>	<u>42,409,558</u>	<u>41,554,973</u>	<u>39,432,714</u>	<u>38,648,221</u>	<u>41,248,143</u>	<u>45,400,689</u>	<u>44,113,562</u>	<u>43,935,737</u>
Net (expense) revenue:										
Governmental activities	(26,192,301)	(26,323,063)	(26,570,830)	(27,078,191)	(25,315,334)	(17,360,198)	(27,327,645)	(31,472,109)	(29,006,273)	(27,162,760)
Business-type activities	<u>1,911,327</u>	<u>2,534,146</u>	<u>1,164,737</u>	<u>1,344,452</u>	<u>684,086</u>	<u>776,968</u>	<u>179,413</u>	<u>(448,010)</u>	<u>(937,094)</u>	<u>(725,925)</u>
Total primary government net expense	<u>(24,280,974)</u>	<u>(23,788,917)</u>	<u>(25,406,093)</u>	<u>(25,733,739)</u>	<u>(24,631,248)</u>	<u>(16,583,230)</u>	<u>(27,148,232)</u>	<u>(31,920,119)</u>	<u>(29,943,367)</u>	<u>(27,888,685)</u>
General revenues and other changes in net position:										
Governmental activities:										
Property taxes and other local taxes	9,558,074	9,183,826	9,525,254	9,743,908	9,782,378	9,895,600	11,020,701	10,868,791	11,396,531	10,701,905
Municipal income taxes	14,039,569	13,926,264	13,815,005	13,286,957	12,197,549	12,142,212	12,239,390	13,021,313	13,014,677	14,164,807
Grants and entitlements	2,554,370	2,201,218	2,147,473	2,919,512	3,736,906	3,954,223	3,462,553	4,145,745	3,492,684	3,429,556
Investment earnings	36,912	39,775	61,556	40,217	37,499	62,463	84,227	531,565	1,029,342	917,948
Gain on sale of capital assets	-	-	-	9,086	-	-	-	-	-	-
Other	75,163	63,894	37,415	34,503	35,478	22,728	23,747	60,552	95,844	42,532
Transfers	(38,852)	40,223	13,368	211,272	62,651	(75,800)	(27,781)	528,542	(328,082)	(2,353)
Special item – sale of capital assets	-	-	-	-	156,930	-	-	-	-	-
Total governmental activities general revenues and other changes in net position	<u>26,225,236</u>	<u>25,455,200</u>	<u>25,600,071</u>	<u>26,245,455</u>	<u>26,009,391</u>	<u>26,001,426</u>	<u>26,802,837</u>	<u>29,156,508</u>	<u>28,700,996</u>	<u>29,254,395</u>

(Continued)

# City of North Olmsted, Ohio

## Changes in Net Position Accrual Basis of Accounting (Continued)

### Last Ten Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Business-type activities:										
Other	-	-	-	-	-	-	-	-	-	-
Transfers	<u>38,852</u>	<u>(40,223)</u>	<u>(13,368)</u>	<u>(211,272)</u>	<u>(62,651)</u>	<u>75,800</u>	<u>27,781</u>	<u>(528,542)</u>	<u>328,082</u>	<u>2,353</u>
Total business-type activities general revenues and other changes in net position	<u>38,852</u>	<u>(40,223)</u>	<u>(13,368)</u>	<u>(211,272)</u>	<u>(62,651)</u>	<u>75,800</u>	<u>27,781</u>	<u>(528,542)</u>	<u>328,082</u>	<u>2,353</u>
Total primary government general revenues and other changes in net position	<u>26,264,088</u>	<u>25,414,977</u>	<u>25,586,703</u>	<u>26,034,183</u>	<u>25,946,740</u>	<u>26,077,226</u>	<u>26,830,618</u>	<u>28,627,966</u>	<u>29,029,078</u>	<u>29,256,748</u>
Change in net position:										
Governmental activities	32,935	(867,863)	(970,759)	(832,736)	694,057	8,641,228	(524,808)	(2,315,601)	(305,277)	2,091,635
Business-type activities	<u>1,950,179</u>	<u>2,493,923</u>	<u>1,151,369</u>	<u>1,133,180</u>	<u>621,435</u>	<u>852,768</u>	<u>207,194</u>	<u>(976,552)</u>	<u>(609,012)</u>	<u>(723,572)</u>
Total primary government change in net position	\$ <u>1,983,114</u>	\$ <u>1,626,060</u>	\$ <u>180,610</u>	\$ <u>300,444</u>	\$ <u>1,315,492</u>	\$ <u>9,493,996</u>	\$ <u>(317,614)</u>	\$ <u>(3,292,153)</u>	\$ <u>(914,289)</u>	\$ <u>1,368,063</u>

Information from 2006 through 2014 uses GASB Statement No. 27 to measure pension expense.  
Information in 2015 uses GASB Statement No. 68 to measure pension expense.

Source: City financial records

# City of North Olmsted, Ohio

## Fund Balances, Governmental Funds Modified Accrual Basis of Accounting

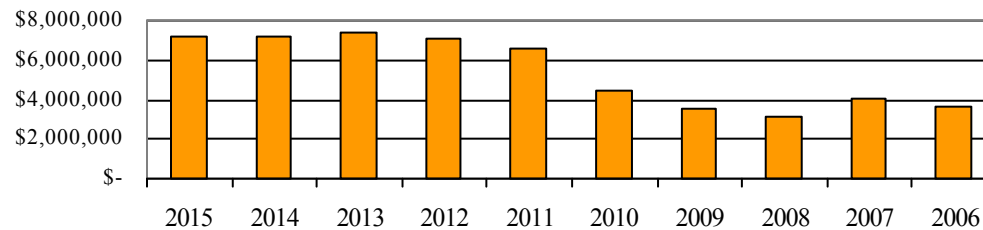
### Last Ten Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Fund										
Nonspendable	\$ 1,173,952	\$ 1,180,719	\$ 1,077,862	\$ 988,055	\$ 910,466	\$ -	\$ -	\$ -	\$ -	\$ -
Committed	42,000	-	-	-	-	-	-	-	-	-
Assigned	4,237,354	4,714,841	4,860,515	1,799,392	875,618	-	-	-	-	-
Unassigned	1,729,097	1,270,324	1,433,619	4,338,011	4,752,859	-	-	-	-	-
Reserved	-	-	-	-	-	870,953	399,153	142,013	180,744	64,773
Unreserved	-	-	-	-	-	<u>3,620,708</u>	<u>3,189,607</u>	<u>3,038,397</u>	<u>3,862,969</u>	<u>3,553,794</u>
Total General Fund	<u>7,182,403</u>	<u>7,165,884</u>	<u>7,371,996</u>	<u>7,125,458</u>	<u>6,538,943</u>	<u>4,491,661</u>	<u>3,588,760</u>	<u>3,180,410</u>	<u>4,043,713</u>	<u>3,618,567</u>
All other governmental funds										
Nonspendable	124,839	75,935	20,717	17,671	16,322	-	-	-	-	-
Restricted	10,447,657	10,134,313	9,667,331	8,868,220	7,848,577	-	-	-	-	-
Committed	5,152,340	3,961,110	3,390,672	1,920,873	2,791,841	-	-	-	-	-
Unassigned	-	-	-	(55,939)	(56,562)	-	-	-	-	-
Reserved	-	-	-	-	-	423,390	252,063	256,447	221,861	2,117,205
Unreserved (deficit), reported in:										
Special revenue funds	-	-	-	-	-	5,290,424	5,826,527	5,833,486	6,024,628	4,433,601
Debt service funds	-	-	-	-	-	4,074,995	3,881,582	3,609,078	3,131,035	3,063,298
Capital projects funds	-	-	-	-	-	<u>569,830</u>	<u>744,698</u>	<u>597,238</u>	<u>1,599,829</u>	<u>1,873,259</u>
Total all other governmental funds	<u>15,724,836</u>	<u>14,171,358</u>	<u>13,078,720</u>	<u>10,750,825</u>	<u>10,600,178</u>	<u>10,358,639</u>	<u>10,704,870</u>	<u>10,296,249</u>	<u>10,977,353</u>	<u>11,487,363</u>
Total governmental funds	\$ <u>22,907,239</u>	\$ <u>21,337,242</u>	\$ <u>20,450,716</u>	\$ <u>17,876,283</u>	\$ <u>17,139,121</u>	\$ <u>14,850,300</u>	\$ <u>14,293,630</u>	\$ <u>13,476,659</u>	\$ <u>15,021,066</u>	\$ <u>15,105,930</u>

In 2011, the City implemented GASB 54.

Source: City financial records

**Fund Balance  
General Fund, Last Ten Years**



# City of North Olmsted, Ohio

## Changes in Fund Balances, Governmental Funds Modified Accrual Basis of Accounting

### Last Ten Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Revenues:										
Property taxes	\$ 9,653,946	\$ 9,291,474	\$ 9,503,797	9,799,407	\$ 9,924,695	\$ 9,985,313	\$ 10,687,345	\$ 10,928,075	\$ 11,300,024	\$ 10,743,737
Income taxes	14,252,984	14,317,492	13,435,417	12,655,722	12,346,450	11,770,310	12,241,747	12,823,445	13,347,091	13,716,789
Payment in lieu of taxes	501,075	-	-	-	-	-	-	-	-	-
Charges for services	3,209,751	2,750,607	2,751,882	2,552,793	2,384,556	2,414,501	2,318,947	2,306,911	2,429,928	2,400,889
Fines, licenses and permits	1,876,649	1,681,117	1,654,123	1,628,181	1,670,972	1,212,137	1,211,117	1,233,366	1,336,750	1,326,848
Intergovernmental	4,183,068	4,131,025	4,889,076	5,770,274	6,409,008	5,802,595	6,146,811	6,151,099	7,020,463	7,731,605
Special assessments	-	-	-	-	-	90,000	85,000	75,000	70,000	70,000
Interest	36,912	39,775	61,556	40,217	37,499	62,463	84,227	531,565	1,029,342	917,948
Miscellaneous	717,963	662,055	615,578	176,983	181,063	208,977	195,904	214,157	273,269	206,726
Total revenues	<u>34,432,348</u>	<u>32,873,545</u>	<u>32,911,429</u>	<u>32,623,577</u>	<u>32,954,243</u>	<u>31,546,296</u>	<u>32,971,098</u>	<u>34,263,618</u>	<u>36,806,867</u>	<u>37,114,542</u>
Expenditures:										
Current:										
General government	4,192,227	4,190,529	4,108,722	3,662,591	3,646,056	3,457,202	3,548,371	4,303,141	4,010,702	4,180,324
Security of persons and property	14,106,951	13,194,930	13,176,566	12,436,324	11,513,761	11,947,782	12,492,370	14,436,087	14,045,123	14,547,145
Public health and welfare	590,039	522,122	640,545	513,659	628,225	477,740	549,409	563,943	560,468	543,475
Transportation	6,070,558	5,249,876	5,105,094	5,990,651	5,163,746	4,422,054	4,949,069	5,702,600	5,522,720	4,981,748
Basic utility services	1,933,777	1,923,981	1,700,564	2,100,931	2,306,879	2,246,112	2,107,623	2,165,012	1,884,985	1,690,898
Leisure time activities	2,796,243	2,620,445	2,881,644	2,198,920	2,287,806	2,343,545	2,208,061	2,409,455	2,405,799	2,264,816
Economic development	272,427	321,058	435,643	738,357	468,200	556,467	554,298	544,560	341,877	155,170
Capital outlay	714,701	1,746,234	132,499	833,444	376,161	122,399	416,772	834,099	3,152,670	4,514,283
Debt Service:										
Principal	11,542,007	3,872,081	5,877,646	4,770,492	4,002,500	7,588,715	6,763,814	5,803,153	4,120,931	14,009,002
Interest and fiscal charge	844,228	974,312	1,119,953	1,183,155	1,368,647	1,606,408	1,738,992	1,951,582	2,077,473	2,322,655
Note issuance costs	-	-	-	23,250	17,426	25,522	22,017	12,000	13,250	-
Bond issuance costs	233,131	28,056	133,477	-	-	83,872	-	-	-	329,670
Total expenditures	<u>43,296,289</u>	<u>34,643,624</u>	<u>35,312,353</u>	<u>34,451,774</u>	<u>31,779,407</u>	<u>34,877,818</u>	<u>35,350,796</u>	<u>38,725,632</u>	<u>38,135,998</u>	<u>49,539,186</u>
Excess of revenues over (under) expenditures	<u>(8,863,941)</u>	<u>(1,770,079)</u>	<u>(2,400,924)</u>	<u>(1,828,197)</u>	<u>1,174,836</u>	<u>(3,331,522)</u>	<u>(2,379,698)</u>	<u>(4,462,014)</u>	<u>(1,329,131)</u>	<u>(12,424,644)</u>

(Continued)

# City of North Olmsted, Ohio

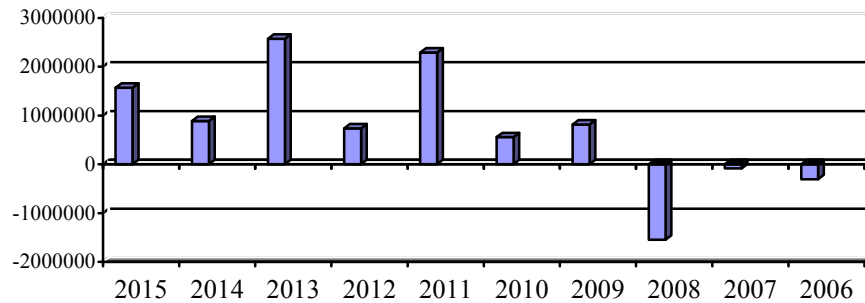
## Changes in Fund Balances, Governmental Funds Modified Accrual Basis of Accounting (Continued)

### Last Ten Years

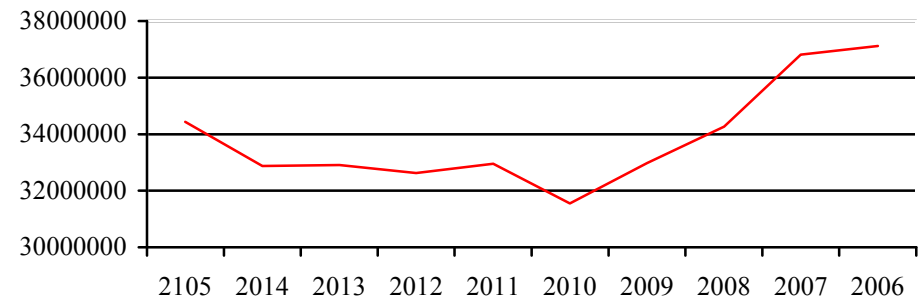
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Other financing sources (uses):										
Issuance of notes	5,095,000	2,425,000	-	2,468,700	880,000	-	3,215,000	2,370,000	1,560,000	500,000
Inception of capital leases	60,299	176,472	-	-	-	59,763	-	-	-	63,782
Proceeds from issuance of bonds	8,380,000	-	4,770,000	-	-	3,715,000	-	-	-	27,230,000
Premium on issuance of bonds	518,568	11,510	120,394	-	-	168,945	-	-	-	658,627
Payment to bond escrow agent	(3,593,275)	-	-	-	-	-	-	-	-	(16,354,414)
Sale of capital assets	16,033	3,400	55,130	12,300	171,334	20,284	9,450	27,527	12,349	20,120
Transfers - in	1,603,124	1,595,893	1,756,925	2,382,025	3,147,873	1,860,769	1,790,131	2,616,630	2,492,750	1,858,626
Transfers - out	(1,645,811)	(1,555,670)	(1,727,092)	(2,297,666)	(3,085,222)	(1,936,569)	(1,817,912)	(2,096,550)	(2,820,832)	(1,860,979)
Total other financing sources (uses)	<u>10,433,938</u>	<u>2,656,605</u>	<u>4,975,357</u>	<u>2,565,359</u>	<u>1,113,985</u>	<u>3,888,192</u>	<u>3,196,669</u>	<u>2,917,607</u>	<u>1,244,267</u>	<u>12,115,762</u>
Net change in fund balance	\$ <u>1,569,997</u>	\$ <u>886,526</u>	\$ <u>2,574,433</u>	\$ <u>737,162</u>	\$ <u>2,288,821</u>	\$ <u>556,670</u>	\$ <u>816,971</u>	\$ <u>(1,544,407)</u>	\$ <u>(84,864)</u>	\$ <u>(308,882)</u>
Debt service as a percentage of noncapital expenditures	30.43%	15.31%	21.68%	19.21%	18.33%	36.66%	25.49%	21.38%	18.89%	38.30%

Source: City financial records

Net Change in Fund Balance, Governmental Funds



Governmental Funds Revenues



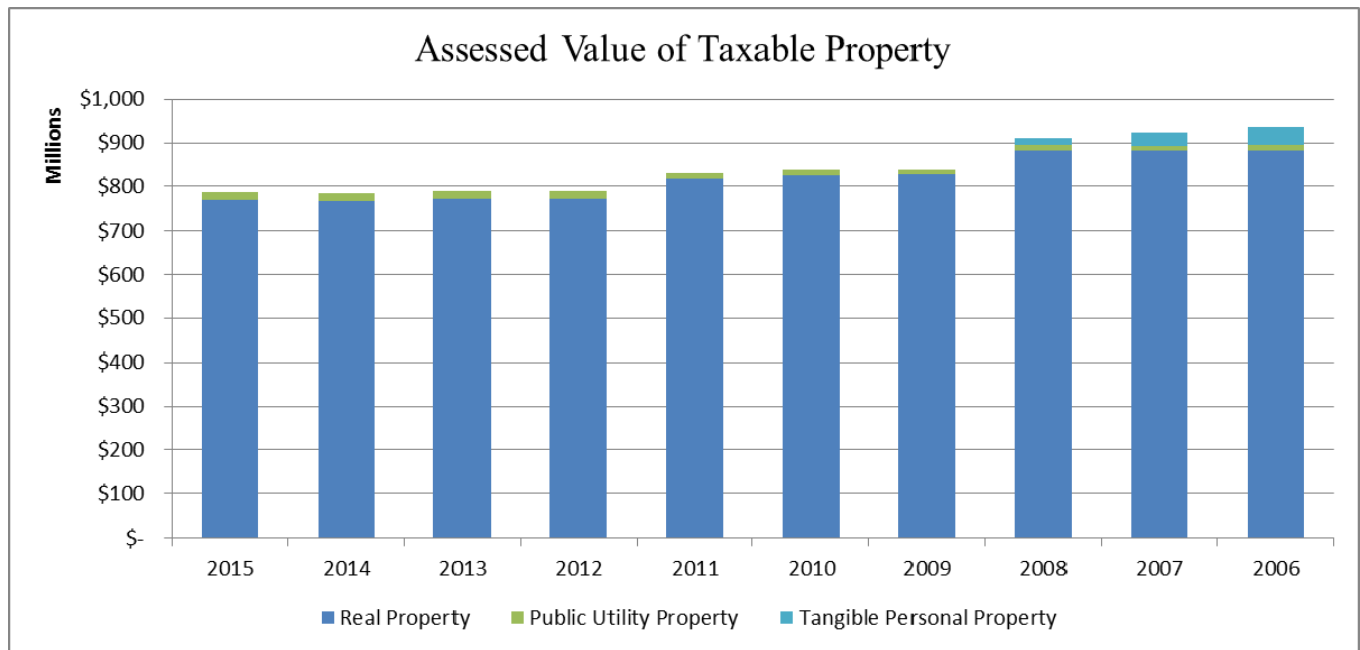
# City of North Olmsted, Ohio

## Assessed Valuations and Estimated Actual Values of Taxable Property

### Last Ten Years

Tax Year	Real Property	Public Utility Property	Tangible Personal Property	Total	Estimated True Values of Taxable Property	Total Direct Tax Rate	Ratio
2015	\$ 770,231,040	\$ 15,858,070	\$ -	\$ 786,089,110	\$ 2,226,881,331	\$ 13.30	35.3%
2014	769,849,650	15,583,140	-	785,432,790	2,225,022,068	13.30	35.3
2013	773,675,680	15,046,860	-	788,722,540	2,234,341,473	13.30	35.3
2012	775,022,110	13,514,220	-	788,536,330	2,233,813,966	13.30	35.3
2011	818,595,110	12,549,000	-	831,144,110	2,353,103,398	13.30	35.3
2010	825,718,930	11,747,350	-	837,466,280	2,372,546,204	13.30	35.3
2009	827,569,610	11,432,430	-	839,002,040	2,377,475,998	13.30	35.3
2008	882,868,100	11,624,510	15,831,601	910,324,211	2,799,034,922	13.20	32.5
2007	881,650,600	10,087,260	30,291,306	922,029,166	2,781,506,682	13.20	33.1
2006	881,661,360	14,502,800	39,487,817	935,651,977	2,758,639,748	13.20	33.9

Source: Cuyahoga County Fiscal Officer, based upon tax year valuations



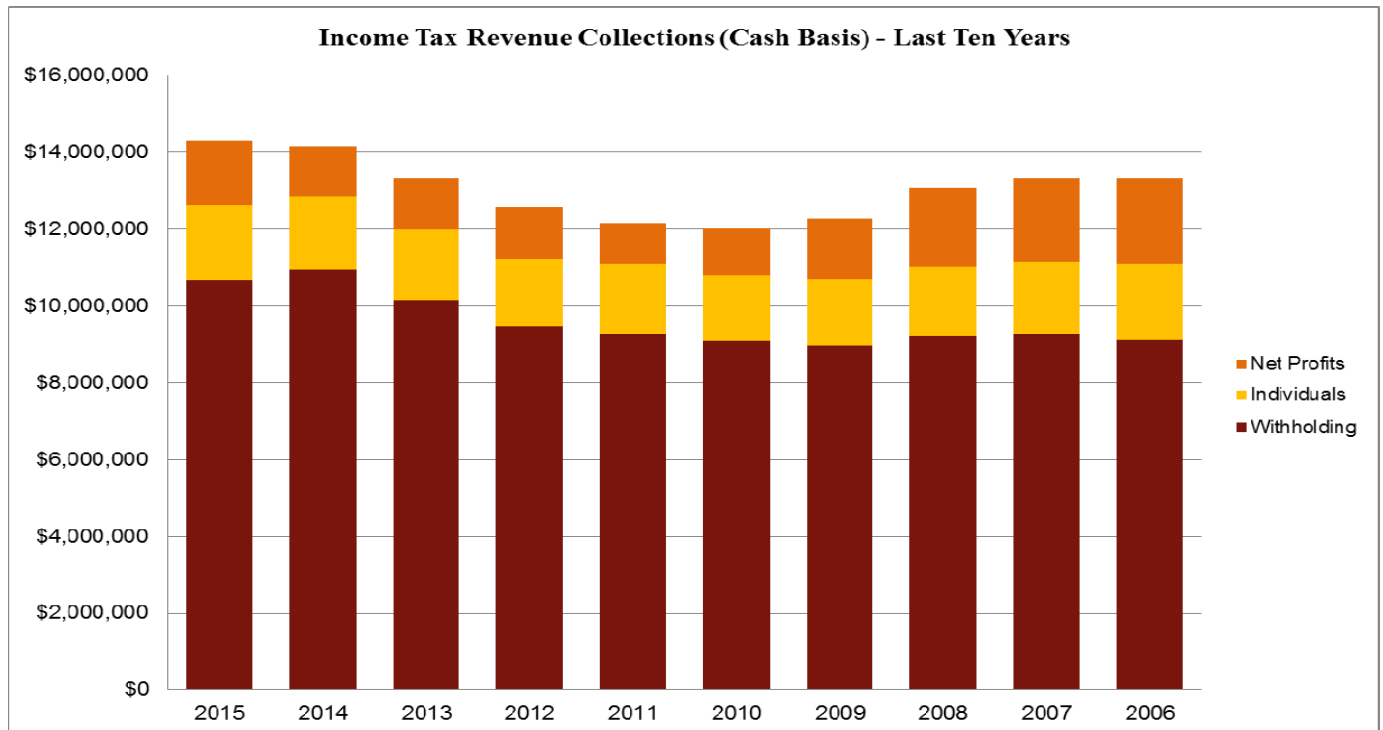
# City of North Olmsted, Ohio

## Income Tax Revenue Collections (Cash Basis)

### Last Ten Years

Collection Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes from Individuals	Percentage of Taxes from Individuals	Taxes from Net Profits	Percentage of Taxes from Net Profits
2015	2.00%	\$ 14,326,364	\$ 10,691,137	74.6%	\$ 1,934,541	13.5%	\$ 1,700,686	11.9%
2014	2.00	14,170,871	10,955,677	77.3	1,890,416	13.3	1,324,778	9.4
2013	2.00	13,314,563	10,163,612	76.3	1,815,366	13.6	1,335,585	10.1
2012	2.00	12,577,000	9,479,691	75.4	1,744,443	13.9	1,352,866	10.7
2011	2.00	12,162,050	9,275,836	76.3	1,814,680	14.9	1,071,534	8.8
2010	2.00	12,026,344	9,090,112	75.6	1,722,631	14.3	1,213,601	10.1
2009	2.00	12,285,520	8,970,962	73.0	1,727,948	14.1	1,586,610	12.9
2008	2.00	13,069,739	9,217,837	70.5	1,797,199	13.8	2,054,703	15.7
2007	2.00	13,330,936	9,275,262	69.6	1,880,178	14.1	2,175,496	16.3
2006	2.00	13,328,675	9,134,372	68.5	1,967,779	14.8	2,226,524	16.7

Source: City Finance Department



## City of North Olmsted, Ohio

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

### Last Ten Years

Tax Year	City of North Olmsted									
	General Operating	Debt Retirement	Recreation	Police and Fire Pension	Total	School District	Cuyahoga County (a)	Polaris Vocational School	Total	
2015	\$ 6.70	\$ 4.80	\$ 1.20	\$ 0.60	\$ 13.30	\$ 96.90	\$ 23.43	\$ 2.40	\$ 136.03	
2014	6.70	4.80	1.20	0.60	13.30	96.90	23.43	2.40	136.03	
2013	6.70	4.80	1.20	0.60	13.30	91.40	22.53	2.40	129.63	
2012	6.70	4.80	1.20	0.60	13.30	91.40	20.80	2.40	127.90	
2011	6.70	4.80	1.20	0.60	13.30	91.40	20.80	2.40	127.90	
2010	6.70	4.80	1.20	0.60	13.30	91.40	20.90	2.40	128.00	
2009	6.40	5.10	1.20	0.60	13.30	83.50	20.60	2.40	119.80	
2008	6.50	4.90	1.20	0.60	13.20	83.50	20.60	2.40	119.70	
2007	6.50	4.90	1.20	0.60	13.20	83.50	20.20	2.40	119.30	
2006	6.60	4.80	1.20	0.60	13.20	77.00	20.20	2.40	112.80	

(a) Includes Metroparks and Library Millage

Source: Cuyahoga County Fiscal Officer



## City of North Olmsted, Ohio

### Real Property Tax Levies, and Collections

#### Last Ten Years

<u>Collection Year</u>	<u>Total Tax Levy</u>	<u>Current Collections</u>	<u>Percentage of Current Collections to Tax Levy</u>	<u>Delinquent Collections</u>	<u>Total Collections(1)</u>	<u>Percentage of Total Collections to Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes</u>	<u>Delinquent Taxes to Total Tax Levy</u>
2015	\$ 10,464,045	\$ 10,699,097	102.25%	\$ 114,885	\$ 10,813,982	103.34%	\$ 264,461	2.5%
2014	10,500,027	9,984,480	95.09	209,589	10,194,069	97.09	360,332	3.4
2013	10,512,763	10,171,318	96.75	213,429	10,384,747	98.78	408,726	3.9
2012	11,066,789	10,627,072	96.03	263,342	10,890,414	98.41	384,324	3.5
2011	11,146,571	10,756,740	96.50	251,889	11,008,629	98.76	440,506	4.0
2010	11,800,535	10,623,422	90.03	391,697	11,015,119	93.34	574,690	4.9
2009	11,802,571	11,300,029	95.74	235,982	11,536,011	97.74	659,686	5.6
2008	11,804,175	11,399,614	96.57	293,573	11,693,187	99.06	400,697	3.4
2007	11,807,403	11,403,200	96.58	250,483	11,653,683	98.70	459,981	3.9
2006	10,906,598	10,577,903	96.99	239,718	10,817,621	99.18	363,471	3.3

Source: Cuyahoga County Fiscal Officer

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

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

# City of North Olmsted, Ohio

## Principal Taxpayers – Real Estate Tax

### 2015 and 2006

<u>Name of Taxpayer</u>	<u>December 31, 2015</u>	
	<u>Assessed Value (1)</u>	<u>Percent of Total Assessed Value</u>
Star-West Great Northern Mall LLC	\$ 36,988,690	4.71%
BRE DDR Great Northern LLC	28,751,830	3.66
Cleveland Electric Illuminating Company	12,798,320	1.63
PWA Great Northern Corporate Center	8,394,760	1.07
B&G Properties LTD Partnership	6,253,290	0.80
LKD North Olmsted LLC	6,207,060	0.79
DDR MDT Great Northern LLC	5,819,210	0.74
JVM Butternut Apartments LLC	5,642,000	0.72
Moen Inc.	4,685,770	0.60
Mays Stores 74 Corp	4,285,060	0.55
Total	\$ <u>119,825,990</u>	<u>15.27%</u>
Total assessed valuation	\$ <u>786,089,110</u>	

<u>Name of Taxpayer</u>	<u>December 31, 2006</u>	
	<u>Assessed Value (1)</u>	<u>Percent of Total Assessed Value</u>
Great Northern Partnership	\$ 25,447,350	2.92%
DDR MDT Great Northern LLC	22,838,790	2.62
Cleveland Electric Illuminating Company	8,022,530	0.92
Duke Realty Ohio	7,445,620	0.85
Higbee Company	6,655,220	0.76
Butternut Ridge Apartments LLC	5,751,200	0.66
B&G Properties Limited Partnership	5,545,110	0.64
WEA Great Northern Mall LLC	5,147,670	0.59
Water Tower Square LTD	4,638,730	0.53
Wal Mart	4,607,790	0.53
Total	\$ <u>96,100,010</u>	<u>11.02%</u>
Total assessed valuation	\$ <u>935,651,977</u>	

Source: Cuyahoga County Fiscal Officer

(1) The amounts presented represent the assessed values upon which 2015 and 2006 assessed taxes were based.

# City of North Olmsted, Ohio

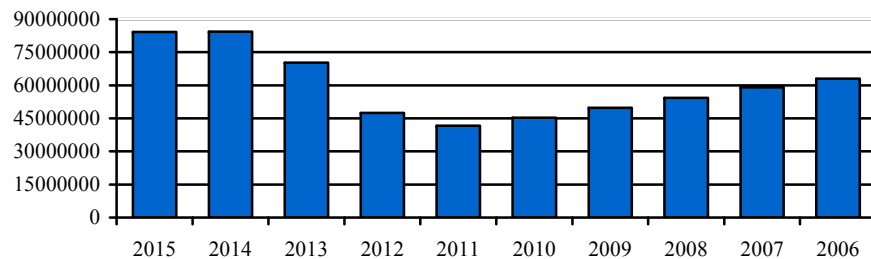
## Ratio of Outstanding Debt to Total Personal Income and Debt per Capita

### Last Ten Years

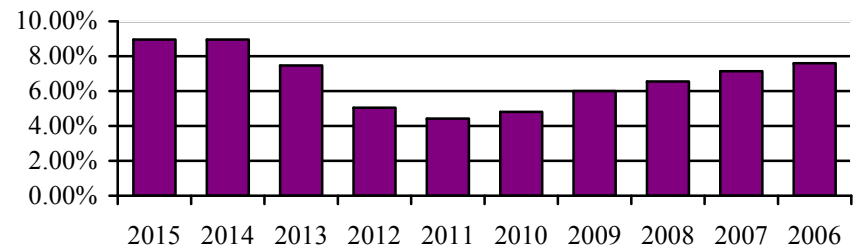
Year	Governmental Activities					Business-Type Activities					Total Debt	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Assessment Bonds	OPWC Loans	Long-Term Notes	Capital Leases	General Obligation Bonds	Long-Term Notes	Capital Leases	OWDA Loans	OPWC Loans			
2015	\$ 22,169,951	\$ -	\$ -	\$ -	\$ 167,644	\$ 4,862,340	\$ -	\$ 23,374	\$ 56,857,463	\$ 65,167	\$ 84,145,939	8.94%	\$ 2,572
2014	20,750,420	-	-	2,425,000	163,862	6,463,388	-	28,325	54,244,535	195,500	84,271,030	8.96	2,576
2013	24,664,457	-	-	-	14,124	8,221,294	-	980	37,086,769	260,667	70,248,291	7.47	2,147
2012	22,895,878	-	20,418	2,468,700	27,443	9,255,248	421,300	1,838	11,896,042	456,167	47,443,034	5.04	1,450
2011	26,786,843	-	27,224	880,000	40,052	10,765,047	485,000	2,653	2,114,162	521,335	41,622,316	4.42	1,272
2010	30,783,808	-	40,837	-	51,989	12,222,846	-	3,427	1,436,697	651,668	45,191,272	4.80	1,381
2009	31,165,433	90,000	54,450	3,215,000	-	13,313,153	-	-	1,018,076	782,001	49,638,113	5.98	1,455
2008	35,442,003	175,000	68,061	2,370,000	21,991	14,631,498	-	1,621	607,269	912,335	54,229,780	6.53	1,590
2007	39,579,073	250,000	81,675	1,560,000	42,930	15,878,343	-	3,206	611,019	1,042,667	59,048,913	7.11	1,731
2006	43,600,143	320,000	95,288	-	62,755	16,945,688	-	4,711	662,621	1,173,000	62,864,206	7.57	1,843

Note: Population and Personal Income are presented on page S21.

**Total Outstanding Debt, Last Ten Years**



**City Debt as a Percentage of Personal Income**



## City of North Olmsted, Ohio

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

### Last Ten Years

---

<u>Tax Year</u>	<u>Population (1)</u>		<u>Assessed (2) Value</u>		<u>Gross (3) Bonded Debt</u>		<u>Debt Service Monies Available</u>
2015	32,718	(a)	\$ 786,089,110	\$	27,037,059	\$	7,582,319
2014	32,718	(a)	785,432,790		27,213,808		7,035,079
2013	32,718	(a)	788,722,540		32,885,751		6,478,501
2012	32,718	(a)	788,536,330		32,151,126		5,657,199
2011	32,718	(a)	831,144,110		37,551,890		4,698,520
2010	32,718	(a)	837,466,280		43,006,654		4,074,995
2009	34,113	(b)	839,002,040		44,478,586		3,881,582
2008	34,113	(b)	910,324,211		50,073,501		3,609,078
2007	34,113	(b)	922,029,166		55,457,416		3,131,035
2006	34,113	(b)	935,651,977		60,545,831		3,063,298

(1) Source: U.S. Bureau of Census, Census of Population

(a) 2010 Federal Census

(b) 2000 Federal Census

(2) Source: Cuyahoga County Fiscal Officer, valuations based upon the tax year

(3) Includes all general obligation bonded debt

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	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Valuation</u>	<u>Net Bonded Debt Per Capita</u>
\$	19,454,740	2.47%	\$ 595
	20,178,729	2.57%	617
	26,407,250	3.35	807
	26,493,927	3.36	810
	32,853,370	3.95	1,004
	38,931,659	4.65	1,190
	40,597,004	4.84	1,190
	46,464,423	5.10	1,362
	52,326,381	5.68	1,534
	57,482,533	6.14	1,685

## City of North Olmsted, Ohio

### Computation of Direct and Overlapping General Obligation Debt

**December 31, 2015**

---

	<u>General Obligation Debt Outstanding</u>	<u>Percentage Applicable to City (1)</u>	<u>Amount Applicable to City of North Olmsted</u>
Jurisdiction:			
Direct:			
City of North Olmsted (1)			
General obligation bonds	\$ 22,169,951	100.00%	\$ 22,169,951
Capital lease payable	<u>167,644</u>	100.00%	<u>167,644</u>
Total direct debt	<u>22,337,595</u>		<u>22,337,595</u>
Overlapping:			
North Olmsted School District	79,450,000	100.00%	79,450,000
North Olmsted/Olmsted Falls School District	23,973,823	1.55%	372,349
Cuyahoga County	243,900,000	2.86%	6,965,272
Greater Cleveland Regional Transit Authority	<u>88,715,000</u>	2.86%	<u>2,533,514</u>
Total overlapping debt	<u>436,038,823</u>		<u>89,321,135</u>
Total	\$ <u><u>458,376,418</u></u>		\$ <u><u>111,658,730</u></u>

Source: Cuyahoga County Fiscal Officer

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

# City of North Olmsted, Ohio

## Legal Debt Margin

### Last Ten Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Assessed valuation	\$ <u>786,089,110</u>	\$ <u>785,432,790</u>	\$ <u>788,722,540</u>	\$ <u>788,536,330</u>	\$ <u>831,144,110</u>	\$ <u>837,466,280</u>	\$ <u>839,002,040</u>	\$ <u>910,324,211</u>	\$ <u>922,029,166</u>	\$ <u>935,651,977</u>
Overall debt limitation – 10 1/2 % of assessed valuation	\$ 82,539,357	\$ 82,470,443	\$ 82,815,867	\$ 82,796,315	\$ 87,270,132	\$ 87,933,959	\$ 88,095,214	\$ 95,584,042	\$ 96,813,062	\$ 98,243,458
Outstanding debt:										
General obligation debt	27,038,015	27,213,808	32,885,751	32,151,126	37,551,890	43,006,654	44,568,586	50,248,501	55,707,416	60,865,831
General obligation bond anticipation notes	-	2,575,000	-	2,890,000	1,365,000	-	3,215,000	2,370,000	1,560,000	-
Less: Amount available in debt service fund	<u>(7,582,319)</u>	<u>(7,035,079)</u>	<u>(6,478,501)</u>	<u>(5,657,199)</u>	<u>(4,698,520)</u>	<u>(4,074,995)</u>	<u>(3,881,582)</u>	<u>(3,609,078)</u>	<u>(3,131,035)</u>	<u>(3,063,298)</u>
Total outstanding debt	<u>19,455,696</u>	<u>22,753,729</u>	<u>26,407,250</u>	<u>29,383,927</u>	<u>34,218,370</u>	<u>38,931,659</u>	<u>43,902,004</u>	<u>49,009,423</u>	<u>54,136,381</u>	<u>57,802,533</u>
Less exemptions:										
Bonds and notes issued in anticipation of levy for special assessments	-	-	-	-	-	-	90,000	175,000	250,000	320,000
General obligation bonds and notes that are considered self supporting	1,660,000	3,051,000	4,368,000	5,625,000	6,823,000	7,961,000	8,693,000	9,665,000	10,577,000	11,433,000
Securities issued to pay final judgments and settlements	-	-	-	-	16,000	34,000	49,000	64,000	79,000	93,000
Securities to extent authorizing legislation contains covenants to appropriate, levy and collect municipal income taxes	<u>627,000</u>	<u>1,217,000</u>	<u>1,777,000</u>	<u>2,312,000</u>	<u>3,617,000</u>	<u>4,867,000</u>	<u>6,063,000</u>	<u>7,220,000</u>	<u>8,333,000</u>	<u>9,412,000</u>
Total exemptions	<u>2,287,000</u>	<u>4,268,000</u>	<u>6,145,000</u>	<u>7,937,000</u>	<u>10,456,000</u>	<u>12,862,000</u>	<u>14,895,000</u>	<u>17,124,000</u>	<u>19,239,000</u>	<u>21,258,000</u>
Net debt within 10 1/2% Limitation	<u>17,168,696</u>	<u>18,485,729</u>	<u>20,262,250</u>	<u>21,446,927</u>	<u>23,762,370</u>	<u>26,069,659</u>	<u>29,007,004</u>	<u>31,885,423</u>	<u>34,897,381</u>	<u>36,544,533</u>
Overall debt margin	\$ <u>65,370,661</u>	\$ <u>63,984,714</u>	\$ <u>62,553,617</u>	\$ <u>61,349,388</u>	\$ <u>63,507,762</u>	\$ <u>61,864,300</u>	\$ <u>59,088,210</u>	\$ <u>63,698,619</u>	\$ <u>61,915,681</u>	\$ <u>61,698,925</u>
Unvoted debt limitation 5 1/2 of assessed value	\$ 43,234,901	\$ 43,198,803	\$ 43,379,740	\$ 43,369,498	\$ 45,712,926	\$ 46,060,645	\$ 46,145,112	\$ 50,067,832	\$ 50,711,604	\$ 51,460,859
Amount of principal of unvoted bonds and notes subject to 5 1/2%	<u>10,963,696</u>	<u>11,435,729</u>	<u>12,412,250</u>	<u>12,096,927</u>	<u>14,412,370</u>	<u>16,009,659</u>	<u>17,627,004</u>	<u>20,505,423</u>	<u>22,892,381</u>	<u>27,047,000</u>
Unvoted debt margin	\$ <u>32,271,205</u>	\$ <u>31,763,074</u>	\$ <u>30,967,490</u>	\$ <u>31,272,571</u>	\$ <u>31,300,556</u>	\$ <u>30,050,986</u>	\$ <u>28,518,108</u>	\$ <u>29,562,409</u>	\$ <u>27,819,223</u>	\$ <u>24,413,859</u>

Source: Cuyahoga County Fiscal Officer and City Financial Records

Note: Assessed valuations based upon the tax year.

# City of North Olmsted, Ohio

## Principal Employers

### Last Ten Years

2015		2014		2013			
Employer	Percent of Total Income Taxes	Employer	Percent of Total Income Taxes	Employer	Percent of Total Income Taxes		
Moen Incorporated	11.60%	Moen Incorporated	14.82%	Moen Incorporated	10.97%		
North Olmsted School District	5.01	North Olmsted School District	4.87	North Olmsted School District	5.17		
The City of North Olmsted	2.26	The City of North Olmsted	2.12	The City of North Olmsted	2.25		
Bernie Moreno Companies	1.79	Factory Mutual Insurance Company	1.72	Factory Mutual Insurance Company	1.43		
Factory Mutual Insurance Company	1.63	Bernie Moreno Companies	1.40	Bernie Moreno Companies	1.42		
Ganley Westside Imports	1.16	Wal Mart Associates, Inc.	1.09	Wal Mart Associates, Inc.	1.13		
Palmer Holland, Inc.	1.06	Ganley Westside Imports	1.02	Ganley Westside Imports	1.04		
Wal Mart Associates, Inc.	0.99	Palmer Holland, Inc.	0.91	Palmer Holland, Inc.	1.00		
Riser Foods Company	0.91	Riser Foods Company	0.87	Riser Foods Company	0.99		
Cargill, Inc.	<u>0.81</u>	Advanstar Communications	<u>0.83</u>	Advanstar Communications	<u>0.91</u>		
	<u>27.22%</u>		<u>29.65%</u>		<u>26.31%</u>		
2012		2011		2010			
Moen Incorporated		Moen Incorporated		Moen Incorporated			
North Olmsted School District		North Olmsted School District		North Olmsted School District			
The City of North Olmsted		The City of North Olmsted		The City of North Olmsted			
Factory Mutual Insurance Company		Factory Mutual Insurance Company		Factory Mutual Insurance Company			
Bernie Moreno Companies		Advanstar Communications, Inc.		Advanstar Communications, Inc.			
Advanstar Communications, Inc.		United Transportation		AT&T Mobility			
United Transportation		Heartland Payment Systems, Inc.		Heartland Employment Services, Inc.			
Riser Foods Company		Bernie Moreno Companies		Wal Mart Associates, Inc.			
Ganley Westside Imports		Heartland Employment Services, Inc.		Heartland Payment Systems, Inc.			
Wal Mart Associates, Inc.		Cargill, Inc.		Sunnyside Automotive, Inc.			
2009		2008		2007		2006	
Moen Incorporated		Moen Incorporated		Moen Incorporated		North Olmsted School District	
North Olmsted School District		North Olmsted School District		North Olmsted School District		Moen Incorporated	
The City of North Olmsted		The City of North Olmsted		The City of North Olmsted		The City of North Olmsted	
Advanstar Communications, Inc.		Advanstar Communications, Inc.		Factory Mutual Insurance Company		Riser Foods Company	
Factory Mutual Insurance Company		Cingular Wireless Employee Service		Wal Mart Associates, Inc.		Kaufmann's Department Stores	
AT&T Mobility		Factory Mutual Insurance Company		Sunnyside Cars, Inc.		Wal Mart Associates, Inc.	
Heartland Employment Services, Inc.		Sunnyside Automotive, Inc.		Heartland Employment Services, Inc.		Dillards Department Stores	
Wal Mart Associates, Inc.		Heartland Employment Services, Inc.		Cingular Wireless Employee Services		Sears, Roebuck & Company	
Sunnyside Automotive, Inc.		Wal Mart Associates, Inc.		Merrill Lynch Pierce Kenner & P. Craig		Olmsted Manor Nursing Center	
Riser Foods Company		Riser Foods Company		GMAC-GM Payroll Services		Sunnyside Cars, Inc.	

Source: Regional Income Tax Agency based on payroll withholding.



# City of North Olmsted, Ohio

## Demographic and Economic Statistics

### Last Ten Years

Year	Population (1)	Employed in County (2)	Unemployment Rate (2)			School (3) Enrollment	Number of Residential Property Sales (4)	Averages Sales Price of Residential Property (4)	Total Personal Income (5)	Personal Income Per Capita
			County	State	US					
2015	32,718 (a)	579,500	5.0%	4.9%	5.3%	3,856	499	\$ 126,838	\$ 940,773,372	\$ 28,754 (a)
2014	32,718 (a)	584,400	6.4	6.2	5.7	3,876	452	119,802	940,773,372	28,754 (a)
2013	32,718 (a)	572,600	7.7	7.4	7.4	4,040	468	120,619	940,773,372	28,754 (a)
2012	32,718 (a)	579,600	7.3	7.2	8.1	4,107	368	111,541	940,773,372	28,754 (a)
2011	32,718 (a)	593,400	8.0	8.6	8.9	4,117	202	126,710	940,773,372	28,754 (a)
2010	32,718 (a)	574,600	9.5	10.1	9.6	4,193	224	136,610	940,773,372	28,754 (a)
2009	34,113 (b)	581,200	9.2	10.8	9.3	4,314	231	136,856	829,935,177	24,329 (b)
2008	34,113 (b)	601,800	6.8	6.5	5.8	4,366	229	138,164	829,935,177	24,329 (b)
2007	34,113 (b)	617,900	6.1	5.6	4.6	4,587	306	147,677	829,935,177	24,329 (b)
2006	34,113 (b)	622,876	5.6	5.4	4.8	4,613	522	145,449	829,935,177	24,329 (b)

(1) Source: U.S. Census, Census of population

(a) 2010 Federal Census

(b) 2000 Federal Census

(2) Ohio Department of Jobs and Family Services, U.S. Department of Labor and Bureau of Labor Statistics

(3) Source: North Olmsted Board of Education

(4) Source: Cuyahoga County Fiscal Officer

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

# City of North Olmsted, Ohio

## Full Time City Employees by Function or Program

### Last Ten Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Function/program:										
General government:										
Council	1	1	1	1	1	1	1	1	1	1
Mayor	2	2	2	2	2	2	2	2	3	3
Mayor's court	2	2	1	1	0	0	0	0	0	0
General clerical	1	1	1	1	1	1	1	1	1	1
Boards and commissions	1	1	1	1	1	1	1	1	1	1
Finance	5	5	5	5	5	6	6	6	6	6
Law	1	1	1	1	1	1	2	2	2	2
Information systems	0	1	2	1	2	1	1	1	1	0
Human resources	4	4	4	3	3	3	3	3	3	3
Building	9	8	8	9	9	9	9	12	9	11
Engineering	0	0	0	0	0	0	0	0	4	4
Total	<u>26</u>	<u>26</u>	<u>26</u>	<u>25</u>	<u>25</u>	<u>25</u>	<u>26</u>	<u>29</u>	<u>31</u>	<u>32</u>
Security of persons and property:										
Safety director	2	2	1	2	2	2	2	2	2	2
Fire	41	40	41	42	42	43	41	46	47	46
Dispatch	8	8	8	8	8	8	8	8	8	9
Corrections	1	1	1	1	1	1	1	1	2	2
Police	44	45	42	43	44	46	50	55	57	55
Youth Services (see Public health and welfare)	1	1	1	1	1	1	1	1	1	1
Fire clerk	1	1	1	1	2	1	1	1	1	1
Police clerk	5	4	5	5	5	5	5	6	6	6
Total	<u>103</u>	<u>102</u>	<u>100</u>	<u>103</u>	<u>105</u>	<u>107</u>	<u>109</u>	<u>120</u>	<u>124</u>	<u>122</u>
Leisure time activities:										
Senior center	4	3	3	3	3	3	2	2	2	2
Recreation	11	11	9	9	8	7	9	10	12	12
Springvale	3	4	4	4	4	4	3	4	4	4
Total	<u>18</u>	<u>18</u>	<u>16</u>	<u>16</u>	<u>15</u>	<u>14</u>	<u>14</u>	<u>16</u>	<u>18</u>	<u>18</u>
Public health and welfare:										
Community life services (a)	0	0	0	0	0	0	2	2	2	2
Youth services	0	0	0	0	0	0	0	0	0	0
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
Transportation:										
Service director	1	1	1	1	1	1	2	2	2	2
Public service and properties										
Public works administrative	0	0	0	0	0	0	0	0	0	0
Animal warden	0	0	0	0	1	1	1	1	1	1
Building maintenance	1	1	2	2	2	3	3	4	5	5
Road	10	9	8	8	7	9	9	5	7	7
Forestry	6	6	7	7	6.5	4	3.5	7	7	7
Storm	7	6	6	6	7.5	3	3.5	4	5	6
Subtotal	<u>24</u>	<u>22</u>	<u>23</u>	<u>23</u>	<u>24</u>	<u>20</u>	<u>20</u>	<u>21</u>	<u>25</u>	<u>26</u>
Fleet	6	6	6	7	7	7	7	8	8	8
Bus	0	0	0	0	0	0	0	0	0	0
Total	<u>31</u>	<u>29</u>	<u>30</u>	<u>31</u>	<u>32</u>	<u>28</u>	<u>29</u>	<u>31</u>	<u>35</u>	<u>36</u>
Economic development										
Planning	2	2	2	2	2	2	2	2	2	2
Basic utility services:										
Wastewater treatment plant	25	25	26	29	29	28	27	29	32	35
Total	<u>205</u>	<u>202</u>	<u>200</u>	<u>206</u>	<u>208</u>	<u>204</u>	<u>209</u>	<u>229</u>	<u>244</u>	<u>247</u>

Source: City payroll records

(a) See security of persons and property

# City of North Olmsted, Ohio

## Operating Indicators by Function/Program

### Last Ten Years

Function/Program:	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>General government:</b>										
<b>Council and clerk</b>										
Number of ordinances and resolutions submitted	111	100	116	133	143	162	152	165	158	203
Number of ordinances and resolutions passed	108	97	114	131	143	159	147	135	146	182
<b>Mayor's Court (b)</b>										
Number of traffic cases	9,927	7,602	7,345	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of OVI cases	54	62	59	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of criminal cases	255	260	273	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of parking cases	303	225	261	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of cases transferred	122	105	116	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of cases waived, total	7,932	6,513	6,063	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of cases waived, online	4,406	3,396	3,380	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Finance</b>										
Agency ratings										
Fitch IBCA	AA-	AA-	AA-	AA-	AA-	AA-	A+	A+	A+	A+
Moody's Financial Services – General Limited Tax	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	A1	A1	A1	A1
Moody's Financial Services – General Unlimited Tax	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa3	Aa3	Aa3	Aa3
<b>Law</b>										
Real property complaints filed	34	45	45	59	39	38	22	18	7	17
Real property fines collected	\$ 6,282	\$ 4,050	\$ 5,410	\$ 23,655	\$ 575	\$ 7,405	\$ 13,675	\$ 9,858	\$ 3,350	\$ 2,173
Criminal cases prosecuted	959	1,049	700(c)	1,088	873	922	927	1,304	730	933
Traffic cases prosecuted	559	388	505(c)	1,274	1,536	1,062	1,228	1,509	1,415	1,916
<b>Building</b>										
Estimated valuation of permits issued	\$ 29,338,654	\$ 22,923,368	\$ 71,039,906(a)	\$ 39,405,961	\$ 48,029,378	\$ 15,650,821	\$ 13,933,125	\$ 15,151,105	\$ 30,631,703	\$ 39,828,613
Number of permits issued	1,409	1,315	1,450	1,605	1,744	1,103	1,142	1,203	1,284	1,312

(Continued)

# City of North Olmsted, Ohio

## Operating Indicators by Function/Program (Continued)

### Last Ten Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Security of persons and property:										
<b>Police</b>										
Number of criminal arrests	1,710	1,739	2,435	2,431	2,010	2,028	2,062	2,100	1,882	2,058
Number of DUI arrests	115	103	59	81	110	93	130	154	94	124
Number of motor vehicle accidents	915	857	814	867	791	751	753	850	869	833
Number of prisoners confined	1,335	1,329	1,254	1,468	1,349	1,413	1,465	1,741	1,539	1,614
Number of traffic citations issued	9,875	8,090	8,034	8,549	7,916	7,635	8,809	7,594	7,643	9,460
Number of parking citations issued	1,588	1,849	1,749	1,730	1,976	2,013	2,136	2,092	2,242	1,775
<b>Fire</b>										
Number of fire responses	686	689	718	728	801	703	700	810	811	733
Number of squad responses	3,655	3,297	3,175	3,128	3,111	2,971	2,871	2,833	2,685	2,646
Total number of emergency responses	4,341	3,986	3,893	3,856	3,912	3,674	3,571	3,643	3,496	3,379
Number of runs per day	11.9	10.9	10.7	10.5	10.7	10.1	10.3	10.0	9.6	9.2
Public health and welfare:										
<b>Youth and family services</b>										
Food cupboard distributions	1,787	1,833	1,618	1,413	1,213	1,147	1,154	693	398	376
Holiday adopt-a-family	47	54	56	62	64	52	51	37	38	33
<b>Senior center</b>										
Hot lunch program – meals served	6,021	5,998	6,106	6,583	7,234	8,223	8,909	8,935	9,237	9,399
Meals on wheels clients served	38	62	60	63	74	68	71	63	82	80
Leisure time activities:										
<b>Senior center</b>										
Cabin rentals	172	185	185	190	185	358	547	645	569	516
Activity participants except hot lunch program	22,683	23,665	23,652	23,219	24,222	19,978	10,930	11,624	11,498	10,092
<b>Springvale Golf Course and Ballroom</b>										
Number of golf rounds	26,542	22,715	21,731	22,625	15,723	23,083	19,934	23,358	22,278	27,499
Number of golf outings	42	37	39	41	34	47	44	47	46	66
Number of ballroom rentals	45	53	50	62	64	56	54	52	51	56
<b>Recreation</b>										
Skate programs and events participants	5,423	4,567(d)	5,005	5,041	5,033	4,897	6,714	8,938	10,011	11,116
Pool programs	1,229	928(d)	1,031	1,055	481	1,315	1,013	2,883	N/A	N/A
Summer camp participants	220	200(d)	220	222	220	225	163	434	428	367
Fitness pass visits	55,919(e)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Prime and Silver Sneaker Pass Visits	11,645(e)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(Continued)

# City of North Olmsted, Ohio

## Operating Indicators by Function/Program (Continued)

### Last Ten Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Transportation:										
Snowfall in inches	32.8	65.9	44.0	33.80	57.15	62.9	59.5	80.0	76.3	34.6
Street salting and plowing – number of hours	1,261	2,660	2,483	1,010	2,229	2,936	3,152	3,350	4,485	1,472
Street asphalt and concrete repair – number of hours	6,622	5,089	5,815	5,006	N/A	3,849	5,236	4,926	7,581	6,848
Tree planting and maintenance – number of hours	2,906	2,768	3,127	1,264	2,698	2,115	2,908	2,431	2,268	2,344
Vehicle maintenance and repair – number of hours	6,572	6,673	7,262	8,445	8,098	8,070	7,765	7,258	7,777	N/A
Street improvements - asphalt overlay/recycling - square feet	443,394	146,146	507,619	395,239	437,693	430,765	515,374	406,035	933,633	975,487
Cost of road salt purchased	\$ 447,634	\$ 405,950	\$ 168,120	\$ 108,432	\$ 268,423	\$ 258,409	\$ 206,112	\$ 309,145	\$ 197,716	N/A
Cost of unleaded and diesel fuel used	\$ 341,499	\$ 567,864	\$ 555,348	\$ 538,795	\$ 527,070	\$ 392,702	\$ 345,075	\$ 652,631	\$ 502,617	\$ 397,941
Wastewater:										
Sanitary sewer rate per 1,000 cubic ft.	\$ 74.07	\$ 67.98	\$ 64.75	\$ 58.18	\$ 52.27	\$ 47.74	\$ 43.60	\$ 39.81	\$ 36.26	\$ 36.26
Total 1,000 cubic feet billed	118,525	121,268	122,844	129,072	136,367	138,580	163,332	148,582	148,605	144,016
Total flow of wastewater treatment plant (billions of gallons)	2,033	2,467	2,293	2,150	2,510	1,505	1,595	1,699	1,805	1,822
Average daily flow (millions of gallons per day)	5,570	6,759	6,286	5,870	6,874	4,121	4,395	4,861	4,939	4,214
Tons of wet sludge removed	6,106	4,793	5,295	5,048	5,644	5,532	5,242	5,246	5,438	5,525

N/A: Not available

Source: Various City Divisions

- (a) 2013 Assessed Valuation of Improvements includes \$38,000,000 Wastewater Treatment Plant Improvement Project
- (b) The City began operating a Mayor's Court in 2013. Prior to 2013, all cases were handled by the Rocky River Municipal Court.
- (c) These figures represent only the cases that were prosecuted by the City through Rocky River Municipal Court. It does not include cases that were waived.
- (d) The Recreation Center was under construction during 2014 and some of the programs were limited.
- (e) The Recreation Center fitness area began operation in 2015.

# City of North Olmsted, Ohio

## Capital Assets Statistics by Function/Program

### Last Ten Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General government:										
Number of administrative vehicles	7	8	8	8	8	8	8	10	11	10
Security of persons and property:										
Fire:										
Number of stations	2	2	2	2	2	2	2	2	2	2
Number of vehicles	15	14	14	14	12	12	12	14	14	14
Police:										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of vehicles	28	26	28	25	25	24	26	29	27	28
Leisure time activities:										
Recreation:										
Number of parks	4	4	4	4	4	4	4	4	4	4
Number of pools	2	2	2	2	2	2	2	2	2	2
Recreation center facility	1	1	1	1	1	1	1	1	1	1
Number of vehicles	7	7	6	5	8	10	6	6	6	6
Springvale Golf Course and Ballroom:										
Number of acres										
(18 hole golf course)	132	132	132	132	132	132	132	132	132	132
Square footage of ballroom	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Number of vehicles	1	1	1	1	2	3	2	2	2	2
Senior center:										
Senior center facility	1	1	1	1	1	1	1	1	1	1
Number of vehicles	1	1	1	1	1	1	1	1	1	0
Transportation:										
Streets:										
Miles of streets	146	146	146	146	146	146	146	146	146	145
Number of street lights	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,362
Number of service vehicles	49	50	48	55	51	45	43	46	44	46
Wastewater:										
Miles of sanitary sewers	176	176	176	176	176	176	176	176	176	175
Miles of storm sewers	152	152	152	152	152	152	152	152	152	151
Number of vehicles	23	23	20	21	17	17	18	17	17	17

# City of North Olmsted, Ohio

## Capital Assets by Function

### Last Ten Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental activities:										
General government:										
Non-depreciable										
Land and art	\$ 4,119,592	\$ 4,119,592	\$ 4,119,592	\$ 4,119,592	\$ 3,728,055	\$ 3,728,055	\$ 3,728,055	\$ 3,728,055	\$ 3,728,055	\$ 3,728,055
CIP	60,299	-	-	-	-	18,986	-	-	-	254,987
Other capital assets										
Cost	14,880,955	14,903,823	14,865,654	14,768,258	14,289,159	13,863,148	13,821,102	13,729,777	12,854,218	12,326,485
Net book value	7,568,209	7,987,500	8,377,429	8,717,046	8,802,130	8,828,478	9,146,041	9,543,887	9,075,066	8,843,845
Security of persons and property:										
Fire:										
Non-depreciable										
Land	349,400	349,400	349,400	349,400	349,400	349,400	349,400	349,400	349,400	-
CIP	-	-	-	-	-	-	-	-	-	2,166,808
Other capital assets										
Cost	9,813,853	10,131,597	10,076,706	10,034,683	9,468,972	9,521,134	9,543,303	9,543,303	9,543,303	5,669,892
Net book value	5,315,192	5,617,704	5,855,145	5,922,426	5,621,875	5,863,147	6,103,581	6,394,553	6,735,628	3,157,763
Police:										
Non-depreciable										
CIP	15,000	-	287,610	-	-	-	-	-	-	-
Other capital assets										
Cost	3,927,420	3,455,139	2,970,279	2,903,904	2,940,562	2,883,521	2,888,984	3,269,628	3,147,006	3,274,082
Net book value	1,213,570	1,205,287	751,412	762,733	833,760	833,697	934,353	1,032,175	1,082,266	1,147,013
Public health and welfare:										
Youth and family:										
Other capital assets										
Cost	200,253	165,706	165,706	165,706	165,706	-	-	-	-	-
Net book value	167,824	142,507	149,135	155,764	162,392	-	-	-	-	-
Leisure time activities:										
Recreation:										
Non-depreciable										
CIP	1,653,610	1,211,618	22,478	-	-	-	-	-	-	12,284
Other capital assets										
Cost	10,204,381	10,182,522	9,942,010	9,968,018	9,927,018	9,436,242	9,331,565	9,268,061	9,198,799	9,029,953
Net book value	1,566,174	1,682,392	1,657,819	1,333,282	1,563,183	1,333,826	1,533,088	1,797,927	2,026,002	2,091,819

(Continued)

# City of North Olmsted, Ohio

## Capital Assets by Function (Continued)

### Last Ten Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<i>Senior center:</i>										
Non-depreciable										
CIP	-	110,970	-	-	-	-	16,833	-	-	-
Other capital assets										
Cost	974,238	855,852	855,852	696,496	696,496	687,186	539,328	537,262	537,262	519,066
Net book value	573,878	484,586	513,103	383,564	402,082	415,593	267,723	285,590	303,456	321,322
<i>Transportation:</i>										
Non-depreciable										
CIP	751,070	267,707	58,798	253,095	39,185	-	137,773	171,537	-	-
Other capital assets										
Cost	4,695,385	4,740,585	4,432,139	4,405,211	3,857,118	3,707,236	3,670,474	3,635,325	3,632,741	3,682,027
Net book value	1,279,369	1,309,219	1,153,149	1,243,141	788,365	791,339	861,383	900,458	1,018,743	1,061,013
Infrastructure										
Cost	144,433,404	143,179,372	142,664,860	141,635,998	140,178,515	139,422,954	130,440,393	129,467,866	128,983,810	128,076,170
Net book value	25,071,185	28,005,185	32,938,273	37,722,781	42,231,274	47,272,254	43,804,306	47,936,456	52,478,902	55,977,893
<i>Economic development:</i>										
Other capital assets										
Cost	122,673	122,673	122,673	-	-	-	-	-	-	-
Net book value	99,309	105,881	112,452	-	-	-	-	-	-	-
<b>Totals:</b>										
Non-depreciable										
Land and art	4,468,992	4,468,992	4,468,992	4,468,992	4,077,455	4,077,455	4,077,455	4,077,455	4,077,455	3,728,055
CIP	2,479,979	1,590,295	368,886	253,095	39,185	18,986	154,606	171,537	-	2,434,079
Other capital assets										
Cost	44,819,158	44,557,897	43,431,019	42,942,276	41,345,031	40,098,467	39,794,756	39,983,356	38,913,329	34,501,505
Net book value	17,783,525	18,535,076	18,569,644	18,517,956	18,173,787	18,066,080	18,846,169	19,954,590	20,241,161	16,622,775
Infrastructure										
Cost	144,433,404	143,179,372	142,664,860	141,635,998	140,178,515	139,422,954	130,440,393	129,467,866	128,983,810	128,076,170
Net book value	<u>25,071,185</u>	<u>28,005,185</u>	<u>32,938,273</u>	<u>37,722,781</u>	<u>42,231,274</u>	<u>47,272,254</u>	<u>43,804,306</u>	<u>47,936,456</u>	<u>52,478,902</u>	<u>55,977,893</u>
Total governmental activities-cost	<u>\$ 196,201,533</u>	<u>\$ 193,796,556</u>	<u>\$ 190,933,757</u>	<u>\$ 189,300,361</u>	<u>\$ 185,640,186</u>	<u>\$ 183,617,862</u>	<u>\$ 174,467,210</u>	<u>\$ 173,700,214</u>	<u>\$ 171,974,594</u>	<u>\$ 168,739,809</u>
Total governmental activities-net book value	<u>\$ 49,803,681</u>	<u>\$ 52,599,548</u>	<u>\$ 56,345,795</u>	<u>\$ 60,962,824</u>	<u>\$ 64,521,701</u>	<u>\$ 69,434,775</u>	<u>\$ 66,882,536</u>	<u>\$ 72,140,038</u>	<u>\$ 76,797,518</u>	<u>\$ 78,762,802</u>

(Continued)



# City of North Olmsted, Ohio

## Capital Assets by Function (Continued)

### Last Ten Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Business-type activities:										
Springvale Golf Course and Ballroom:										
Cost	\$ 7,823,515	\$ 7,589,715	\$ 7,461,986	\$ 7,401,729	\$ 7,386,087	\$ 6,906,494	\$ 6,896,158	\$ 6,894,216	\$ 6,902,678	\$ 6,931,673
Net book value	5,065,202	4,951,925	5,031,022	5,161,855	5,351,051	4,993,308	5,157,215	5,328,579	5,509,561	5,637,324
Sewer revenue:										
Cost	123,128,118	122,092,107	112,208,937	81,116,335	70,628,454	69,798,659	69,008,076	68,353,901	68,347,944	68,372,826
Net book value	71,686,671	72,363,287	64,146,307	30,706,798	21,474,976	22,008,808	22,460,892	23,208,251	24,630,309	26,023,751
NOMBL:										
Cost	-	-	-	-	564,130	564,130	564,130	564,130	544,677	564,462
Net book value	-	-	-	-	391,537	391,537	391,537	391,537	372,084	372,084
Total business-type activities cost	\$ <u>130,951,633</u>	\$ <u>129,681,822</u>	\$ <u>119,670,923</u>	\$ <u>88,518,064</u>	\$ <u>78,578,671</u>	\$ <u>77,269,283</u>	\$ <u>76,468,364</u>	\$ <u>75,812,247</u>	\$ <u>75,795,299</u>	\$ <u>75,868,961</u>
Total business-type activities net book value	\$ <u>76,751,873</u>	\$ <u>77,315,212</u>	\$ <u>69,177,329</u>	\$ <u>35,868,653</u>	\$ <u>27,217,564</u>	\$ <u>27,393,653</u>	\$ <u>28,009,644</u>	\$ <u>28,928,367</u>	\$ <u>30,511,954</u>	\$ <u>32,033,159</u>

Source: City Finance Department – capital asset inventory.

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# Dave Yost • Auditor of State

**CITY OF NORTH OLMSTED**

**CLERMONT COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 12, 2016**