

**CITY OF BRECKSVILLE  
CUYAHOGA COUNTY, OHIO**

**AUDIT REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2016**

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





# Dave Yost • Auditor of State

Members of Council  
City of Brecksville  
9069 Brecksville Road  
Brecksville, Ohio 44141

We have reviewed the *Independent Auditor's Report* of the City of Brecksville, Cuyahoga County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2016 through December 31, 2016. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost  
Auditor of State

May 25, 2017

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**CITY OF BRECKSVILLE  
CUYAHOGA COUNTY, OHIO  
SINGLE AUDIT REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2016**

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TABLE OF CONTENTS

|   | <u>PAGE</u> |
|---|-------------|
| Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> | 1-2         |
| Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance          | 3-5         |
| Schedule of Expenditures of Federal Awards  | 6           |
| Notes to the Schedule of Expenditures of Federal Awards   | 7           |
| Schedule of Findings and Questioned Costs   | 8           |
| Status of Prior Findings and Recommendations  | 9           |

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

*Certified Public Accountants  
5240 East 98<sup>th</sup> Street  
Garfield Hts., Ohio 44125*

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Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

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

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

The Honorable Dave Yost  
Auditor of State  
State of Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 11, 2017.

***Internal Control Over Financial Reporting***

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

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

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

### ***Compliance and Other Matters***

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

### ***Purpose of This Report***

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



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

May 11, 2017

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

*Certified Public Accountants  
5240 East 98<sup>th</sup> Street  
Garfield Hts., Ohio 44125*

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**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM; REPORT  
ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON  
THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**

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

The Honorable Dave Yost  
Auditor of State  
State of Ohio

***Report on Compliance for Each Major Federal Program***

We have audited the City of Brecksville, Cuyahoga County, Ohio's (the City) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the City of Brecksville's major federal program for the year ended December 31, 2016. The City of Brecksville's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the City of Brecksville's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Brecksville's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City of Brecksville's compliance.



### ***Opinion on Each Major Federal Program***

In our opinion, the City of Brecksville, Cuyahoga County, Ohio, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2016.

### ***Report on Internal Control over Compliance***

Management of the City of Brecksville, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Brecksville's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Brecksville's internal control over compliance.

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

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

## Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City of Brecksville's basic financial statements. We issued our report thereon dated May 11, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates to directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



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

May 11, 2017

**CITY OF BRECKSVILLE  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2016**

| <b>Federal Grantor/<br/> <i>Pass Through Grantor/<br/>           Program Title</i></b> | <b>Federal<br/>           CFDA<br/>           Number</b> | <b>Pass-Through<br/>           Entity Number</b> | <b>Federal<br/>           Expenditures</b> |
|--|--|--|--|
| <b><u>U.S. Department of Justice</u></b>   |  |  |  |
| <i>Direct Program</i>  |  |  |  |
| Bulletproof Vest Partnership Program   | 16.607   |  | \$ <u>1,947</u>                            |
| <b>Total U.S. Department of Justice</b>  |  |  | <u>1,947</u>                               |
| <b><u>U.S. Department of Transportation</u></b>  |  |  |  |
| <i>Passed Through Ohio Department of Transportation</i>                                |  |  |  |
| Highway Planning and Construction  | 20.205   | PID 95099  | 511,624                                    |
| Highway Planning and Construction  | 20.205   | PID 95105  | 386,057                                    |
| Highway Planning and Construction  | 20.205   | PID 94456  | <u>4,800</u>                               |
| <b>Total U.S. Department of Transportation</b>   |  |  | <u>902,481</u>                             |
| <b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>  |  |  | <u>\$ 904,428</u>                          |

**CITY OF BRECKSVILLE  
CUYAHOGA COUNTY  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

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**NOTE A: BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Brecksville (the City) under programs of the federal government for the year ended December 31, 2016. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Expenditures reported on the Schedule are reported on the cash basis of accounting. The City has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE C: MATCHING REQUIREMENTS**

Certain Federal programs require the City to contribute Non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of Non-Federal matching funds.

**CITY OF BRECKSVILLE  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED DECEMBER 31, 2016**

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**1. SUMMARY OF AUDITOR’S RESULTS**

|            |  |   |
|------------|--|---|
| 2016(i)    | Type of Financial Statement Opinion  | Unmodified                              |
| 2016(ii)   | Were there any material control weaknesses reported at the financial statement level (GAGAS)?                  | No                                      |
| 2016(ii)   | Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)? | No                                      |
| 2016(iii)  | Was there any reported material noncompliance at the financial statement level (GAGAS)?                        | No                                      |
| 2016(iv)   | Were there any material internal control weaknesses reported for major federal programs?                       | No                                      |
| 2016(iv)   | Were there any significant deficiencies in internal control reported for major federal programs?               | No                                      |
| 2016(v)    | Type of Major Programs’ Compliance Opinions  | Unmodified                              |
| 2016(vi)   | Are there any reportable findings under 2 CFR 200.516(a)?  | No                                      |
| 2016(vii)  | Major Programs (list):<br><br>Highway Planning and Construction - CFDA #20.205                                 |   |
| 2016(viii) | Dollar Threshold: A/B Programs   | Type A: \$750,000<br>Type B: All Others |
| 2016(ix)   | Low Risk Auditee?  | No                                      |

**2. FINDING RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None.

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None.

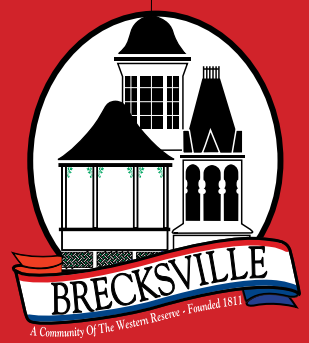
**CITY OF BRECKSVILLE  
CUYAHOGA COUNTY, OHIO  
STATUS OF PRIOR FINDINGS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

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The prior audit report, as of December 31, 2015, included no findings or management letter recommendations.

# City of Brecksville, Ohio



## Comprehensive Annual Financial Report

For the period ending December 31, 2016

## *On the Cover...*

*Brecksville Human Services Kaye Broughton Courtyard*

*End of Summer BBQ Party*

*Silk Painting*

*Senior Lunch*



**CITY OF BRECKSVILLE, OHIO**

**COMPREHENSIVE**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2016**

ISSUED BY THE DEPARTMENT OF FINANCE

Virginia Price, CPA,

FINANCE DIRECTOR

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## **Brecksville City Council and Mayor May 2016**

(from left to right)

### **Seated**

Councilwoman, Nora L. Murphy  
Council President, Greg Skaljac  
Council Vice-President, Michael Harwood

### **Standing**

Council Clerk, Mary Scullin  
Councilman, Louis N. Carouse, Jr.  
Councilwoman, Laura Redinger  
Mayor, Jerry N. Hruby  
Councilman, Gerald E. Broski  
Councilwoman, Kim Veras  
Finance Director, Virginia Price

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**City of Brecksville, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2016*  
*Table of Contents*

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**I. Introductory Section**

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

**II. Financial Section**

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

Required Supplementary Information:

Schedule of the City’s Proportionate Share of the Net Pension Liability –  
Ohio Public Employees Retirement System – Last Three Years.....67

Schedule of the City’s Proportionate Share of the Net Pension Liability –  
Ohio Police and Fire Pension Fund – Last Three Years .....68

Schedule of City Contributions – Ohio Public Employees  
Retirement System – Last Four Years .....69

Schedule of City Contributions – Ohio Police and Fire  
Pension Fund – Last Ten Years .....70

Combining and Individual Fund Statements and Schedules:

Combining Statements – Nonmajor Governmental Funds:

Fund Descriptions.....72

Combining Balance Sheet – Nonmajor Governmental Funds.....75

Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances – Nonmajor Governmental Funds.....76

Combining Balance Sheet – Nonmajor Special Revenue Funds.....77

Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances – Nonmajor Special Revenue Funds.....80

Combining Balance Sheet – Nonmajor Capital Projects Funds .....84

Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances – Nonmajor Capital Projects Funds .....86

Combining Statements – Fiduciary Funds:

Fund Descriptions.....88

Combining Statement of Changes in Assets and Liabilities – Agency Funds .....89

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

Major Funds:

General Fund .....91

Fire Department Fund .....97

Special Assessment Bond Retirement Fund.....98

General Municipal Improvement Fund .....99

Buildings and Improvements Fund .....100

Road Improvements Fund .....101

Nonmajor Funds:

Motor Vehicle License Tax Fund.....102

Street Repair and Maintenance Fund .....103

State Highway Fund .....104

Community Center Fund.....105

Road Maintenance Fund.....106

Federal Equitable Sharing Fund .....107

Indigent Drivers Fund .....108

|   |     |
|---|-----|
| Indigent Drivers Interlock Fund .....         | 109 |
| Enforcement and Education Fund .....          | 110 |
| Court Computerization Fund .....              | 111 |
| Natureworks Grant Fund .....                  | 112 |
| Recycling Demo Fund .....                     | 113 |
| Tree Planting Grants Fund .....               | 114 |
| Law Enforcement Fund .....                    | 115 |
| Law Enforcement Mandatory Drug Fund .....     | 116 |
| Vehicle Immobilization Fund .....             | 117 |
| Police Pension Fund .....                     | 118 |
| Memorial Fund .....                           | 119 |
| Peace Officer Training Fund .....             | 120 |
| General Obligation Bond Retirement Fund ..... | 121 |
| Issue II Fund .....                           | 122 |
| Recreation Expansion Fund .....               | 123 |
| Recreation Facilities Expansion Fund .....    | 124 |
| Police Station Building Fund .....            | 125 |
| Public Utility Improvement Fund .....         | 126 |
| Fire Ambulance Capital Fund .....             | 127 |
| Self Insurance Fund .....                     | 128 |
| Cemetery Endowment Fund .....                 | 129 |

### III. Statistical Section

|   |     |
|---|-----|
| Statistical Section Table of Contents .....   | S1  |
| Net Position by Component – Last Ten Years .....  | S2  |
| Changes in Net Position – Last Ten Years .....  | S4  |
| Fund Balances, Governmental Funds – Last Ten Years .....  | S8  |
| Changes in Fund Balances, Governmental Funds – Last Ten Years .....   | S10 |
| Assessed Valuation and Estimated Actual Values of Taxable Property – Last Ten Years ..  | S12 |
| Property Tax Rates – Direct and Overlapping Governments – Last Ten Years .....  | S14 |
| Principal Real Property Taxpayers – 2016 and 2007 .....   | S16 |
| Property Tax Levies and Collections – Last Ten Years .....  | S17 |
| Income Tax Revenue Base and Collections – Last Ten Years .....  | S18 |
| Income Tax Filers by Income Level – Tax Years 2015 and 2007 .....   | S19 |
| Ratios of Outstanding Debt to Total Personal Income<br>and Debt Per Capita – Last Ten Years .....   | S20 |
| Ratio of General Obligation Bonded Debt to Estimated<br>True Value of Taxable Property and Bonded<br>Debt per Capita – Last Ten Years ..... | S21 |
| Computation of Direct and Overlapping Debt Attributable to Governmental Activities .....  | S22 |
| Legal Debt Margin Information – Last Ten Years .....  | S23 |

Demographic and Economic Statistics – Last Ten Years..... S24

Principal Employers – Current Year and Nine Years Ago..... S25

Full-Time Equivalent City Government Employees  
by Function/Program – Last Ten Years ..... S26

Capital Assets Statistics by Function/Program – Last Ten Years ..... S27

Operating Indicators by Function/Program – Last Ten Years..... S28



May 11, 2017

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

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

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

State statutes require the City of Brecksville (the City) to be subjected to an annual examination by the Auditor of State. Either the Auditor of State of Ohio or, if the Auditor permits, an independent public accounting firm conducts these audits. The City selected James G. Zupka, CPA to perform these services for the year ended December 31, 2016. The Independent Auditor's Report on the basic financial statements is included in the financial section of this report.

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

### ***Profile of the Government***

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

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

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



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

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

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

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

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

### ***Profile of the City***

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

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

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

Residents have access to many cultural attractions such as the world-famous Cleveland Orchestra at Severance Hall, The Cleveland Museum of Art, The Great Lakes Science Center and the Rock n' Roll Hall of Fame and Museum. There are unique shopping areas such as Tower City Center and nightlife with dining in the Warehouse District and dining and entertainment on East 4<sup>th</sup> Street downtown and a concert venue in the "Flats" along the Cuyahoga River. Cleveland's downtown is a center of activity for all ages and just minutes from Brecksville.

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

Brecksville's wooded hills and ravines that lace the area help define its neighborhoods. As a result, every resident is close to natural beauty that has always been a hallmark of Brecksville living. Many neighborhoods are located next to the Brecksville Reservation of the Cleveland Metroparks and the 33,000 acre Cuyahoga Valley National Park. Brecksville is unique among Cuyahoga County communities because one-third of the City is park land. Located within the Cuyahoga Valley National Park is the Ohio Canal National Heritage area. The Brecksville Reservation of the Cleveland Metroparks offers 2,500 acres of park land with facilities for picnicking, softball, horseback riding, golf, hiking and cross-country skiing. A paved all-purpose fitness trail offers walking, biking, running or strolling by the beautiful scenery. Two ski areas are close by. Brecksville was named a Tree City USA for the 22nd consecutive year in 2016.

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

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

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

A quality education for our children is provided by the Brecksville-Broadview Heights City School District. For more than a decade, School Match, a national consulting firm, has ranked the School District in the top ten percent of all school districts in the nation. The Brecksville-Broadview Heights City School District has received the highest possible rating on the State-mandated District Report Card since its debut in 2000. The High School Girls Gymnastics Team won its 16th state championship and 13th in a row in 2016. Brecksville is also home to the Cuyahoga Valley Career Center which is the area's vocational school for high school students and additionally provides a multitude of adult education programs for area residents.

### ***Economic Development***

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

The 100 acre Veterans Administration hospital (VA) property at Miller and Brecksville Roads closed its doors effective November 1, 2012. The City has been in communications with the Veterans Administration and hope to be able to lay out a comprehensive plan for the property in 2017. In the meantime, the administration has been busy meeting with businesses interested in locating on this attractive, strategically located property.

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

Lubrizol Advanced Materials, Inc. is one of Brecksville's largest and most established employers. They are a technology-driven global company who combines complex specialty chemicals to optimize their products while reducing environmental impact. Products include advanced specialty polymers, polymer-based additives, and chemical additives used in everyday consumer and industrial applications. Lubrizol agreed to commence six phases of renovations totaling 100,000 sq. ft. to be completed in three years starting in 2015. This expansion is expected to create 108 new jobs in Brecksville.

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

The Cuyahoga Valley Career Center in Brecksville is constructing a new state of the art Robotic and Advanced Manufacturing Technology Education Collaborate referred to as RAMTEC. Opened in 2016, the center provides training in advanced manufacturing and engineering. These are much needed skills to support Ohio's industry.

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

### *Accomplishments*

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

The City of Brecksville's Finance Department was proud to receive its 26th consecutive, Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the Fiscal Year ended December 31, 2015. It was also the 10th year that the Finance Department produced its award winning Popular Annual Financial Report. In addition, the City received the Ohio Auditor of State Award with Distinction for its annual financial reports for 2015. This award is given to entities that file an annual CAFR and timely financial reports as well as receive a "clean" audit report.

The Service Department received a \$24,125 grant from the Ohio Environmental Protection Agency. The Community Development Grant provided these funds for the purchase of a tow-behind recycling trailer. This trailer is to be used in the City's very successful recycling program.

Our Human Services Department applied for and received three different grants in 2016. The first was a \$25,000 senior center innovation grant and was shared with three neighboring communities to be used for developing innovative service models for the delivery of senior center services. The second was a \$4,605 Ohio Injury Prevention Partnership grant through the Ohio Department of Health. This grant was used to develop programs designed to reduce the fall risk of older adults. The third grant was a \$9,948 Creative Aging Ohio Grant and was shared with a neighboring city. This grant is being used to develop and provide programming that serves a population of older adults in personally meaningful ways, through the arts and music.

A Community Garden was constructed from an old basketball court on our Stadium Drive property. A watering system and a storage shed were installed to facilitate the use of the seventy garden plots used by our residents. All plots were spoken for within a couple of days and the general agreement was that the garden was a great success. With the abundance of grown produce, there is talk of creating market days and food donation programs for 2017.

A PEER (Promoting Employee Excellence through Recognition) program was created and implemented. This program encourages the nomination of fellow employees for outstanding achievements, going the extra mile in service or accomplishments while performing their work at the City. Twenty-seven nominations for seventeen employees were received. An employee appreciation picnic was held where all nominees were recognized and four were given awards. The four award winners were also recognized at a City Council meeting by our Council members.

The cities of Brecksville and Independence received a \$200,000 Local Government Safety Capital grant. These monies along with \$193,224 in City matching funds were used to purchase radio consoles and associated network hardware to be used jointly by the two cities for their police and fire dispatch operations. The two cities agreed to combine operations and look forward to including additional cities in order to achieve further economy of operating expenses.

With costs supplemented by an \$82,500 Regional Transit Authority grant the City was able to repave the Park-N-Ride lot used by bus riders to park vehicles. This parking lot work also included updating parking for the post office and access to mail drop boxes.

The City is in the process of a traffic signal interconnect system update. The system was reviewed and replaced. This project provided for the disconnection from phone lines and the installation of a GPS based system. This will provide for significant service charge savings for years to come.

The City demolished three homes which were beyond restoration. Two were on Stadium Drive and provide additional space for activities in that area. The third was adjacent to the future police station site and provides for additional access to it.

The Fire Department received a Department of Homeland Security Grant to purchase self-contained breathing apparatus (SCBA) and compressor. The \$175,643 grant provided for the purchase of twenty SCBAs, with the compressor to be purchased in 2017.

Professional engineering services were engaged to perform Phase II activities for the abandoned Veterans Administration Hospital property. Final estimates of reclamation costs were obtained and discussed with the Federal Government in anticipation of readying the site for economic development.

A contract was entered into with an architectural design firm for preparation of American Institute of Architect documents for architect and construction manager at risk specifications for the City's proposed aquatics facility and field house projects.

An architectural firm, and engineering firm was hired for the development of new police station plans. Work was started on preparing the building site and applying for environmental permits. Construction bids will be obtained in spring 2017 with construction to start shortly thereafter.

Storm drainage projects completed in 2016 included Warblers Roost storm and slope, Amber Lane culvert, and Edgerton Road culvert. Capital road projects totaling \$520,447 were performed on numerous roadways and \$642,690 in various building improvements were completed on many of the City's buildings.

Work continues on our two remaining Department of the Interior grant projects including Riverview Stream Relocation and Riverview Road Culvert. These projects are substantially complete with remaining grading and seeding to be completed in spring of 2017. These improvements are necessary to insure a safe public way to get in to the adjoining Cuyahoga Valley National Park.

***2017 Priorities:***

- Construction of a new police station including a dispatch center designed to serve numerous cities going into the future.
- In conjunction with the development of the new police station plan, the City has been meeting with several neighboring communities to discuss shared services. Specifically, agreements for jail and dispatch services have been developed. Sharing of these services with other communities allowed the design of the police station to be scaled back, saving millions of dollars.
- \$435,000 in sanitary sewer projects and \$401,000 in storm drainage projects has been budgeted for 2017 as part of the City's on-going commitment to improving infrastructure. Of this total, almost \$828,000 in funding will be provided from external local funding.
- The City has received an Ohio Department of Transportation Urban Paving grant totaling over \$1 million toward construction on State Route 82. This project, slated to cost over \$4 million, includes a complete reconstruction of State Route 82 from Brecksville Road to the City's west corporation line. Construction is anticipated to start in summer 2017.

- Engineering is being prepared for the reconstruction of ballfields A, B and C behind City Hall. Upgrades would include new fencing, drainage and a comfort station. Additionally, a grant has been applied for the building of a comfort station on the site.
- Architectural plans are being developed for a new aquatics center. Designs are expected to be approved and possibly out to bid by fall of 2017.
- The City's Safety Town facility is to be relocated to Blossom Hill. A complete redesign of the layout and structures has been created. Construction will be provided by the Service Department and Police Department and community donations have been received.
- The City continues to review the intersection of Interstate 77 interchange and Miller Road along with a widening of Miller Road. Conceptual plans are being prepared. This area has long been targeted for improvements as it will provide greater access to land designated for future economic development.

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

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

The City continues to adhere to a pay as you go philosophy as it relates to small projects and equipment purchases. By only borrowing for large projects and keeping debt levels low, it provides the City the opportunity to borrow in low interest environments. In 2014, the City issued \$2,000,000 in one year notes to provide funding for the Stadium Drive service garage. These notes were rolled in 2015 and 2016 with the anticipation that they be combined with funding needed for the new police station in the form of long-term bonds.

City Council adopted an Ordinance decreasing the City's income tax credit from 100 percent to 87.5 percent on 2 percent of withholding effective the first of January of 2015. These added dollars, estimated to be \$950,000 annually, will supplement the cost of operating our Fire Rescue Ambulance service and provide dollars for expanding recreation facilities at Blossom Hill. This recommendation came after studying several other options which led to this being the most appropriate. The credit reduction is set to expire at the earliest of ten years or three consecutive years of income tax receipts over \$18,000,000.

In 2016, a Recreation Facilities Expansion Fund was created to accumulate resources from income tax revenue, transfers or any other means for the purpose of acquiring, constructing, or improving recreation facilities. In the short term, this means financing for a new aquatics facility and field house.

### ***Relevant Financial Policies***

By City ordinance, \$2,520,000 of total income tax proceeds are credited to the following capital projects funds: \$960,000 to the general municipal improvement fund, \$1,200,000 to the buildings and improvements fund, and \$360,000 to the road improvements fund. The remainder is credited to the general fund.

There are also ordinances in place to allocate 25 percent of all building permit fees collected into the recreation expansion fund and deposit sanitary sewer tap-in, septic conversion and sanitary repair fees into the public utility improvement fund.

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

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

#### *Awards and Acknowledgements*

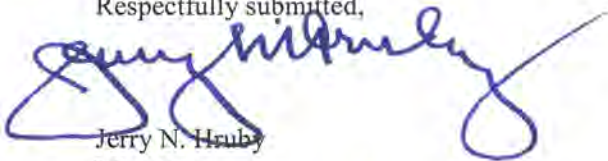
The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to those governmental entities whose CAFR is easily readable, efficiently organized, and conforms to GFOA reporting standards. Such a report must satisfy both generally accepted accounting principles (GAAP) as well as applicable legal requirements. The City of Brecksville received this honor for its Comprehensive Annual Financial Report for the year ended December 31, 2015. A Certificate of Achievement is valid for a period of one year only. The City of Brecksville believes the current report conforms to the Certificate of Achievement Program requirements, and has submitted it to the GFOA to determine its eligibility for another Certificate of Achievement.

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

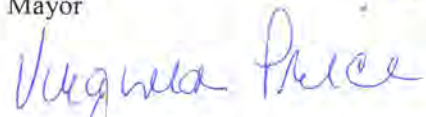
In addition, we would like to thank Brecksville City Council, without whose positive leadership and encouragement, the preparation of this report would not have been possible.

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

Respectfully submitted,



Jerry N. Hruby  
Mayor



Virginia Price, CPA  
Director of Finance





Government Finance Officers Association

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

Presented to

**City of Brecksville  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2015**

Executive Director/CEO

City of Brecksville, Ohio

*City Officials*

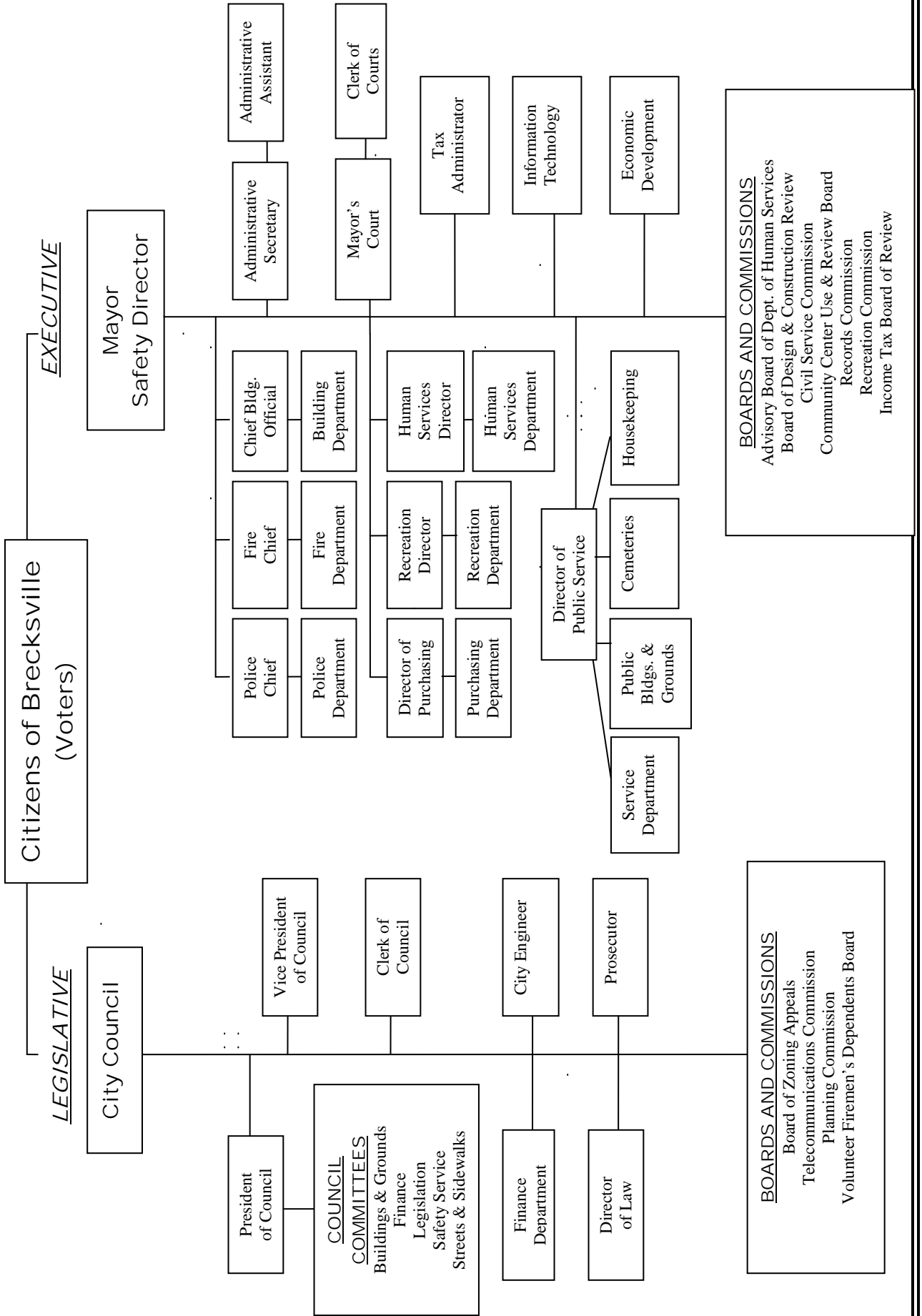
ELECTED OFFICIALS

Mayor-Safety Director.....Jerry N. Hruby  
President of Council..... Gregory Skaljac  
Vice-President of Council..... Michael T. Harwood  
Council Member.....Gerald F. Broski  
Council Member.....Louis N. Carouse  
Council Member.....Kimberly A. Veras  
Council Member.....Nora L. Murphy  
Council Member.....Laura Redinger

APPOINTED OFFICIALS

Director of Finance.....Virginia Price  
Police Chief.....William P. Goodrich  
Fire Chief .....Edwin D. Egut  
Service Director.....Ronald J. Weidig  
Director of Purchasing.....Rebecca Riser  
Chief Building Official.....Scott Packard  
Clerk of Courts.....Shelley Kazimore  
Director of Recreation.....Thomas Tupa  
Director of Law.....David J. Matty  
Prosecutor .....Sergio I. Digeronimo  
City Engineer.....Gerald M. Wise  
Clerk of Council.....Mary Scullin  
Director of Human Services.....Steven L. Paciorek

# CITY OF BRECKSVILLE, OHIO ORGANIZATIONAL CHART



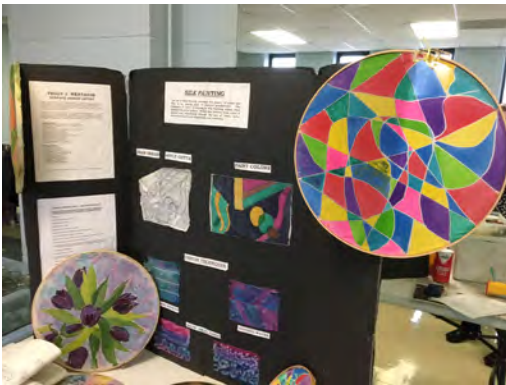
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# Music

Intergenerational Music Programs with the Cleveland TOPS (Tough Old Pros) and the Brecksville-Broadview Heights Middle School music program. This program promotes social interaction for older adult musicians and mentoring for younger musicians. Research shows that music activities (both music listening and music making) can influence older adults' perceptions about the quality of their lives and their relationships with those around them. Some research has examined the effects of music listening on biological markers of health and subjective perceptions of well-being. Other studies on the psychological and social benefits associated with music making activities have demonstrated that participants often place considerable value on these "non-musical" benefits of music activity (Coffman, 2002). Intergenerational music programs allow older musicians in their 70s and 80s the chance to mentor younger musicians. It also provides older musicians the opportunity to socialize with younger people. The concerts will then be performed for an audience consisting of family and friends of the students, residents of nursing homes and assisted living centers, and members of the Brecksville and Broadview Heights Human Services Centers.



# Art



Art Therapy Classes for older adults and those with special needs is a program that utilizes the creative aspects of creating art to help improve the quality of life for people as they get older. Many art therapy activities, though not all, take place in groups and bring with them social interaction and a sense of inclusion, countering a common aspect of older age – loneliness, isolation and depression. It is also important not to underestimate the amount of physical engagement that is related to many arts activities and the benefits that these may have on motoric ability and coordination. Art therapy has proven to be a particularly successful community program, with full classes and positive reviews from participants in post-event surveys. Research studies on art therapy have shown an overall reduction in stress, and increased cognitive functioning. Events will include a fibers project with yarn dyeing and weaving on take home looms, candle making with essential oils, and water-color painting.

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

*Certified Public Accountants*

*5240 East 98<sup>th</sup> Street*

*Garfield Hts., Ohio 44125*

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Ohio Society of Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT**

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

The Honorable Dave Yost  
Auditor of State  
State of Ohio

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

***Auditor's Responsibility***

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio, as of December 31, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund and the Fire Department Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

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

#### ***Other Information***

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



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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 11, 2017, on our consideration of the City of Brecksville's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Brecksville's internal control over financial reporting and compliance.



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

May 11, 2017

**City of Brecksville**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2016*  
*Unaudited*

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The discussion and analysis of the City of Brecksville's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2016. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the transmittal letter, the basic financial statements, and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

### **Financial Highlights**

Key financial highlights for 2016 are as follows:

- The assets and deferred outflows of resources of the City of Brecksville exceeded its liabilities and deferred inflows of resources by \$83,213,418. This is an increase of \$4,149,148 from last year's net position. Of this amount, \$3,833,069 is available to use to meet the government's ongoing obligations to citizens and creditors.
- The City's return on assets was 3.61 percent. The return is consistently low as total assets increased from the prior year by \$4,202,524.
- Total costs of all City services were \$25,151,043 in 2016, an increase of \$727,040 from 2015. The increase (2.89 percent) can be attributed to normal cost of operations increase.
- Total liabilities increased by \$3,005,978 from 2015. This increase is mostly due to a significant increase in net pension liability in 2016.
- Total capital assets increased by \$2,078,470 from 2015. The City continues to invest heavily in storm water projects. Due to the topography of the City and as further land is developed, addressing water drainage issues is a priority of the City. The county's property tax billing is a primary source of funding for these projects. In addition to storm and sanitary sewer additions, the City has purchased various services and utility department vehicles.
- The cash balance at the end of 2016, in the general fund of \$7,232,565, represents 160 days of operating expenditures for the City and is a reflection of its on-going viability and its desire to protect the ability to provide future services.

### **Using This Annual Financial Report**

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

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

**City of Brecksville**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2016*  
*Unaudited*

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## **Reporting the City of Brecksville as a Whole**

### Statement of Net Position and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole considers all financial transactions and asks the question, "How did we do financially during 2016?" The statement of net position and the statement of activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting method used by the private sector. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

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

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

## **Reporting the City of Brecksville's Most Significant Funds**

### Fund Financial Statements

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

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

**City of Brecksville**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2016*  
*Unaudited*

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

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

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

**The City of Brecksville as a Whole**

Recall that the statement of net position pictures the City as a whole. Table 1 provides a summary of the City's net position for 2016 compared to 2015.

Table 1  
Net Position

|   | Governmental Activities |              |               |
|---|-------------------------|--------------|---------------|
|   | 2016                    | 2015         | Change        |
| <b>Assets</b>                               |                         |              |               |
| Current and Other Assets                    | \$31,149,542            | \$29,025,488 | \$2,124,054   |
| Capital Assets, Net                         | 83,760,029              | 81,681,559   | 2,078,470     |
| <i>Total Assets</i>                         | 114,909,571             | 110,707,047  | 4,202,524     |
| <b>Deferred Outflows of Resources</b>       |                         |              |               |
| Pension                                     | 5,813,857               | 2,195,809    | 3,618,048     |
| Deferred Charge on Refunding                | 213,557                 | 243,669      | (30,112)      |
| <i>Total Deferred Outflows of Resources</i> | 6,027,414               | 2,439,478    | 3,587,936     |
| <b>Liabilities</b>                          |                         |              |               |
| Current and Other Liabilities               | 4,297,323               | 4,458,186    | 160,863       |
| Long-Term Liabilities                       |                         |              |               |
| Due Within One Year                         | 1,358,280               | 1,302,539    | (55,741)      |
| Due in More Than One Year:                  |                         |              |               |
| Net Pension Liability                       | 19,243,068              | 15,045,197   | (4,197,871)   |
| Other Amounts                               | 7,981,295               | 9,068,066    | 1,086,771     |
| <i>Total Liabilities</i>                    | \$32,879,966            | \$29,873,988 | (\$3,005,978) |

(continued)

**City of Brecksville**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2016*  
*Unaudited*

Table 1  
 Net Position (continued)

|  | Governmental Activities |                     |                    |
|--|-------------------------|---------------------|--------------------|
|  | 2016                    | 2015                | Change             |
| <b>Deferred Inflows of Resources</b>       |                         |                     |                    |
| Pension                                    | \$586,100               | \$110,628           | (\$475,472)        |
| Property Taxes                             | 4,257,501               | 4,097,639           | (159,862)          |
| <i>Total Deferred Inflows of Resources</i> | <u>4,843,601</u>        | <u>4,208,267</u>    | <u>(635,334)</u>   |
| <b>Net Position</b>                        |                         |                     |                    |
| Net Investment in Capital Assets           | 73,353,987              | 69,946,323          | 3,407,664          |
| Restricted for:                            |                         |                     |                    |
| Capital Projects                           | 590,944                 | 900,027             | (309,083)          |
| Debt Service                               | 3,474,178               | 3,973,179           | (499,001)          |
| Other Purposes                             | 1,986,155               | 1,949,504           | 36,651             |
| Unrestricted                               | 3,808,154               | 2,295,237           | 1,512,917          |
| <i>Total Net Position</i>                  | <u>\$83,213,418</u>     | <u>\$79,064,270</u> | <u>\$4,149,148</u> |

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2016 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27." 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.

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.

GASB 68 requires the net pension liability to equal 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.

**City of Brecksville**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2016*  
*Unaudited*

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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 an 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.

Net position may serve as a useful indicator of a government's financial position over time. In the case of the City of Brecksville, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$83,213,418 at year-end 2016. By far the largest portion of the City of Brecksville's net position (88 percent) is its investment in capital assets including land, buildings, streets, water lines, storm water lines, and machinery net of related debt. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City of Brecksville's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The City's net position increased during the current year. One significant factor in this increase was a large rise in equity in pooled cash and cash equivalents, income tax receivable, construction in progress assets, and deferred outflows of pension resources. The City records \$210,000 per month from income tax revenues in capital funds to provide future funding for specific building or infrastructure improvements. At the end of 2016, the City's total liabilities to net position ratio was 39.51 percent.

The City carefully invests its cash and equivalents in a variety of investment types with the primary focus being safety of principal, but with an attention to investment opportunities to increase yield. The Investment Board, which consists of the Mayor, Finance Director, and Law Director, pay close attention to daily interest rates and long-term financial trends. The City realized \$159,788 in interest revenue. 2016's interest revenue is \$14,885 more than 2015's and is a result of slightly higher interest rates in 2016, and extension of the portfolio.

**City of Brecksville**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2016*  
*Unaudited*

Table 2 shows the changes in net position for the year ended December 31, 2016 compared to 2015.

Table 2  
Changes in Net Position

|  | Governmental Activities |                     |                    |
|--|-------------------------|---------------------|--------------------|
|  | 2016                    | 2015                | Change             |
| <b>Program Revenues</b>                        |                         |                     |                    |
| Charges for Services and Operating Assessments | \$2,418,694             | \$2,187,414         | \$231,280          |
| Operating Grants and Contributions             | 1,053,641               | 1,043,486           | 10,155             |
| Capital Grants and Contributions               | 1,271,409               | 2,207,737           | (936,328)          |
| <i>Total Program Revenues</i>                  | <u>4,743,744</u>        | <u>5,438,637</u>    | <u>(694,893)</u>   |
| <b>General Revenues</b>                        |                         |                     |                    |
| Property Taxes                                 | 4,190,013               | 3,946,738           | 243,275            |
| Income Taxes                                   | 19,257,227              | 16,287,608          | 2,969,619          |
| Grants and Entitlements                        | 434,179                 | 592,098             | (157,919)          |
| Investment Earnings                            | 159,788                 | 144,903             | 14,885             |
| Gain on Sale of Capital Assets                 | 65,078                  | 0                   | 65,078             |
| Other  | 450,162                 | 476,450             | (26,288)           |
| Total General Revenues                         | <u>24,556,447</u>       | <u>21,447,797</u>   | <u>3,108,650</u>   |
| <i>Total Revenues</i>                          | <u>29,300,191</u>       | <u>26,886,434</u>   | <u>2,413,757</u>   |
| <b>Program Expenses</b>                        |                         |                     |                    |
| General Government:                            |                         |                     |                    |
| Legislative and Executive                      | 6,569,538               | 6,025,851           | (543,687)          |
| Judicial                                       | 139,516                 | 222,456             | 82,940             |
| Public Safety:                                 |                         |                     |                    |
| Police   | 5,028,825               | 4,511,969           | (516,856)          |
| Fire   | 2,761,668               | 2,646,098           | (115,570)          |
| Public Health and Social Services              | 1,206,467               | 1,608,683           | 402,216            |
| Street Construction, Maintenance, and Repair   | 3,860,763               | 3,642,128           | (218,635)          |
| Housing and Community Development              | 852,380                 | 796,624             | (55,756)           |
| Basic Utility Services                         | 2,260,630               | 2,242,264           | (18,366)           |
| Recreational Activities                        | 2,173,693               | 2,430,087           | 256,394            |
| Interest and Fiscal Charges                    | 297,563                 | 297,843             | 280                |
| <i>Total Program Expenses</i>                  | <u>25,151,043</u>       | <u>24,424,003</u>   | <u>(727,040)</u>   |
| Increase (Decrease) in Net Position            |                         |                     |                    |
| Before Special Item                            | 4,149,148               | 2,462,431           | 1,686,717          |
| Special Item - Loss on Sale of Waterlines      | <u>0</u>                | <u>(6,199,567)</u>  | <u>6,199,567</u>   |
| <i>Change in Net Position</i>                  | 4,149,148               | (3,737,136)         | 7,886,284          |
| Net Position Beginning of Year                 | <u>79,064,270</u>       | <u>82,801,406</u>   | <u>(3,737,136)</u> |
| Net Position End of Year                       | <u>\$83,213,418</u>     | <u>\$79,064,270</u> | <u>\$4,149,148</u> |

**City of Brecksville**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2016*  
*Unaudited*

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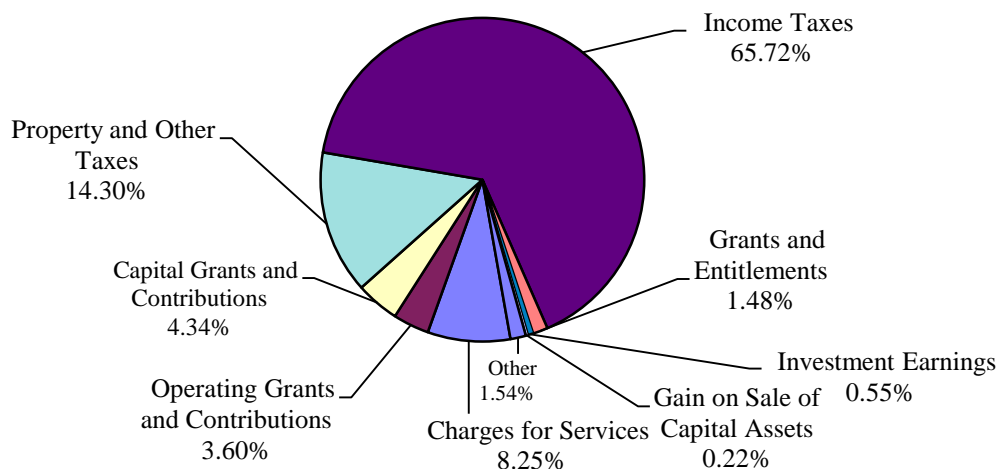
**Governmental Activities**

Several revenue sources fund our governmental activities with City income tax being the largest contributor. The income tax rate of 2 percent was created by City Charter and became effective January 1990. This tax created by Charter amendment will remain until such time as the City's electorate changes the rate, which is not anticipated. The income tax revenue amount for 2016 was \$19,257,227, which is \$2,969,619 (18.2 percent) above the 2015 total. This increase can be attributed to three factors, the first being a general increase in employment and wages in the City as our businesses continue to grow and thrive. The City has an active economic development program which continually works on recruiting new establishments to the City while retaining its current businesses. The second was the reduction of credit for taxes paid to other cities from 100 percent to 87.5 percent. Effective in 2015, the City implemented the change in credit to provide for additional revenue to help support the Fire Department whose property tax income has been decreasing for the last ten years as a result of stagnant assessed property valuations and reductions in State funding. The balance of the new revenue is intended for future capital projects. Lastly, the State of Ohio legislated change in tax due dates causing taxes that normally would have been collected in 2017 to shift to 2016.

City income tax revenue of \$2,520,000 per year is earmarked for specific City improvements. \$80,000 per month, or \$960,000 per year, is allocated toward general municipal improvements. \$100,000 per month, or \$1,200,000 per year, is allocated toward building improvements. \$30,000 per month, or \$360,000 per year, is part of the funding designated for road improvements. These revenues are allocated by ordinance of City Council providing that a substantial portion of our income tax collections is designated for roads, City facilities and capital needs.

Of the \$29,300,191 in total revenue, the following is the portion provided by each revenue source:

**2016 Revenues by Source**



Typically property tax is the City's second largest revenue source, and that was true for 2016. The City recognized an increase of \$243,275 in property tax collections in 2016. Property values have fluctuated very slightly in the past several years, keeping property tax revenue stable, while slightly reduced typically. In the next few years we anticipate a steady increase in valuations as corporate renovation and expansion are recognized, and as several housing developments become populated with new homes. No new special assessments were levied in 2016.



**City of Brecksville**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2016*  
*Unaudited*

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Public safety, including the police and fire departments, accounted for program expenses of \$7,790,493. Our police department continues to improve their equipment to better serve our community and at the same time provide extra safety for our officers. We continue to strive to provide better police and fire service at a lower cost per man-hour.

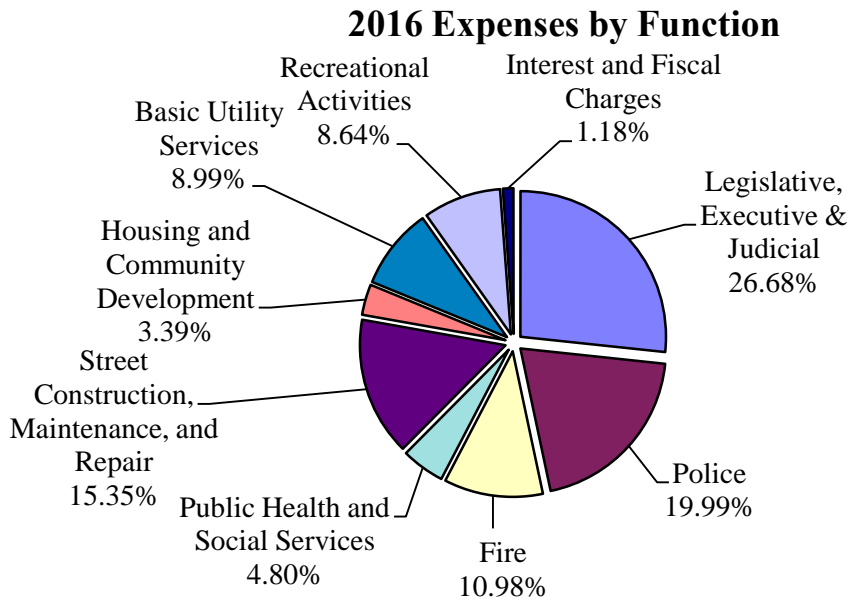
The fire department is funded through Charter levy millage. The majority of operating costs for maintaining the fire department 24 hours a day, 7 days a week are financed with this millage. In 2016, the fire department also received a \$500,000 transfer in from the general fund. As indicated above, this became necessary as stagnant property tax collections and elimination of State intergovernmental revenue sources over the past several years depleted its reserves and required an infusion of cash to maintain its operation level. Billing for ambulance services provides additional stable funding designated for the purchase of fire equipment.

The City's on-going commitment to infrastructure maintenance is reflected in the \$2,260,630 spent on utilities and \$3,860,763 spent on street construction and preservation. Combined, these two City services account for 24.34 percent of City expenses. Services provided by these activities include garbage removal, recycling, leaf pick-up, storm drainage, snow removal, street maintenance and vehicle upkeep.

Public Health and Social Services expenses include charges for county health programs, cemetery maintenance, and the human service department. There was a decrease in this expense between 2015 and 2016 due to lower capital asset additions in 2016.

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

Total program expenses for 2016 by function are as follows:



**City of Brecksville**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2016*  
*Unaudited*

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**The City's Funds**

Information about the City's governmental funds begins on page 18. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenue of \$28,905,784 and expenditures of \$27,186,386. The most significant fund is our general fund with an unassigned fund balance at year-end of \$6,516,688. With annual operating expenditures of \$16,504,510 and operating revenues of \$19,434,507, the general fund experienced operating gains of \$2,929,997. The fund realized a net increase of \$1,323,711 after transfers and proceeds and gain on sale of capital assets was factored in to the change in fund balance.

Another significant fund is the fire department fund with revenues of \$2,014,517 and expenditures of \$2,391,182, resulting in a net decrease of \$376,665 in fund balance before transfers. Its primary revenue source, property tax, had a slight increase in 2016. Although expenditures were consistent with 2016, the fire department fund, for the fourth year in a row, required a transfer in from the general fund.

The City has four other funds presented as major funds. These four funds are the special assessment bond retirement fund, the general municipal improvement fund, the buildings and improvements fund and the road improvements fund. Special assessment collections were outpaced by debt service expenses by \$84,346, but due to previous year's early assessment payoffs, the fund ended with an ample \$196,885 balance. The general municipal improvement fund had transfers out to other funds in the amount of \$342,380, and an ending balance of \$2,035,942. The buildings and improvements fund balance was increased by \$368,379 due to revenues outpacing expenditures. The income tax revenue received by the road improvements fund was utilized for the City's road repair program during 2016.

**General Fund Budgeting Highlights**

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the general fund. During the course of 2016, the City amended its general fund budget several times. The final budgeted revenues were \$2,376,964 higher than original budgeted revenues because the City prefers to take a conservative approach in original budgeting for its revenue projections and make necessary revisions after actual revenues become known. Actual expenditures were well below both original and final appropriations due to the City's conservative approach to budgeting. All recommendations for budget changes come to the Finance Committee of City Council for review before going to the whole Council for ordinance enactment on the change. The general fund supports many of our major activities including the police department, recreation department, and most legislative and executive activities. The general fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

**City of Brecksville**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2016*  
*Unaudited*

**Capital Assets and Debt Administration**

*Capital Assets*

Table 3  
 Capital Assets at Year-End

|                            | Governmental Activities |              |
|----------------------------|-------------------------|--------------|
|                            | 2016                    | 2015         |
| Land                       | \$7,460,576             | \$7,460,576  |
| Construction in Progress   | 3,631,755               | 2,152,601    |
| Land Improvements          | 2,235,988               | 2,405,369    |
| Buildings and Improvements | 21,977,952              | 21,999,323   |
| Machinery and Equipment    | 6,282,769               | 5,835,078    |
| Furniture and Fixtures     | 186,563                 | 205,541      |
| Infrastructure             | 41,984,426              | 41,623,071   |
| Total Capital Assets       | \$83,760,029            | \$81,681,559 |

Total capital assets, net of depreciation, increased \$2,078,470 from 2015. Numerous projects that had been recorded as construction in progress in prior years were completed during 2016, including Warblers Roost slope repair, Old Town Hall cupola and stone archway restoration, Old Town Hall lightning protection system, and Edgerton Road culvert repair. There were also large additions to construction in progress for the current year, including the police station, Riverview Road stream relocation and culvert, post office parking lot, and Valleybrook Drive storm sewer.

The City is committed to a long-term goal of rebuilding its infrastructure and facilities. We have a five year capital plan in place providing for rebuilding major residential streets, water, sewer and storm sewer lines. The five year plan also includes adding additional facilities to complement our current structures and updating our current structures to improve their integrity and usefulness. Use of grants and loans, as well as short-term notes, enable the City to improve its capital assets, and at the same time, maintain our fund levels. See Note 10 for additional information on the City's capital assets.

**Debt**

As of December 31, 2016, the City of Brecksville had the following bonds, notes, and loans outstanding:

Table 4  
 Outstanding Debt at Year End

|                          | Governmental Activities |              |
|--------------------------|-------------------------|--------------|
|                          | 2016                    | 2015         |
| General Obligation Bonds | \$5,067,679             | \$5,660,919  |
| Special Assessment Bonds | 2,907,837               | 3,336,643    |
| Notes                    | 2,002,685               | 2,006,360    |
| OPWC Loans               | 424,885                 | 484,350      |
| Total                    | \$10,403,086            | \$11,488,272 |

**City of Brecksville**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2016*  
*Unaudited*

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The General Obligation Bond Retirement bonds are composed of a 2015 Refunding Tree Farm Property Bond for \$2,300,000 and a Human Services Facility Refunding Bond of \$2,767,679.

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

During 2016, the City issued notes in the anticipation of bonds for the service center garage project. The OPWC Loans are paid semi-annually from the Ohio Public Works Fund and will be paid in full in the year 2033.

The City's overall debt decreased in 2016 as the result of an increase in the City's net pension liability, offset by the annual pay down of outstanding debt. The City's overall legal ten and one-half percent debt limitation (voted and unvoted) on December 31, 2016 was \$62.81 million. The aggregated outstanding debt subject to the five and one half percent limitation is \$7.19 million. The difference of \$55.62 million between the maximum issuable amount and the outstanding amount represents the aggregate principal amount of additional voted and unvoted nonexempt debt which the City may issue without exceeding the ten and one-half percent limitation. See Note 15 for additional information on the City's debt.

#### **Current Financial Related Activities**

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

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

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

The City has entered into an agreement with a neighboring city to provide building inspection services for them. Brecksville collects a fee for the service and the neighboring community saves money by not having to hire their own employee. The City is also investigating opportunities to partner with neighboring communities for dispatch and jail services.

**City of Brecksville**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2016*  
*Unaudited*

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

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

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

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

### **Contacting the City's Finance Department**

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

**City of Brecksville, Ohio**  
*Statement of Net Position*  
December 31, 2016

|  | Governmental<br>Activities |
|--|----------------------------|
| <b>Assets</b>                                    |                            |
| Equity in Pooled Cash and Cash Equivalents       | \$16,386,019               |
| Cash and Cash Equivalents in Segregated Accounts | 86,089                     |
| Materials and Supplies Inventory                 | 452,621                    |
| Accounts Receivable                              | 106,880                    |
| Accrued Interest Receivable                      | 22,132                     |
| Intergovernmental Receivable                     | 782,455                    |
| Prepaid Items                                    | 322,565                    |
| Municipal Income Taxes Receivable                | 5,396,199                  |
| Property Taxes Receivable                        | 4,451,943                  |
| Special Assessments Receivable                   | 3,142,639                  |
| Nondepreciable Capital Assets                    | 11,092,331                 |
| Depreciable Capital Assets, Net                  | 72,667,698                 |
| <i>Total Assets</i>                              | <i>114,909,571</i>         |
| <b>Deferred Outflows of Resources</b>            |                            |
| Pension  | 5,813,857                  |
| Deferred Charge on Refunding                     | 213,557                    |
| <i>Total Deferred Outflows of Resources</i>      | <i>6,027,414</i>           |
| <b>Liabilities</b>                               |                            |
| Accounts Payable                                 | 342,775                    |
| Contracts Payable                                | 748,626                    |
| Retainage Payable                                | 39,116                     |
| Accrued Wages                                    | 469,702                    |
| Intergovernmental Payable                        | 119,329                    |
| Matured Compensated Absences Payable             | 14,352                     |
| Accrued Interest Payable                         | 25,423                     |
| Claims Payable                                   | 136,767                    |
| Notes Payable                                    | 2,002,685                  |
| Vacation Benefits Payable                        | 398,548                    |
| Long-Term Liabilities:                           |                            |
| Due Within One Year                              | 1,358,280                  |
| Due In More Than One Year:                       |                            |
| Net Pension Liability                            | 19,243,068                 |
| Other Amounts                                    | 7,981,295                  |
| <i>Total Liabilities</i>                         | <i>32,879,966</i>          |
| <b>Deferred Inflows of Resources</b>             |                            |
| Pension  | 586,100                    |
| Property Taxes                                   | 4,257,501                  |
| <i>Total Deferred Inflows of Resources</i>       | <i>4,843,601</i>           |
| <b>Net Position</b>                              |                            |
| Net Investment in Capital Assets                 | 73,353,987                 |
| Restricted for:                                  |                            |
| Capital Projects                                 | 590,944                    |
| Debt Service                                     | 3,474,178                  |
| Court Computerization                            | 163,287                    |
| Fire Department                                  | 226,751                    |
| Police Department                                | 549,496                    |
| Road Maintenance                                 | 234,283                    |
| Street Construction, Maintenance, and Repair     | 639,465                    |
| Other Purposes                                   | 172,873                    |
| Unrestricted                                     | 3,808,154                  |
| <i>Total Net Position</i>                        | <i>\$83,213,418</i>        |

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2016

|  | Expenses            | Program Revenues  |  |                                     | Net (Expense)              |
|--|---------------------|---|--|-------------------------------------|----------------------------|
|  |                     | Charges for<br>Services and<br>Operating<br>Assessments | Operating<br>Grants and<br>Contributions | Capital Grants<br>and Contributions | Changes in<br>Net Position |
|  |                     |   |  |                                     | Governmental<br>Activities |
| <b>Governmental Activities</b>                                 |                     |   |  |                                     |                            |
| General Government:  |                     |   |  |                                     |                            |
| Legislative and Executive                                      | \$6,569,538         | \$344,701   | \$3,834                                  | \$0                                 | (\$6,221,003)              |
| Judicial System  | 139,516             | 19,564  | 81                                       | 0                                   | (119,871)                  |
| Public Safety:   |                     |   |  |                                     |                            |
| Police   | 5,028,825           | 227,804   | 27,355                                   | 0                                   | (4,773,666)                |
| Fire   | 2,761,668           | 291,535   | 230,305                                  | 0                                   | (2,239,828)                |
| Public Health and Social Services                              | 1,206,467           | 49,812  | 606                                      | 0                                   | (1,156,049)                |
| Street Construction, Maintenance, and Repair                   | 3,860,763           | 100,066   | 749,205                                  | 0                                   | (3,011,492)                |
| Housing and Community Development                              | 852,380             | 63,540  | 525                                      | 0                                   | (788,315)                  |
| Basic Utility Services   | 2,260,630           | 171,080   | 30,886                                   | 1,271,409                           | (787,255)                  |
| Recreational Activities  | 2,173,693           | 1,150,592   | 10,844                                   | 0                                   | (1,012,257)                |
| Interest and Fiscal Charges                                    | 297,563             | 0   | 0  | 0                                   | (297,563)                  |
| <i>Total Governmental Activities</i>                           | <u>\$25,151,043</u> | <u>\$2,418,694</u>                                      | <u>\$1,053,641</u>                       | <u>\$1,271,409</u>                  | <u>(20,407,299)</u>        |
| <b>General Revenues</b>  |                     |   |  |                                     |                            |
| Property Taxes Levied for:                                     |                     |   |  |                                     |                            |
|  |                     |   |  |                                     | 1,791,350                  |
|  |                     |   |  |                                     | 1,735,188                  |
|  |                     |   |  |                                     | 510,360                    |
|  |                     |   |  |                                     | 153,115                    |
| Municipal Income Taxes Levied for:                             |                     |   |  |                                     |                            |
|  |                     |   |  |                                     | 16,717,227                 |
|  |                     |   |  |                                     | 2,540,000                  |
| Grants and Entitlements not Restricted<br>to Specific Programs |                     |   |  |                                     |                            |
|  |                     |   |  |                                     | 434,179                    |
|  |                     |   |  |                                     | 159,788                    |
|  |                     |   |  |                                     | 65,078                     |
|  |                     |   |  |                                     | 450,162                    |
| <i>Total General Revenues</i>                                  |                     |   |  |                                     | <u>24,556,447</u>          |
| Change in Net Position   |                     |   |  |                                     | 4,149,148                  |
| <i>Net Position Beginning of Year</i>                          |                     |   |  |                                     | <u>79,064,270</u>          |
| <i>Net Position End of Year</i>                                |                     |   |  |                                     | <u>\$83,213,418</u>        |

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**  
*Balance Sheet*  
*Governmental Funds*  
*December 31, 2016*

|   | General             | Fire<br>Department | Special<br>Assessment<br>Bond<br>Retirement | General<br>Municipal<br>Improvement | Buildings and<br>Improvements | Road<br>Improvements |
|---|---------------------|--------------------|---|-------------------------------------|-------------------------------|----------------------|
| <b>Assets</b>   |                     |                    |   |                                     |                               |                      |
| Equity in Pooled Cash and<br>Cash Equivalents                                 | \$7,232,565         | \$299,459          | \$196,885                                   | \$2,000,909                         | \$735,315                     | \$192,864            |
| Cash and Cash Equivalents   |                     |                    |   |                                     |                               |                      |
| In Segregated Accounts  | 84,089              | 0                  | 0   | 0                                   | 0                             | 0                    |
| Materials and Supplies Inventory  | 355,345             | 65,863             | 0   | 0                                   | 0                             | 0                    |
| Accounts Receivable   | 82,007              | 281                | 0   | 0                                   | 0                             | 0                    |
| Interfund Receivable  | 147,000             | 0                  | 0   | 0                                   | 0                             | 0                    |
| Accrued Interest Receivable   | 22,132              | 0                  | 0   | 0                                   | 0                             | 0                    |
| Intergovernmental Receivable  | 189,655             | 112,901            | 0   | 110,393                             | 0                             | 0                    |
| Prepaid Items   | 314,738             | 281                | 0   | 0                                   | 0                             | 0                    |
| Municipal Income Taxes Receivable   | 4,976,199           | 0                  | 0   | 160,000                             | 200,000                       | 60,000               |
| Property Taxes Receivable   | 1,903,328           | 1,843,679          | 0   | 0                                   | 0                             | 0                    |
| Special Assessments Receivable  | 0                   | 0                  | 3,142,639                                   | 0                                   | 0                             | 0                    |
| Restricted Assets:  |                     |                    |   |                                     |                               |                      |
| Equity in Pooled Cash and<br>Cash Equivalents                                 | 13,422              | 0                  | 0   | 0                                   | 0                             | 0                    |
| <b>Total Assets</b>   | <b>\$15,320,480</b> | <b>\$2,322,464</b> | <b>\$3,339,524</b>                          | <b>\$2,271,302</b>                  | <b>\$935,315</b>              | <b>\$252,864</b>     |
| <b>Liabilities</b>  |                     |                    |   |                                     |                               |                      |
| Accounts Payable  | \$319,908           | \$5,689            | \$0   | \$0                                 | \$0                           | \$0                  |
| Contracts Payable   | 287,426             | 3,965              | 0   | 93,437                              | 14,700                        | 15,877               |
| Retainage Payable   | 0                   | 0                  | 0   | 39,116                              | 0                             | 0                    |
| Notes Payable   | 0                   | 0                  | 0   | 0                                   | 2,000,000                     | 0                    |
| Accrued Wages   | 354,383             | 86,163             | 0   | 0                                   | 0                             | 0                    |
| Interfund Payable   | 0                   | 0                  | 0   | 102,376                             | 0                             | 44,624               |
| Accrued Interest Payable  | 0                   | 0                  | 0   | 431                                 | 7,778                         | 188                  |
| Matured Compensated Absences Payable  | 14,352              | 0                  | 0   | 0                                   | 0                             | 0                    |
| Intergovernmental Payable   | 92,769              | 21,682             | 0   | 0                                   | 0                             | 0                    |
| <b>Total Liabilities</b>  | <b>1,068,838</b>    | <b>117,499</b>     | <b>0</b>                                    | <b>235,360</b>                      | <b>2,022,478</b>              | <b>60,689</b>        |
| <b>Deferred Inflows of Resources</b>  |                     |                    |   |                                     |                               |                      |
| Property Taxes  | 1,820,198           | 1,763,156          | 0   | 0                                   | 0                             | 0                    |
| Unavailable Revenue   | 2,601,391           | 193,424            | 3,142,639                                   | 0                                   | 0                             | 0                    |
| <b>Total Deferred Inflows of Resources</b>                                    | <b>4,421,589</b>    | <b>1,956,580</b>   | <b>3,142,639</b>                            | <b>0</b>                            | <b>0</b>                      | <b>0</b>             |
| <b>Fund Balances</b>  |                     |                    |   |                                     |                               |                      |
| Nonspendable  | 683,505             | 66,144             | 0   | 0                                   | 0                             | 0                    |
| Restricted  | 0                   | 182,241            | 196,885                                     | 0                                   | 0                             | 0                    |
| Committed   | 169,400             | 0                  | 0   | 2,035,942                           | 0                             | 192,175              |
| Assigned  | 2,460,460           | 0                  | 0   | 0                                   | 0                             | 0                    |
| Unassigned (Deficit)  | 6,516,688           | 0                  | 0   | 0                                   | (1,087,163)                   | 0                    |
| <b>Total Fund Balances (Deficit)</b>  | <b>9,830,053</b>    | <b>248,385</b>     | <b>196,885</b>                              | <b>2,035,942</b>                    | <b>(1,087,163)</b>            | <b>192,175</b>       |
| <b>Total Liabilities, Deferred Inflows of<br/>Resources and Fund Balances</b> | <b>\$15,320,480</b> | <b>\$2,322,464</b> | <b>\$3,339,524</b>                          | <b>\$2,271,302</b>                  | <b>\$935,315</b>              | <b>\$252,864</b>     |

See accompanying notes to the basic financial statements



**City of Brecksville, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Position of Governmental Activities  
 December 31, 2016*

| Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |   | \$15,391,532 |
|--------------------------------|--------------------------------|---|--------------|
| \$4,187,180                    | \$14,845,177                   | <b>Total Governmental Fund Balances</b>   |              |
| 2,000                          | 86,089                         | <i>Amounts reported for governmental activities in the<br/>statement of net position are different because:</i>   |              |
| 31,413                         | 452,621                        | Capital assets used in governmental activities are not financial<br>resources and therefore are not reported in the funds.  | 83,760,029   |
| 24,592                         | 106,880                        | Other long-term assets are not available to pay for current-<br>period expenditures and therefore are unavailable revenue in the funds:   |              |
| 0                              | 147,000                        | Property Taxes  | 194,442      |
| 0                              | 22,132                         | Intergovernmental   | 534,663      |
| 369,506                        | 782,455                        | Municipal Income Taxes  | 2,357,226    |
| 7,546                          | 322,565                        | Special Assessments   | 3,142,639    |
| 0                              | 5,396,199                      | Total   | 6,228,970    |
| 704,936                        | 4,451,943                      | An internal service fund is used by management to charge<br>the costs of insurance to individual funds. The assets and<br>liabilities of the internal service fund are included in<br>governmental activities in the statement of net position. | 1,389,790    |
| 0                              | 3,142,639                      | In the statement of activities, interest is accrued on outstanding<br>bonds, whereas in governmental funds, an interest<br>expenditure is reported when due.  | (17,026)     |
| 0                              | 13,422                         | Vacation benefits payable are not expected to be paid with<br>expendable available financial resources and therefore are not<br>reported in the funds.  | (398,548)    |
| \$5,327,173                    | \$29,769,122                   | Long-term liabilities are not due and payable in the current period<br>and therefore are not reported in the funds:   |              |
| \$16,315                       | \$341,912                      | General Obligation Bonds  | (5,067,679)  |
| 333,221                        | 748,626                        | Special Assessment Bonds  | (2,907,837)  |
| 0                              | 39,116                         | OPWC Loans  | (424,885)    |
| 2,685                          | 2,002,685                      | Compensated Absences  | (939,174)    |
| 29,156                         | 469,702                        | Total   | (9,339,575)  |
| 0                              | 147,000                        | The net pension liability is not due and payable in the current period;<br>therefore, the liability and related deferred inflows/outflows are<br>not reported in the funds:   |              |
| 0                              | 8,397                          | Deferred Outflows - Pension   | 5,813,857    |
| 0                              | 14,352                         | Deferred Inflows - Pension  | (586,100)    |
| 4,878                          | 119,329                        | Net Pension Liability   | (19,243,068) |
| 386,255                        | 3,891,119                      | Total   | (14,015,311) |
| 674,147                        | 4,257,501                      | Deferred charges on refunding related to the issuance of long-term<br>refunding debt will be amortized over the life of the debt on<br>the statement of net position.   | 213,557      |
| 291,516                        | 6,228,970                      | <i>Net Position of Governmental Activities</i>  | \$83,213,418 |
| 965,663                        | 10,486,471                     |   |              |
| 38,959                         | 788,608                        |   |              |
| 1,814,505                      | 2,193,631                      |   |              |
| 1,408,536                      | 3,806,053                      |   |              |
| 713,255                        | 3,173,715                      |   |              |
| 0                              | 5,429,525                      |   |              |
| 3,975,255                      | 15,391,532                     |   |              |
| \$5,327,173                    | \$29,769,122                   |   |              |

**City of Brecksville, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2016*

|   | General            | Fire<br>Department | Special<br>Assessment<br>Bond<br>Retirement | General<br>Municipal<br>Improvement | Buildings and<br>Improvements | Road<br>Improvements |
|---|--------------------|--------------------|---|-------------------------------------|-------------------------------|----------------------|
| <b>Revenues</b>   |                    |                    |   |                                     |                               |                      |
| Property Taxes  | \$1,835,967        | \$1,778,409        | \$0   | \$0                                 | \$0                           | \$0                  |
| Municipal Income Taxes                                  | 15,986,247         | 0                  | 0   | 960,000                             | 1,200,000                     | 380,000              |
| Charges for Services                                    | 133,534            | 0                  | 0   | 0                                   | 0                             | 0                    |
| Licenses and Permits                                    | 344,945            | 0                  | 0   | 0                                   | 0                             | 0                    |
| Fines and Forfeitures                                   | 242,068            | 0                  | 0   | 0                                   | 0                             | 0                    |
| Intergovernmental                                       | 437,643            | 227,266            | 0   | 1,271,409                           | 0                             | 0                    |
| Special Assessments                                     | 0                  | 0                  | 463,372                                     | 29,283                              | 0                             | 6,397                |
| Interest  | 64,672             | 7,343              | 0   | 22,821                              | 7,033                         | 2,628                |
| Donations   | 10,142             | 50                 | 0   | 0                                   | 0                             | 0                    |
| Rentals   | 113,642            | 0                  | 0   | 0                                   | 0                             | 0                    |
| Miscellaneous   | 265,647            | 1,449              | 0   | 16,024                              | 280                           | 0                    |
| <i>Total Revenues</i>                                   | <u>19,434,507</u>  | <u>2,014,517</u>   | <u>463,372</u>                              | <u>2,299,537</u>                    | <u>1,207,313</u>              | <u>389,025</u>       |
| <b>Expenditures</b>                                     |                    |                    |   |                                     |                               |                      |
| Current:  |                    |                    |   |                                     |                               |                      |
| General Government:                                     |                    |                    |   |                                     |                               |                      |
| Legislative and Executive                               | 6,253,634          | 0                  | 0   | 0                                   | 0                             | 0                    |
| Judicial System   | 129,944            | 0                  | 0   | 0                                   | 0                             | 0                    |
| Public Safety:  |                    |                    |   |                                     |                               |                      |
| Police  | 4,388,285          | 0                  | 0   | 0                                   | 0                             | 0                    |
| Fire  | 14,134             | 2,391,182          | 0   | 0                                   | 0                             | 0                    |
| Public Health and Social Services                       | 987,931            | 0                  | 0   | 0                                   | 0                             | 0                    |
| Street Construction, Maintenance, and Repair            | 1,836,698          | 0                  | 0   | 0                                   | 0                             | 0                    |
| Housing and Community Development                       | 852,361            | 0                  | 0   | 0                                   | 0                             | 0                    |
| Basic Utility Services                                  | 2,041,523          | 0                  | 0   | 0                                   | 0                             | 0                    |
| Recreational Activities                                 | 0                  | 0                  | 0   | 0                                   | 0                             | 0                    |
| Capital Outlay  | 0                  | 0                  | 0   | 2,284,428                           | 389,512                       | 272,713              |
| Debt Service:   |                    |                    |   |                                     |                               |                      |
| Principal Retirement                                    | 0                  | 0                  | 425,000                                     | 0                                   | 0                             | 0                    |
| Interest and Fiscal Charges                             | 0                  | 0                  | 122,718                                     | 5,590                               | 24,422                        | 2,436                |
| <i>Total Expenditures</i>                               | <u>16,504,510</u>  | <u>2,391,182</u>   | <u>547,718</u>                              | <u>2,290,018</u>                    | <u>413,934</u>                | <u>275,149</u>       |
| <i>Excess of Revenues Over<br/>(Under) Expenditures</i> | <u>2,929,997</u>   | <u>(376,665)</u>   | <u>(84,346)</u>                             | <u>9,519</u>                        | <u>793,379</u>                | <u>113,876</u>       |
| <b>Other Financing Sources (Uses)</b>                   |                    |                    |   |                                     |                               |                      |
| Proceeds from Sale of Capital Assets                    | 13,155             | 514                | 0   | 0                                   | 0                             | 0                    |
| Gain on Sale of Capital Assets                          | 65,078             | 0                  | 0   | 0                                   | 0                             | 0                    |
| Transfers In  | 0                  | 500,000            | 0   | 0                                   | 0                             | 0                    |
| Transfers Out   | (1,684,519)        | 0                  | 0   | (342,380)                           | (425,000)                     | 0                    |
| <i>Total Other Financing Sources (Uses)</i>             | <u>(1,606,286)</u> | <u>500,514</u>     | <u>0</u>                                    | <u>(342,380)</u>                    | <u>(425,000)</u>              | <u>0</u>             |
| <i>Net Change in Fund Balances</i>                      | 1,323,711          | 123,849            | (84,346)                                    | (332,861)                           | 368,379                       | 113,876              |
| <i>Fund Balances (Deficit) Beginning of Year</i>        | <u>8,506,342</u>   | <u>124,536</u>     | <u>281,231</u>                              | <u>2,368,803</u>                    | <u>(1,455,542)</u>            | <u>78,299</u>        |
| <i>Fund Balances (Deficit) End of Year</i>              | <u>\$9,830,053</u> | <u>\$248,385</u>   | <u>\$196,885</u>                            | <u>\$2,035,942</u>                  | <u>(\$1,087,163)</u>          | <u>\$192,175</u>     |

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2016*

| Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--------------------------------|--------------------------------|
| \$679,998                      | \$4,294,374                    |
| 0                              | 18,526,247                     |
| 1,305,636                      | 1,439,170                      |
| 135,032                        | 479,977                        |
| 19,708                         | 261,776                        |
| 801,026                        | 2,737,344                      |
| 0                              | 499,052                        |
| 36,861                         | 141,358                        |
| 10,844                         | 21,036                         |
| 59,207                         | 172,849                        |
| 49,201                         | 332,601                        |
| <u>3,097,513</u>               | <u>28,905,784</u>              |
| 317                            | 6,253,951                      |
| 1,949                          | 131,893                        |
| 156,204                        | 4,544,489                      |
| 0                              | 2,405,316                      |
| 0                              | 987,931                        |
| 1,355,892                      | 3,192,590                      |
| 42,233                         | 894,594                        |
| 6,500                          | 2,048,023                      |
| 1,786,943                      | 1,786,943                      |
| 641,799                        | 3,588,452                      |
| 644,465                        | 1,069,465                      |
| 127,573                        | 282,739                        |
| <u>4,763,875</u>               | <u>27,186,386</u>              |
| <u>(1,666,362)</u>             | <u>1,719,398</u>               |
| 1,231                          | 14,900                         |
| 0                              | 65,078                         |
| 1,968,989                      | 2,468,989                      |
| (17,090)                       | (2,468,989)                    |
| <u>1,953,130</u>               | <u>79,978</u>                  |
| 286,768                        | 1,799,376                      |
| <u>3,688,487</u>               | <u>13,592,156</u>              |
| <u>\$3,975,255</u>             | <u>\$15,391,532</u>            |

**Net Change in Fund Balances - Total Governmental Funds** \$1,799,376

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

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

|                           |                    |           |
|---------------------------|--------------------|-----------|
| Capital Asset Additions:  |                    |           |
| Capital Outlays           | 4,974,259          |           |
| Current Year Depreciation | <u>(2,875,236)</u> |           |
| Total                     |                    | 2,099,023 |

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (20,553)

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

|                        |                  |         |
|------------------------|------------------|---------|
| Property Taxes         | (104,361)        |         |
| Intergovernmental      | 849              |         |
| Municipal Income Taxes | 730,980          |         |
| Special Assessments    | <u>(434,130)</u> |         |
| Total                  |                  | 193,338 |

Repayment of long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 1,069,465

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                    | 3,242           |          |
| Amortization of Premium on Bonds             | 12,046          |          |
| Amortization of Deferred Charge on Refunding | <u>(30,112)</u> |          |
| Total  |                 | (14,824) |

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

|                      |                 |          |
|----------------------|-----------------|----------|
| Compensated Absences | (50,481)        |          |
| Vacation Payable     | <u>(33,236)</u> |          |
| Total                |                 | (83,717) |

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 1,525,331

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities. (2,580,626)

The internal service fund used by management to charge the individual funds is reported in the district-wide statement of activities.

|   |                |
|---|----------------|
| Governmental fund expenditures and related internal service fund revenues are eliminated. | <u>162,335</u> |
|---|----------------|

*Change in Net Position of Governmental Activities* \$4,149,148

**City of Brecksville, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2016*

|   | Budgeted Amounts   |                    |                    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|--------------------|--------------------|--------------------|---|
|   | Original           | Final              | Actual             |   |
| <b>Revenues</b>                                     |                    |                    |                    |   |
| Property Taxes                                      | \$1,953,448        | \$1,829,034        | \$1,835,967        | \$6,933   |
| Municipal Income Taxes                              | 13,225,671         | 15,631,000         | 15,599,338         | (31,662)  |
| Charges for Services                                | 116,510            | 137,700            | 133,574            | (4,126)   |
| Licenses and Permits                                | 265,681            | 314,000            | 344,945            | 30,945  |
| Fines and Forfeitures                               | 191,646            | 226,500            | 236,381            | 9,881   |
| Intergovernmental                                   | 469,264            | 439,648            | 434,534            | (5,114)   |
| Interest  | 80,381             | 95,000             | 101,024            | 6,024   |
| Donations   | 8,503              | 10,050             | 10,142             | 92  |
| Rentals   | 76,997             | 91,000             | 101,760            | 10,760  |
| Miscellaneous                                       | 243,266            | 234,400            | 244,593            | 10,193  |
| <i>Total Revenues</i>                               | <u>16,631,367</u>  | <u>19,008,332</u>  | <u>19,042,258</u>  | <u>33,926</u>   |
| <b>Expenditures</b>                                 |                    |                    |                    |   |
| Current:  |                    |                    |                    |   |
| General Government:                                 |                    |                    |                    |   |
| Legislative and Executive                           | 7,312,813          | 7,682,812          | 6,715,474          | 967,338   |
| Judicial System                                     | 130,502            | 130,502            | 127,907            | 2,595   |
| Public Safety:                                      |                    |                    |                    |   |
| Police  | 4,882,469          | 4,858,969          | 4,475,193          | 383,776   |
| Fire  | 33,009             | 33,009             | 14,134             | 18,875  |
| Public Health and Social Services                   | 1,073,927          | 1,106,927          | 1,020,658          | 86,269  |
| Street Construction, Maintenance, and Repair        | 2,085,307          | 2,125,308          | 1,848,190          | 277,118   |
| Housing and Community Development                   | 944,486            | 935,486            | 873,459            | 62,027  |
| Basic Utility Services                              | 2,458,019          | 2,468,019          | 2,359,563          | 108,456   |
| <i>Total Expenditures</i>                           | <u>18,920,532</u>  | <u>19,341,032</u>  | <u>17,434,578</u>  | <u>1,906,454</u>  |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(2,289,165)</u> | <u>(332,700)</u>   | <u>1,607,680</u>   | <u>1,940,380</u>  |
| <b>Other Financing Sources (Uses)</b>               |                    |                    |                    |   |
| Sale of Capital Assets                              | 260,000            | 260,000            | 272,551            | 12,551  |
| Transfers In  | 100,000            | 100,000            | 100,000            | 0   |
| Transfers Out                                       | (1,430,000)        | (1,784,519)        | (1,784,519)        | 0   |
| <i>Total Other Financing Sources (Uses)</i>         | <u>(1,070,000)</u> | <u>(1,424,519)</u> | <u>(1,411,968)</u> | <u>12,551</u>   |
| <i>Net Change in Fund Balance</i>                   | <u>(3,359,165)</u> | <u>(1,757,219)</u> | <u>195,712</u>     | <u>1,952,931</u>  |
| <i>Fund Balance Beginning of Year</i>               | 5,924,870          | 5,924,870          | 5,924,870          | 0   |
| Prior Year Encumbrances Appropriated                | 609,642            | 609,642            | 609,642            | 0   |
| <i>Fund Balance End of Year</i>                     | <u>\$3,175,347</u> | <u>\$4,777,293</u> | <u>\$6,730,224</u> | <u>\$1,952,931</u>                                      |

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Department Fund*  
*For the Year Ended December 31, 2016*

|  | <u>Budgeted Amounts</u> |                  |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|-------------------------|------------------|------------------|---|
|  | <u>Original</u>         | <u>Final</u>     | <u>Actual</u>    |   |
| <b>Revenues</b>                              |                         |                  |                  |   |
| Property Taxes                               | \$2,128,040             | \$1,768,162      | \$1,778,409      | \$10,247  |
| Intergovernmental                            | 271,946                 | 236,068          | 227,266          | (8,802)   |
| Interest                                     | 8,787                   | 4,000            | 7,343            | 3,343   |
| Donations                                    | 60                      | 0                | 50               | 50  |
| Miscellaneous                                | 9,007                   | 2,000            | 1,168            | (832)   |
| <i>Total Revenues</i>                        | <u>2,417,840</u>        | <u>2,010,230</u> | <u>2,014,236</u> | <u>4,006</u>  |
| <b>Expenditures</b>                          |                         |                  |                  |   |
| Current:                                     |                         |                  |                  |   |
| Public Safety:                               |                         |                  |                  |   |
| Fire   | <u>2,565,888</u>        | <u>2,565,888</u> | <u>2,417,936</u> | <u>147,952</u>  |
| <i>Excess of Revenues Under Expenditures</i> | <u>(148,048)</u>        | <u>(555,658)</u> | <u>(403,700)</u> | <u>151,958</u>  |
| <b>Other Financing Sources</b>               |                         |                  |                  |   |
| Sale of Capital Assets                       | 0                       | 3,000            | 514              | (2,486)   |
| Transfers In                                 | <u>0</u>                | <u>500,000</u>   | <u>500,000</u>   | <u>0</u>  |
| <i>Total Other Financing Sources</i>         | <u>0</u>                | <u>503,000</u>   | <u>500,514</u>   | <u>(2,486)</u>  |
| <i>Net Change in Fund Balance</i>            | (148,048)               | (52,658)         | 96,814           | 149,472   |
| <i>Fund Balance Beginning of Year</i>        | 183,858                 | 183,858          | 183,858          | 0   |
| Prior Year Encumbrances Appropriated         | <u>8,531</u>            | <u>8,531</u>     | <u>8,531</u>     | <u>0</u>  |
| <i>Fund Balance End of Year</i>              | <u>\$44,341</u>         | <u>\$139,731</u> | <u>\$289,203</u> | <u>\$149,472</u>  |

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**  
*Statement of Fund Net Position*  
*Proprietary Fund*  
*December 31, 2016*

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|  | <u>Internal<br/>Service Fund -<br/>Insurance</u> |
|--|--|
| <b>Assets</b>                              |  |
| Equity in Pooled Cash and Cash Equivalents | \$1,527,420                                      |
| <b>Liabilities</b>                         |  |
| Accounts Payable                           | 863  |
| Claims Payable                             | <u>136,767</u>                                   |
| <i>Total Liabilities</i>                   | <u>137,630</u>                                   |
| <b>Net Position</b>                        |  |
| Unrestricted                               | <u><u>\$1,389,790</u></u>                        |

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**  
*Statement of Revenues, Expenses  
and Changes in Fund Net Position*  
*Proprietary Fund*  
For the Year Ended December 31, 2016

|                                       | Internal<br>Service Fund -<br>Insurance |
|---------------------------------------|---|
| <b>Operating Revenues</b>             |   |
| Charges for Services                  | \$1,748,135                             |
| Miscellaneous                         | 117,561                                 |
| <i>Total Operating Revenues</i>       | 1,865,696                               |
| <b>Operating Expenses</b>             |   |
| Purchased Services                    | 7,304                                   |
| Claims                                | 1,714,487                               |
| <i>Total Operating Expenses</i>       | 1,721,791                               |
| <i>Operating Income</i>               | 143,905                                 |
| <b>Non-Operating Revenues</b>         |   |
| Interest                              | 18,430                                  |
| <i>Change in Net Position</i>         | 162,335                                 |
| <i>Net Position Beginning of Year</i> | 1,227,455                               |
| <i>Net Position End of Year</i>       | \$1,389,790                             |

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**  
*Statement of Cash Flows*  
*Proprietary Fund*  
For the Year Ended December 31, 2016

|  | Internal<br>Service Fund -<br>Insurance |
|--|---|
| <i><b>Increase (Decrease) In Cash and Cash Equivalents</b></i>                                 |   |
| <b>Cash Flows from Operating Activities</b>  |   |
| Cash Received from Customers   | \$1,748,135                             |
| Cash Received from Other Operating Sources   | 117,561                                 |
| Cash Payments to Suppliers for Goods and Services  | (6,441)                                 |
| Cash Payments for Claims   | (1,758,557)                             |
| <i>Net Cash Provided By Operating Activities</i>   | 100,698                                 |
| <b>Cash Flows from Investing Activities</b>  |   |
| Interest   | 18,430                                  |
| <i>Net Increase In Cash and Cash Equivalents</i>   | 119,128                                 |
| <i>Cash and Cash Equivalents Beginning of Year</i>   | 1,408,292                               |
| <i>Cash and Cash Equivalents End of Year</i>   | \$1,527,420                             |
| <br><b>Reconciliation of Operating Income to Net<br/>Cash Provided By Operating Activities</b> |   |
| <i>Operating Income</i>  | \$143,905                               |
| Adjustments:   |   |
| Increase in Accounts Payable   | 863                                     |
| Decrease in Claims Payable   | (44,070)                                |
| <i>Net Cash Provided By Operating Activities</i>   | \$100,698                               |

See accompanying notes to the basic financial statements



**City of Brecksville, Ohio**  
*Statement of Fiduciary Net Position*  
*Fiduciary Funds*  
*December 31, 2016*

|  | Private<br>Purpose Trust |             |
|--|--------------------------|-------------|
|  | Cemetery                 | Agency      |
| <b>Assets</b>                              |                          |             |
| Equity in Pooled Cash and Cash Equivalents | \$3,131                  | \$1,128,332 |
| <b>Liabilities</b>                         |                          |             |
| Undistributed Monies                       | 0                        | \$30,806    |
| Deposits Held and Due to Others            | 0                        | 1,097,526   |
| <i>Total Liabilities</i>                   | 0                        | \$1,128,332 |
| <b>Net Position</b>                        |                          |             |
| Held in Trust for Cemetery                 | 131                      |             |
| Endowments                                 | 3,000                    |             |
| <i>Total Net Position</i>                  | \$3,131                  |             |

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**  
*Statement of Changes in Fiduciary Net Position*  
*Fiduciary Fund*  
*For the Year Ended December 31, 2016*

|                                       | Private<br>Purpose Trust |
|---------------------------------------|--------------------------|
|                                       | Cemetery                 |
| <b>Additions</b>                      |                          |
| Interest                              | \$39                     |
| <b>Deductions</b>                     | 0                        |
| <i>Change in Net Position</i>         | 39                       |
| <i>Net Position Beginning of Year</i> | 3,092                    |
| <i>Net Position End of Year</i>       | \$3,131                  |

See accompanying notes to the basic financial statements

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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

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

***Reporting Entity***

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Brecksville, this includes the agencies and departments that provide the following services: police and fire protection, emergency medical, parks and recreation, planning, zoning, human services, street maintenance and repair and general administrative services. The operation of each of these activities is directly controlled by Council through the budgetary process.

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

The City participates in one insurance purchasing pool, the Ohio Municipal League rating pool, two jointly governed organizations, the Southwest Council of Governments and the Northeast Ohio Public Energy Council, and one related organization, the Brecksville Community Improvement Corporation. A jointly governed organization is managed by representatives from each of the governments that create the organization, but there is neither ongoing financial interest nor responsibility on the part of the participating governments. These organizations are discussed in Notes 17, 18, and 19 to the basic financial statements.

**Note 2 – Summary of Significant Accounting Policies**

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

***Basis of Presentation***

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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

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

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

***Fund Accounting***

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

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

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

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

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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

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

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

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

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

**Internal Service Fund** Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's only internal service fund is a health fund that accounts for prescription drug and hospital/medical claims of the City employees.

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

**Measurement Focus**

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

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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

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

***Basis of Accounting***

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

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

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

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

***Deferred Outflows/Inflows of Resources*** In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources include a deferred charge on refunding and pension reported in the government-wide statement of net position. A deferred charge 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 pension are explained in Note 11.

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2016, but which were levied to finance 2017 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes municipal income taxes, delinquent property taxes, special assessments, and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities found on page 19. Deferred inflows of resources related to pension are reported on the government-wide statement of net position (See Note 11).

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

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

***Budgetary Process***

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

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

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

***Cash and Cash Equivalents***

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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

During 2016, investments were limited to commercial paper, municipal bonds, and government securities. Investments are reported at fair value which is based on quoted market prices, with the exception of nonparticipating repurchase agreements and certificates of deposit, which are reported at cost.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue is distributed to all funds. Interest revenue credited to the general fund during 2016 amounted to \$64,672, of which \$0 was assigned from other funds.

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

***Inventory***

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

***Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2016, 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.

***Restricted Assets***

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

***Capital Assets***

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

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



**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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

| Description                | Estimated Lives |
|----------------------------|-----------------|
| Land                       | N/A             |
| Land Improvements          | 5 - 50 years    |
| Buildings and Improvements | 5 - 60 years    |
| Machinery and Equipment    | 3 - 50 years    |
| Furniture and Fixtures     | 5 - 40 years    |
| Infrastructure             | 10 - 99 years   |

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

***Interfund Balances***

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

***Pensions***

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.

***Compensated Absences***

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

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

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

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

***Accrued Liabilities and Long-Term Obligations***

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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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, compensated absences, and net pension liability 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.

***Fund Balance***

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

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

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

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

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

***Assigned*** Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by City Council. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance or by State statute. State statute authorizes the Finance Director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. City Council assigned fund balance to cover a gap between estimated revenue and appropriations for 2017’s spending.

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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

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

***Net Position***

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

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

***Operating Revenues and Expenses***

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

***Internal Activity***

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

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

***Bond Premium***

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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***Deferred Charge on Refunding***

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

***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. During 2016, the City had no extraordinary or special items to report.

***Estimates***

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

**Note 3 – Changes in Accounting Principles**

For 2016, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 72, “Fair Value Measurement and Application,” GASB Statement No. 73, “Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68,” GASB Statement No. 76, “The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments,” GASB Statement No. 79, “Certain External Investment Pools and Pool Participants,” GASB Statement No. 77, “Tax Abatement Disclosures,” and GASB Statement No. 82, “Pension Issues an Amendment of GASB Statements No. 67, No. 68 and No. 73.”

GASB Statement No. 72 addresses accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for determining a fair value measurement for financial reporting purposes for applying fair value to certain investments and disclosures related to all fair value measurements. These changes were incorporated in the City’s 2016 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 73 establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68. The implementation of this GASB pronouncement did not result in any changes to the City’s financial statements.

GASB Statement No. 76 identifies – in the context of the current governmental financial reporting environment – the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with generally accepted accounting principles (GAAP) and the framework for selecting those principles. The implementation of this GASB pronouncement did not result in any changes to the City’s financial statements.

GASB Statement No. 77 requires disclosure of information about the nature and magnitude of tax abatements. These changes were incorporated in the City’s 2016 financial statements; however, there was no effect on beginning net position/fund balance.

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

GASB Statement No. 79 establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized cost. This Statement provides accounting and financial reporting guidance also establishes additional note disclosure requirements for governments that participate in those pools. The City incorporated the corresponding GASB 79 guidance into their 2016 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 82 improves consistency in the application of pension accounting. These changes were incorporated in the City's 2016 financial statements; however, there was no effect on beginning net position/fund balance.

**Note 4 – Budgetary Basis of Accounting**

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual, presented for the general and fire department funds, is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and GAAP basis are as follows:

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

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

| Net Change in Fund Balance                        |             |                    |
|---|-------------|--------------------|
| General and Fire Department Special Revenue Funds |             |                    |
|   | General     | Fire<br>Department |
| GAAP Basis  | \$1,323,711 | \$123,849          |
| Net Adjustment for Revenue Accruals               | (149,242)   | (281)              |
| Beginning Fair Value Adjustment for Investments   | (11,284)    | 0                  |
| Ending Fair Value Adjustment for Investments      | 62,595      | 0                  |
| Net Adjustment for Expenditure Accruals           | (304,710)   | (16,498)           |
| Encumbrances                                      | (725,358)   | (10,256)           |
| Budget Basis                                      | \$195,712   | \$96,814           |

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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**Note 5 – Deposits and Investments**

The City is a charter City and follows their established investment policy. The City has elected to follow the provisions of State statute.

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

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

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

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

1. United States Treasury bills, bonds notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and with certain limitations bonds and other obligations of political subdivision of the State of Ohio;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Investments may only be made through specified dealers and institutions.

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

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

***Deposits***

***Custodial credit risk*** is the risk that in the event of bank failure, the City's deposits may not be returned to it. Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution, by surety company bonds or by a single collateral pool established by the financial institution. In accordance with Chapter 135 of the Ohio Revised Code, any public depository receiving deposits pursuant to an award of City funds shall be required to pledge security for repayment of all public moneys. The City has no investment policy dealing with deposit custodial risk beyond the requirement in State statute that requires securities purchased pursuant to this division shall be delivered into the custody of the Finance Director or an agent designated by the Finance Director.

At year-end, the carrying amount of the City's deposits was \$9,556,629 and the bank balance was \$9,832,903. Of the uninsured bank balance, \$502,516 was collateralized with 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 five percent of the deposits being secured.

***Investments***

Investments are reported at fair value. As of December 31, 2016, the City had the following investments:

| Measurement/Investment                       | Measurement<br>Amount | Maturity              | Standard<br>& Poor's<br>Rating | Percent of<br>Total<br>Investments |
|--|-----------------------|-----------------------|--------------------------------|------------------------------------|
| Fair Value:                                  |                       |                       |                                |                                    |
| Federal Home Loan Mortgage Corporation Bonds | \$1,977,948           | Less than three years | AA+                            | 24.58 %                            |
| Federal Home Loan Mortgage Corporation Bonds | \$1,460,520           | Less than five years  | AA+                            | 18.15                              |
| Federal National Mortgage Association Bonds  | 1,285,360             | Less than five years  | AA+                            | 15.97                              |
| Federal Farm Credit Bank Bonds               | 495,790               | Less than three years | AA+                            | 6.16                               |
| Federal Farm Credit Bank Bonds               | 684,457               | Less than five years  | AA+                            | 8.51                               |
| Commercial Paper                             | 2,142,867             | Less than one year    |                                | 26.63                              |
| Total Investments                            | <u>\$8,046,942</u>    |                       |                                | <u>100.00 %</u>                    |

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the City's recurring fair value measurements as of December 31, 2016. The City's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

***Interest Rate Risk*** As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and that the City's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity. Repurchase agreements are limited to 30 days and the market value of the securities must exceed the principal value of the agreement by at least 2 percent and be marked to market daily.

***Custodial Credit Risk*** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside part. 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 an 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.

***Credit Risk*** All investments of the City carry a rating of AA+ by Standard & Poor's. The City does not have an investment policy that addresses credit risk.

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

## **Note 6 – Receivables**

Receivables at December 31, 2016, consisted primarily of municipal income taxes, property taxes, accounts (billings for user charged services and court fines), special assessments, interfund, and intergovernmental receivables arising from grants, entitlements and shared revenues. No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. All receivables except for special assessments and delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Special assessments expected to be collected in more than one year amount to \$3,142,639 in the special assessments bond retirement fund. At December 31, 2016, the amount of delinquent special assessments was \$110,639.



**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

***Property Taxes***

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2016 for real and public utility property taxes represents collections of 2015 taxes.

2016 real property taxes were levied after October 1, 2016, on the assessed value as of January 1, 2016, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2016 real property taxes are collected in and intended to finance 2017.

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2016 public utility property taxes which became a lien December 31, 2015, are levied after October 1, 2016, and are collected in 2017 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2016, was \$8.21 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2016 property tax receipts were based are as follows:

| Category                                  | Assessed<br>Value |
|---|-------------------|
| Real Estate:                              |                   |
| Residential/Agricultural                  | \$476,728,340     |
| Other Real Estate                         | 100,946,970       |
| Tangible Personal Property Public Utility | 20,463,690        |
| Total Assessed Values                     | \$598,139,000     |

The County Fiscal Officer collects property taxes on behalf of all taxing districts in the county, including the City. The County Fiscal Officer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2016, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2016 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

***Income Tax***

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

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. By City ordinance, \$2,520,000 of total income tax proceeds are credited to the following capital projects funds: \$960,000 to the general municipal improvement fund, \$1,200,000 to the buildings and improvements fund, and \$360,000 to the road improvements fund.

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

***Intergovernmental Receivables***

A summary of the intergovernmental receivables follows:

|   |                         |
|---|-------------------------|
| <b>Governmental Activities:</b>                   |                         |
| Homestead and Rollback                            | \$272,625               |
| Excise Tax  | 168,654                 |
| Gasoline Tax                                      | 87,258                  |
| Regional Transit Authority Park-n-Ride Lot Grant  | 82,500                  |
| Local Government                                  | 66,720                  |
| Auto Registration                                 | 52,608                  |
| Storm Sewer Grants                                | 27,893                  |
| Permissive Tax                                    | 17,817                  |
| Ohio Peace Officer Training Academy Reimbursement | 6,380                   |
| Total   | <u><u>\$782,455</u></u> |

**Note 7 – Tax Abatements**

As of December 31, 2016, the City provides tax abatements through two economic development agreements.

Pursuant to Council Ordinance, the City established both economic development agreements to provide income tax abatements to encourage employment growth in the City. Abatements are obtained if the entity meets the established level of employment. The amount of the abatement is refunded to the recipient. The values of the taxes being abated are \$151,122 and \$41,673.

**Note 8 – Risk Management**

***Property and Liability***

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2016, the City contracted with Wichert Insurance Services and Curtis Insurance Services for various types of insurance as follows:

| <u>Company</u>             | <u>Type of Coverage</u>    | <u>Coverage Amount</u> |
|----------------------------|----------------------------|------------------------|
| Wichert Insurance Services | Blanket Building/Contents  | \$54,670,170           |
|                            | Boiler and Machinery       | Unlimited              |
|                            | Inland Marine              | 1,533,817              |
|                            | Crime                      | 1,000,000              |
|                            | Public Officials Liability | 1,000,000              |
|                            | General Liability          | 2,000,000              |
|                            | Garage Keepers Liability   | 120,000                |
|                            | Auto                       | 1,000,000              |
|                            | Umbrella Liability         | 10,000,000             |
|                            | Cyber Liability            | 500,000                |
| Custis Insurance Services  | Law Enforcement            | 1,000,000              |

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

***Workers' Compensation***

The City participates in the Ohio Municipal League's (OML) group retrospective rating pool (See Note 17). The intent of the OML is to achieve the benefit of a reduced premium for the participants, foster safer working environments and foster cost-effective claims management by virtue of its grouping and representation with other participants. The workers' compensation experience rating of the participating cities is calculated as one experience and a common premium rate is applied to all cities in the group. Each participant pays its workers' compensation premium to the State based on the rate for the OML group rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings of the OML. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the OML. Participation in the OML is limited to cities that can meet the OML's selection criteria. The firm of Comp Management Incorporated provides administrative, cost control and actuarial services to the OML.

***Employee Insurance Benefits***

The City manages employee prescriptions and health benefits on a self-insured basis. The employee health benefit plan provides basic health coverage through Medical Mutual, the third-party administrator of the program, which reviews and pays the claims. A specific excess loss coverage insurance (stop-loss) policy with Medical Mutual covers claims in excess of \$100,000 per person per year.

The claims liability of \$136,767, reported in the self-insurance fund at December 31, 2016, is estimated by the third-party administrator and is based on the requirements of Governmental Accounting Standards Board Statement No. 30, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claims adjustments expenses and does not include other allocated or unallocated claim adjustment expenses.

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

| Year | Balance at<br>Beginning of Year | Current<br>Year Claims | Claims<br>Payment | Balance at<br>End of Year |
|------|---------------------------------|------------------------|-------------------|---------------------------|
| 2015 | \$69,473                        | \$2,092,543            | \$1,981,179       | \$180,837                 |
| 2016 | 180,837                         | 1,714,487              | 1,758,557         | 136,767                   |

**Note 9 – Interfund Transfers and Balances**

***Interfund Balances***

The general municipal improvement and road improvements major capital projects funds had interfund payable balances of \$102,376 and \$44,624, respectively, and the general fund has an interfund receivable balance of \$147,000 due to the issuance of a manuscript bond. The manuscript bond represents a special assessment bond that was issued on August 13, 2008, at 5.05 percent. This bond is due on December 1, 2025, and was used for construction of an access road off Route 21. The manuscript bond was issued by the City and purchased by the general fund.

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

***Interfund Transfers***

Interfund transfers for the year ended December 31, 2016, consisted of the following:

| <u>Transfers From</u>         | <u>Transfers To</u>        |   | <u>Totals</u>      |
|-------------------------------|----------------------------|---|--------------------|
|                               | <u>Fire<br/>Department</u> | <u>Other<br/>Governmental<br/>Funds</u> |                    |
| General                       | \$500,000                  | \$1,184,519                             | \$1,684,519        |
| General Municipal Improvement | 0                          | 342,380                                 | 342,380            |
| Buildings and Improvements    | 0                          | 425,000                                 | 425,000            |
| Other Governmental Funds      | 0                          | 17,090                                  | 17,090             |
| <i>Total All Funds</i>        | <u>\$500,000</u>           | <u>\$1,968,989</u>                      | <u>\$2,468,989</u> |

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. Transfers from the general fund to the community center, fire department, and police station facility funds of \$830,000, \$500,000, and \$196,500, respectively, were to fund their operations. A transfer from the general fund to the recreation facility expansion fund of \$158,019 was made in anticipation of expenditures that were budgeted to happen during the current year. To provide funds for loan payments, transfers totaling \$59,470 were made to the issue II fund from the general municipal improvement fund and the road maintenance fund. The general bond retirement fund is funded for loan payment obligations from the general municipal improvements and buildings and improvements funds. In 2016, this amount was \$725,000. These transfers were in compliance with the Ohio Revised Code.

**Note 10 – Capital Assets**

A summary of changes in capital assets during 2016 follows:

| <b>Governmental Activities</b>                    | <u>Balance<br/>12/31/2015</u> | <u>Additions</u>   | <u>Deductions</u>    | <u>Balance<br/>12/31/2016</u> |
|---|-------------------------------|--------------------|----------------------|-------------------------------|
| <i>Capital Assets not being Depreciated:</i>      |                               |                    |                      |                               |
| Land  | \$7,460,576                   | \$0                | \$0                  | \$7,460,576                   |
| Construction in Progress                          | 2,152,601                     | 3,340,286          | (1,861,132)          | 3,631,755                     |
| <i>Total Capital Assets not being Depreciated</i> | <u>\$9,613,177</u>            | <u>\$3,340,286</u> | <u>(\$1,861,132)</u> | <u>\$11,092,331</u>           |

(continued)

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2016

| <b>Governmental Activities</b>                     | Balance<br>12/31/2015 | Additions            | Deductions           | Balance<br>12/31/2016 |
|--|-----------------------|----------------------|----------------------|-----------------------|
| <i>Capital Assets being Depreciated:</i>           |                       |                      |                      |                       |
| Land Improvements                                  | \$4,884,603           | \$33,699             | \$0                  | \$4,918,302           |
| Buildings and Improvements                         | 34,482,443            | 648,790              | 0                    | 35,131,233            |
| Machinery and Equipment                            | 13,741,278            | 1,413,429            | (190,867)            | 14,963,840            |
| Furniture and Fixtures                             | 432,420               | 0                    | 0                    | 432,420               |
| Infrastructure:                                    |                       |                      |                      |                       |
| Roads  | 44,497,734            | 520,447              | (1,128,170)          | 43,890,011            |
| Sidewalks  | 3,597,083             | 0                    | 0                    | 3,597,083             |
| Guardrails   | 525,156               | 86,242               | (72,587)             | 538,811               |
| Traffic Signals                                    | 2,314,614             | 0                    | 0                    | 2,314,614             |
| Storm Sewers                                       | 11,801,196            | 792,498              | 0                    | 12,593,694            |
| Sanitary Sewers                                    | 15,445,669            | 0                    | 0                    | 15,445,669            |
| Water Lines  | 226,460               | 0                    | 0                    | 226,460               |
| <i>Total Capital Assets being Depreciated</i>      | <u>131,948,656</u>    | <u>3,495,105</u>     | <u>(1,391,624)</u>   | <u>134,052,137</u>    |
| Less Accumulated Depreciation:                     |                       |                      |                      |                       |
| Land Improvements                                  | (2,479,234)           | (203,080)            | 0                    | (2,682,314)           |
| Buildings and Improvements                         | (12,483,120)          | (670,161)            | 0                    | (13,153,281)          |
| Machinery and Equipment                            | (7,906,200)           | (945,185)            | 170,314              | (8,681,071)           |
| Furniture and Fixtures                             | (226,879)             | (18,978)             | 0                    | (245,857)             |
| Infrastructure:                                    |                       |                      |                      |                       |
| Roads  | (25,173,856)          | (601,561)            | 1,128,170            | (24,647,247)          |
| Sidewalks  | (3,224,824)           | (14,609)             | 0                    | (3,239,433)           |
| Guardrails   | (389,647)             | (5,990)              | 72,587               | (323,050)             |
| Traffic Signals                                    | (1,343,065)           | (107,329)            | 0                    | (1,450,394)           |
| Storm Sewers                                       | (2,604,447)           | (119,204)            | 0                    | (2,723,651)           |
| Sanitary Sewers                                    | (3,922,976)           | (183,492)            | 0                    | (4,106,468)           |
| Water Lines  | (126,026)             | (5,647)              | 0                    | (131,673)             |
| <i>Total Accumulated Depreciation</i>              | <u>(59,880,274)</u>   | <u>(2,875,236) *</u> | <u>1,371,071</u>     | <u>(61,384,439)</u>   |
| <i>Total Capital Assets being Depreciated, Net</i> | <u>72,068,382</u>     | <u>619,869</u>       | <u>(20,553)</u>      | <u>72,667,698</u>     |
| <i>Governmental Activities Capital Assets, Net</i> | <u>\$81,681,559</u>   | <u>\$3,960,155</u>   | <u>(\$1,881,685)</u> | <u>\$83,760,029</u>   |

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

|   |                    |
|---|--------------------|
| General Government:                         |                    |
| Legislative and Executive                   | \$342,506          |
| Public Safety:                              |                    |
| Police                                      | 177,608            |
| Fire  | 161,432            |
| Public Health Services                      | 193,682            |
| Street Construction, Maintenance and Repair | 893,525            |
| Housing and Community Development           | 32,919             |
| Basic Utility Services                      | 696,676            |
| Recreational Activities                     | 376,888            |
| Total Depreciation Expense                  | <u>\$2,875,236</u> |

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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**Note 11 – Defined Benefit Pension Plans**

***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.

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 intergovernmental payable on both the accrual and modified accrual bases of accounting.

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

Plan Description – City employees 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 Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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, including requirements for reduced and unreduced benefits):

| <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><br>Age 60 with 60 months of service credit or Age 55 with 25 years of service credit       | <b>Age and Service Requirements:</b><br>Age 60 with 60 months of service credit or Age 55 with 25 years of service credit       | <b>Age and Service Requirements:</b><br>Age 57 with 25 years of service credit or Age 62 with 5 years of service credit         |
| <b>Formula:</b><br>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><br>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><br>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.

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

|  |                            |
|--|----------------------------|
|  | <u>State<br/>and Local</u> |
| <b>2016 Statutory Maximum Contribution Rates</b> |                            |
| Employer   | 14.0 %                     |
| Employee   | 10.0 %                     |
| <b>2016 Actual Contribution Rates</b>            |                            |
| Employer:  |                            |
| Pension  | 12.0 %                     |
| Post-employment Health Care Benefits             | 2.0                        |
| Total Employer                                   | <u>14.0 %</u>              |
| Employee   | <u>10.0 %</u>              |

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$788,375 for 2016. Of this amount, \$34,000 is reported as an intergovernmental payable.

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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

Plan Description – City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF 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. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at [www.op-f.org](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 OPF may retire and receive a lifetime monthly pension. OPF offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the 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.

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 OPF benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit 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>Firefighters</u> |
|--|----------------|---------------------|
| <b>2016 Statutory Maximum Contribution Rates</b> |                |                     |
| Employer   | 19.50 %        | 24.00 %             |
| Employee   | 12.25 %        | 12.25 %             |
| <b>2016 Actual Contribution Rates</b>            |                |                     |
| Employer:  |                |                     |
| Pension  | 19.00 %        | 23.50 %             |
| Post-employment Health Care Benefits             | 0.50           | 0.50                |
| Total Employer                                   | <u>19.50 %</u> | <u>24.00 %</u>      |
| Employee   | 12.25 %        | 12.25 %             |



**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2016

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$736,956 for 2016. Of this amount \$43,364 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2015, and was determined by rolling forward the total pension liability as of January 1, 2015, to December 31, 2015. 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</u>        | <u>OPF</u>          | <u>Total</u>        |
|--|---------------------|---------------------|---------------------|
| Proportion of the Net Pension Liability:         |                     |                     |                     |
| Current Measurement Date                         | 0.05089900%         | 0.16208000%         | 0.21297900%         |
| Prior Measurement Date                           | <u>0.05221000%</u>  | <u>0.16886840%</u>  | <u>0.22107840%</u>  |
| Change in Proportionate Share                    | <u>-0.00131100%</u> | <u>-0.00678840%</u> | <u>-0.00809940%</u> |
| Proportionate Share of the Net Pension Liability | \$8,816,348         | \$10,426,720        | \$19,243,068        |
| Pension Expense                                  | \$1,188,005         | \$1,392,621         | \$2,580,626         |

At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | <u>OPERS</u>       | <u>OPF</u>         | <u>Total</u>       |
|---|--------------------|--------------------|--------------------|
| <b>Deferred Outflows of Resources</b>   |                    |                    |                    |
| Net difference between projected and actual earnings on pension plan investments                            | \$2,591,456        | \$1,697,070        | \$4,288,526        |
| City contributions subsequent to the measurement date   | <u>788,375</u>     | <u>736,956</u>     | <u>1,525,331</u>   |
| Total Deferred Outflows of Resources  | <u>\$3,379,831</u> | <u>\$2,434,026</u> | <u>\$5,813,857</u> |
| <b>Deferred Inflows of Resources</b>  |                    |                    |                    |
| Differences between expected and actual experience  | \$170,349          | \$29,278           | \$199,627          |
| Changes in proportion and differences between County contributions and proportionate share of contributions | <u>104,326</u>     | <u>282,147</u>     | <u>386,473</u>     |
| Total Deferred Inflows of Resources   | <u>\$274,675</u>   | <u>\$311,425</u>   | <u>\$586,100</u>   |

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2016

\$1,525,331 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, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

| Year Ending December 31: | OPERS       | OPF         | Total       |
|--------------------------|-------------|-------------|-------------|
| 2017                     | \$518,639   | \$386,880   | \$905,519   |
| 2018                     | 560,076     | 386,880     | 946,956     |
| 2019                     | 651,618     | 386,880     | 1,038,498   |
| 2020                     | 586,448     | 289,696     | 876,144     |
| 2021                     | 0           | (54,364)    | (54,364)    |
| Thereafter               | 0           | (10,327)    | (10,327)    |
| Total                    | \$2,316,781 | \$1,385,645 | \$3,702,426 |

***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, 2015, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuations are presented below.

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

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.

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2016

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 0.4 percent for 2015.

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 2015 and the long-term expected real rates of return:

| Asset Class            | Target<br>Allocation | Weighted Average<br>Long-Term Expected<br>Real Rate of Return<br>(Arithmetic) |
|------------------------|----------------------|---|
| Fixed Income           | 23.00 %              | 2.31 %  |
| Domestic Equities      | 20.70                | 5.84  |
| Real Estate            | 10.00                | 4.25  |
| Private Equity         | 10.00                | 9.25  |
| International Equities | 18.30                | 7.40  |
| Other investments      | 18.00                | 4.59  |
| <b>Total</b>           | <b>100.00 %</b>      | <b>5.28 %</b>   |

**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 contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** The following table presents the County’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<br>(7.00%) | Current<br>Discount Rate<br>(8.00%) | 1% Increase<br>(9.00%) |
|--|------------------------|-------------------------------------|------------------------|
| City's proportionate share<br>of the net pension liability | \$14,046,597           | \$8,816,348                         | \$4,404,799            |

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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***Changes between Measurement Date and Report Date***

In October 2016, the OPERS Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of December 31, 2016. The most significant change is a reduction in the discount rate from 8.0 percent to 7.5 percent. Although the exact amount of these changes is not known, the impact to the City's net pension liability is expected to be significant.

***Actuarial Assumptions – OPF***

OPF's total pension liability as of December 31, 2015 is based on the results of an actuarial valuation date of January 1, 2015, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

|                            |                               |
|----------------------------|-------------------------------|
| Valuation Date             | January 1, 2015               |
| Actuarial Cost Method      | Entry Age Normal              |
| Investment Rate of Return  | 8.25 percent                  |
| Projected Salary Increases | 4.25 percent to 11 percent    |
| Payroll Increases          | 3.75 percent                  |
| Inflation Assumptions      | 3.25 percent                  |
| Cost of Living Adjustments | 2.60 percent and 3.00 percent |

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 OPF's target asset allocation as of December 31, 2015 are summarized as follows:

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2016

| Asset Class                            | Target<br>Allocation | 10 Year Expected<br>Real Rate of Return** | 30 Year Expected<br>Real Rate of Return** |
|--|----------------------|---|---|
| Cash and Cash Equivalents              | - %                  | 0.00 %                                    | 0.00 %                                    |
| Domestic Equity                        | 16.00                | 6.50                                      | 7.80                                      |
| Non-US Equity                          | 16.00                | 6.70                                      | 8.00                                      |
| Core Fixed Income *                    | 20.00                | 3.50                                      | 5.35                                      |
| Global Inflation Protected Securities* | 20.00                | 3.50                                      | 4.73                                      |
| High Yield                             | 15.00                | 6.35                                      | 7.21                                      |
| Real Estate                            | 12.00                | 5.80                                      | 7.43                                      |
| Private Markets                        | 8.00                 | 9.50                                      | 10.73                                     |
| Timber                                 | 5.00                 | 6.55                                      | 7.35                                      |
| Master Limited Partnerships            | 8.00                 | 9.65                                      | 10.75                                     |
| Total                                  | <u>120.00 %</u>      |   |   |

Note: Assumptions are geometric.

\* levered 2x

\*\* Numbers are net of expected inflation

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

**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<br>(7.25%) | Current<br>Discount Rate<br>(8.25%) | 1% Increase<br>(9.25%) |
|--|------------------------|-------------------------------------|------------------------|
| City's proportionate share<br>of the net pension liability | \$13,751,447           | \$10,426,720                        | \$7,610,349            |

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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**Note 12 – Postemployment Benefits**

***Ohio Public Employees Retirement System***

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional 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 postemployment 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 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 postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. See OPERS' CAFR referenced below for additional information.

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2016, state and local employers contributed at a rate of 14 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

At the beginning of 2016, OPERS maintained three health care trusts. The two cost-sharing, multiple employer trusts, the 401(h) Health Care Trust (401(h) Trust), and the 115 Health Care Trust (115 Trust), worked together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. Each year, the OPERS Board of Trustees determines the portion of the employer contributions rate that will be set aside to fund health care plans. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 remained at 2.0 percent for both the Traditional Pension and Combined 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 third trust

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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is a Voluntary Employee's Beneficiary Association (VEBA) Trust that provides funding for a Retiree Medical Account (RMA) for Member-Directed Plan members. The employer contribution as a percentage of covered payroll deposited to the RMAs for 2016 was 4.0 percent.

In March 2016, OPERS received two favorable rulings from the IRS allowing OPERS to consolidate all health care assets into the 115 Trust. Transition to the new health care trust structure occurred during 2016. OPERS Combining Statements of Changes in Fiduciary Net Position for the year ended December 31, 2016, will reflect a partial year of activity in the 401(h) Trust and VEBA Trust prior to the termination of these trusts as of end of business day June 30, 2016, and the assets and liabilities, or net position, of these trusts being consolidated into the 115 Trust on July 1, 2016.

Substantially all of the City's contribution allocated to fund postemployment health care benefits relates to the cost-sharing, multiple employer trusts. The corresponding contribution for the years ended December 31, 2016, 2015, and 2014 was \$131,396, \$126,697, and \$131,036, respectively. For 2016, 95.69 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2015 and 2014.

***Ohio Police and Fire Pension Fund***

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

OPF provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OPF meets the definition of an Other Postemployment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 45.

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

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

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

OPF 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 OPF Board of Trustees.

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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The Board of Trustees is authorized to allocate a portion of the total employer contribution made to the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2016, the portion of employer contributions allocated to health care was .5 percent of covered payroll. The amount of employer contributions allocated to health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OPF Board of Trustees is also authorized to established 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 contribution to OPF for the years ended December 31, 2016, 2015, and 2014 were \$754,872, \$740,072, and \$723,848, respectively, of which \$17,916, \$17,473, and \$17,145, respectively, was allocated to the healthcare plan. For 2016, 94.12 percent has been contributed for both police and firefighters with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2015 and 2014.

**Note 13 – Other Employee Benefits**

***Compensated Absences***

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

Employees earn sick leave at the rate of 6.47 hours per pay for firefighters and 4.62 hours per pay for all other employees. Sick leave accumulation is unlimited for all employees. Upon retirement or death an employee, other than police, can be paid thirty-three percent of accumulated, unused sick leave up to 960 hours. Any remaining hours over 960 hours are paid the following year.

***Dental Insurance***

The City provides dental benefits to employees through Cigna. The family and single premiums for 2016 were \$83.16 and \$27.56, respectively.

**Note 14 – Contingencies**

***Grants***

The City received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2016.

***Litigation***

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



**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2016

**Note 15 – Long-Term Obligations**

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

|   | Original<br>Issue<br>Date | Interest<br>Rate | Original<br>Issue<br>Amount | Date<br>of<br>Maturity |
|---|---------------------------|------------------|-----------------------------|------------------------|
| <b>General Obligation Bonds:</b>                    |                           |                  |                             |                        |
| Human Services Facility Refunding                   | 2012                      | 1.25% to 2.25%   | \$3,580,000                 | December 1, 2023       |
| Various Purpose Tree Farm Refunding                 | 2015                      | 2.03             | 2,525,000                   | December 1, 2025       |
| <b>Special Assessment Bonds:</b>                    |                           |                  |                             |                        |
| Southpointe Parkway                                 | 1997                      | 3.85 to 5.35     | 1,190,000                   | December 1, 2017       |
| Service Road Sewer and Water                        | 2001                      | 4.00 to 4.90     | 935,000                     | December 1, 2021       |
| Four Seasons Sewer and Water                        | 2001                      | 4.00 to 4.90     | 1,265,000                   | December 1, 2021       |
| Route 21, Hilton, Whitewood Sewer and Storm         | 2005                      | 3.00 to 5.00     | 1,075,000                   | December 1, 2025       |
| Katherine Boulevard Improvements                    | 2012                      | 1.25 to 2.25     | 1,430,000                   | December 1, 2022       |
| Riverview Road Sewer                                | 2012                      | 1.25 to 2.75     | 575,000                     | December 1, 2032       |
| Various Purpose Route 21 Access Road Refunding      | 2015                      | 2.03             | 115,000                     | December 1, 2025       |
| <b>OPWC Loans:</b>                                  |                           |                  |                             |                        |
| Elm Street Improvement                              | 1996                      | 0.00             | 234,638                     | January 1, 2016        |
| Fairview, Pershing, Wallings Water Main             | 1999                      | 0.00             | 224,480                     | January 1, 2019        |
| Brecksville Center and Old Town Water Main          | 1999                      | 0.00             | 224,475                     | July 1, 2019           |
| Route 21, Hilton, Whitewood Sanitary Sewer          | 2005                      | 0.00             | 231,143                     | July 1, 2025           |
| Fitzwater, Riverview, Wiese, Carriage Hill Cleaning | 2006                      | 0.00             | 162,934                     | January 1, 2027        |
| Wiese Road Retaining Wall Improvement               | 2013                      | 0.00             | 229,030                     | January 1, 2033        |

A schedule of changes in bonds and other long-term obligations of the City during 2016 follows:

|   | Principal<br>Outstanding<br>12/31/2015 | Additions  | Deletions          | Principal<br>Outstanding<br>12/31/2016 | Amounts<br>Due in<br>One Year |
|---|--|------------|--------------------|--|-------------------------------|
| <b>Governmental Activities:</b>                     |  |            |                    |  |                               |
| <i>General Obligations Bonds:</i>                   |  |            |                    |  |                               |
| 2012 Human Services Facility Refunding              | \$3,070,000                            | \$0        | (\$360,000)        | \$2,710,000                            | \$365,000                     |
| Premium on Bonds                                    | 65,919                                 | 0          | (8,240)            | 57,679                                 | 0                             |
| 2015 Various Purpose Tree Farm Refunding            | 2,525,000                              | 0          | (225,000)          | 2,300,000                              | 235,000                       |
| <b>Total General Obligation Bonds</b>               | <b>5,660,919</b>                       | <b>0</b>   | <b>(593,240)</b>   | <b>5,067,679</b>                       | <b>600,000</b>                |
| <i>Special Assessment Bonds:</i>                    |  |            |                    |  |                               |
| 1997 Southpointe Parkway                            | 175,000                                | 0          | (85,000)           | 90,000                                 | 90,000                        |
| 2001 Service Road Sewer and Water                   | 330,000                                | 0          | (45,000)           | 285,000                                | 55,000                        |
| 2001 Four Seasons Sewer and Water                   | 515,000                                | 0          | (75,000)           | 440,000                                | 80,000                        |
| 2005 Route 21, Hilton, Whitewood Sewer and Storm    | 650,000                                | 0          | (45,000)           | 605,000                                | 50,000                        |
| 2012 Katherine Boulevard Improvements               | 1,025,000                              | 0          | (140,000)          | 885,000                                | 140,000                       |
| Premium on Bonds                                    | 26,643                                 | 0          | (3,806)            | 22,837                                 | 0                             |
| 2012 Riverview Road Sewer                           |  |            |                    |  |                               |
| Serial Bond   | 210,000                                | 0          | (25,000)           | 185,000                                | 25,000                        |
| Term Bond   | 290,000                                | 0          | 0                  | 290,000                                | 0                             |
| 2015 Various Purpose Route 21 Access Road Refunding | 115,000                                | 0          | (10,000)           | 105,000                                | 10,000                        |
| <b>Total Special Assessment Bonds</b>               | <b>\$3,336,643</b>                     | <b>\$0</b> | <b>(\$428,806)</b> | <b>\$2,907,837</b>                     | <b>\$450,000</b>              |

(continued)

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2016

|   | Principal<br>Outstanding<br>12/31/2015 | Additions          | Deletions            | Principal<br>Outstanding<br>12/31/2016 | Amounts<br>Due in<br>One Year |
|---|--|--------------------|----------------------|--|-------------------------------|
| <i>OPWC Loans:</i>                                      |  |                    |                      |  |                               |
| 1996 Elm Street Improvement                             | \$5,865                                | \$0                | (\$5,865)            | \$0                                    | \$0                           |
| 1999 Fairview, Pershing, Wallings Water Main            | 33,671                                 | 0                  | (11,223)             | 22,448                                 | 11,224                        |
| 1999 Brecksville Center and Old Town Water Main         | 39,283                                 | 0                  | (11,224)             | 28,059                                 | 11,224                        |
| 2005 Route 21, Hilton, Whitewood Sanitary Sewer         | 109,791                                | 0                  | (11,555)             | 98,236                                 | 11,557                        |
| 2006 Fitzwater, Riverview Wiese, Carriage Hill Cleaning | 89,614                                 | 0                  | (8,147)              | 81,467                                 | 8,147                         |
| 2013 Wiese Road Retaining Wall Improvement              | 206,126                                | 0                  | (11,451)             | 194,675                                | 11,452                        |
| <i>Total OPWC Loans</i>                                 | <u>484,350</u>                         | <u>0</u>           | <u>(59,465)</u>      | <u>424,885</u>                         | <u>53,604</u>                 |
| <i>Net Pension Liability:</i>                           |  |                    |                      |  |                               |
| OPERS   | 6,297,110                              | 2,519,238          | 0                    | 8,816,348                              | 0                             |
| OPF   | 8,748,087                              | 1,678,633          | 0                    | 10,426,720                             | 0                             |
| <i>Total Net Pension Liability</i>                      | <u>15,045,197</u>                      | <u>4,197,871</u>   | <u>0</u>             | <u>19,243,068</u>                      | <u>0</u>                      |
| Compensated Absences                                    | 888,693                                | 151,525            | (101,044)            | 939,174                                | 254,676                       |
| <i>Total Governmental Activities</i>                    | <u>\$25,415,802</u>                    | <u>\$4,349,396</u> | <u>(\$1,182,555)</u> | <u>\$28,582,643</u>                    | <u>\$1,358,280</u>            |

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

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

On September 20, 2012, the City issued \$3,580,000 in general obligation bonds for the purpose of refunding a portion of the 2004 Human Services Facility Bonds. These bonds were issued for a twelve year period with a final maturity of December 1, 2023. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2016, \$2,635,000 of the defeased bonds are still outstanding.

During 2015, the City issued \$2,525,000 of various purpose refunding bonds for the purpose of retiring the 2005 tree farm property bonds and \$115,000 of various purpose refunding bonds for the purpose of retiring the 2005 Route 21 Access Road special assessment bonds. The new bonds were issued for a period of 10 years at an interest rate of 2.03 percent. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2016, \$2,390,000 of the defeased bonds are still outstanding.

On October 9, 1997, the City issued \$1,190,000 in special assessment bonds for improvements to Southpointe Parkway including storm sewers, sanitary sewers, water mains and road construction. The bonds were issued for a twenty year period with final maturity at December 1, 2017.

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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

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

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

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

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

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

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

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

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2016

The City's overall legal debt margin was \$62,804,595 at December 31, 2016. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2016, are as follows:

|              | General Obligation Bonds |                  | OPWC Loans       |
|--------------|--------------------------|------------------|------------------|
|              | Principal                | Interest         | Principal        |
| 2017         | \$600,000                | \$102,065        | \$53,603         |
| 2018         | 620,000                  | 91,819           | 53,604           |
| 2019         | 625,000                  | 79,346           | 36,767           |
| 2020         | 640,000                  | 66,772           | 31,156           |
| 2021         | 650,000                  | 53,898           | 31,156           |
| 2022-2026    | 1,875,000                | 81,730           | 138,442          |
| 2027-2031    | 0                        | 0                | 57,255           |
| 2032-2033    | 0                        | 0                | 22,902           |
| <b>Total</b> | <b>\$5,010,000</b>       | <b>\$475,630</b> | <b>\$424,885</b> |

|              | Special Assessment Bonds |                  |                  |                 |
|--------------|--------------------------|------------------|------------------|-----------------|
|              | Serial Portion           |                  | Term Portion     |                 |
|              | Principal                | Interest         | Principal        | Interest        |
| 2017         | 450,000                  | 94,273           | 0                | 7,975           |
| 2018         | 375,000                  | 77,662           | 0                | 7,975           |
| 2019         | 385,000                  | 64,446           | 0                | 7,975           |
| 2020         | 405,000                  | 50,735           | 0                | 7,975           |
| 2021         | 405,000                  | 36,188           | 0                | 7,975           |
| 2022-2026    | 575,000                  | 48,409           | 90,000           | 37,400          |
| 2027-2031    | 0                        | 0                | 165,000          | 18,838          |
| 2032         | 0                        | 0                | 35,000           | 962             |
| <b>Total</b> | <b>\$2,595,000</b>       | <b>\$371,713</b> | <b>\$290,000</b> | <b>\$97,075</b> |

**Note 16 – Short-Term Obligation**

On June 14, 2016, the City issued bond anticipation notes in the amount of \$2,000,000 to retire the 2015 notes issued for the Stadium Drive Service Garage project. The 2016 notes were issued at an interest rate of .70 percent and mature on June 14, 2017. The notes were issued with a premium of \$5,940, a portion of which has been amortized during 2016, leaving an outstanding note balance of \$2,002,685 as of December 31, 2016. The 2015 notes of \$2,000,000 had an interest rate of .30 percent and were retired on June 15, 2016.

|                                 | Principal<br>Outstanding<br>12/31/2015 | Additions          | Deletions            | Principal<br>Outstanding<br>12/31/2016 |
|---------------------------------|--|--------------------|----------------------|--|
| <b>Governmental Activities:</b> |  |                    |                      |  |
| <i>Notes Payable:</i>           |  |                    |                      |  |
| Service Center Garage Notes:    | \$2,000,000                            | \$2,000,000        | (\$2,000,000)        | \$2,000,000                            |
| Premium                         | 6,360                                  | 5,940              | (9,615)              | 2,685                                  |
| <i>Total Notes Payable</i>      | <b>\$2,006,360</b>                     | <b>\$2,005,940</b> | <b>(\$2,009,615)</b> | <b>\$2,002,685</b>                     |

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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**Note 17 – Insurance Purchasing Pool**

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

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

**Note 18 – Jointly Governed Organizations**

***Southwest Council of Governments***

The Southwest Council of Governments (the Council) helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions and regional development. The Board is comprised of one member from each of the sixteen participating entities. The Board exercises total control over the operation of the Council including budgeting, appropriating, contracting and designating management. Budgets are adopted by the Board. Each City's degree of control is limited to its representation on the Board. In 2016, the City contributed \$16,000, which represents 5.23 percent of total contributions.

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

***Northeast Ohio Public Energy Council***

The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity. NOPEC is currently comprised of 134 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. In 2016, the City made no contributions. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. Financial information can be obtained by contacting Ronald McVoy, the Board Chairman, at 31360 Solon Road, Suite 33, Solon, Ohio, 44139 or at the website [www.nopecinfo.org](http://www.nopecinfo.org).

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2016

**Note 19 – Related Organization**

The Brecksville Community Improvement Corporation (CIC) was formed to promote and assist in economic development with the City. City Council created the CIC during 2014 and appointed the initial CIC Board members. The CIC does not represent a potential financial benefit for or burden on the City.

**Note 20 – Fund Balances**

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

| Fund Balances              | General          | Fire Department | Special Assessments Bond Retirement | General Municipal Improvement | Buildings and Improvements | Road Improvements | Other Governmental Funds | Total              |
|----------------------------|------------------|-----------------|-------------------------------------|-------------------------------|----------------------------|-------------------|--------------------------|--------------------|
| <u>Nonspendable:</u>       |                  |                 |                                     |                               |                            |                   |                          |                    |
| Inventory                  | \$355,345        | \$65,863        | \$0                                 | \$0                           | \$0                        | \$0               | \$31,413                 | \$452,621          |
| Prepays                    | 314,738          | 281             | 0                                   | 0                             | 0                          | 0                 | 7,546                    | 322,565            |
| Unclaimed Funds            | 13,422           | 0               | 0                                   | 0                             | 0                          | 0                 | 0                        | 13,422             |
| <i>Total Nonspendable</i>  | <u>683,505</u>   | <u>66,144</u>   | <u>0</u>                            | <u>0</u>                      | <u>0</u>                   | <u>0</u>          | <u>38,959</u>            | <u>788,608</u>     |
| <u>Restricted for:</u>     |                  |                 |                                     |                               |                            |                   |                          |                    |
| Police Department          | 0                | 0               | 0                                   | 0                             | 0                          | 0                 | 532,429                  | 532,429            |
| Fire Department            | 0                | 182,241         | 0                                   | 0                             | 0                          | 0                 | 0                        | 182,241            |
| Debt Service Retirement    | 0                | 0               | 196,885                             | 0                             | 0                          | 0                 | 174,517                  | 371,402            |
| Street Maintenance         | 0                | 0               | 0                                   | 0                             | 0                          | 0                 | 567,886                  | 567,886            |
| Public Utility Improvement | 0                | 0               | 0                                   | 0                             | 0                          | 0                 | 216,935                  | 216,935            |
| Court Computerization      | 0                | 0               | 0                                   | 0                             | 0                          | 0                 | 163,287                  | 163,287            |
| Recycling Demo             | 0                | 0               | 0                                   | 0                             | 0                          | 0                 | 29,597                   | 29,597             |
| Tree Planting              | 0                | 0               | 0                                   | 0                             | 0                          | 0                 | 128,904                  | 128,904            |
| Recreation                 | 0                | 0               | 0                                   | 0                             | 0                          | 0                 | 950                      | 950                |
| <i>Total Restricted</i>    | <u>0</u>         | <u>182,241</u>  | <u>196,885</u>                      | <u>0</u>                      | <u>0</u>                   | <u>0</u>          | <u>1,814,505</u>         | <u>2,193,631</u>   |
| <u>Committed to:</u>       |                  |                 |                                     |                               |                            |                   |                          |                    |
| Building and Improvements  | 0                | 0               | 0                                   | 2,035,942                     | 0                          | 0                 | 0                        | 2,035,942          |
| Road Improvements          | 0                | 0               | 0                                   | 0                             | 0                          | 192,175           | 0                        | 192,175            |
| Police Department          | 0                | 0               | 0                                   | 0                             | 0                          | 0                 | 11,040                   | 11,040             |
| Community Center           | 0                | 0               | 0                                   | 0                             | 0                          | 0                 | 265,135                  | 265,135            |
| Professional Services      | 7,000            | 0               | 0                                   | 0                             | 0                          | 0                 | 0                        | 7,000              |
| Economic Development       | 78,000           | 0               | 0                                   | 0                             | 0                          | 0                 | 0                        | 78,000             |
| Special Services           | 634              | 0               | 0                                   | 0                             | 0                          | 0                 | 0                        | 634                |
| Machinery & Equipment      | 55,519           | 0               | 0                                   | 0                             | 0                          | 0                 | 0                        | 55,519             |
| Public Utility Improvement | 0                | 0               | 0                                   | 0                             | 0                          | 0                 | 181,220                  | 181,220            |
| Fire Ambulance Capital     | 0                | 0               | 0                                   | 0                             | 0                          | 0                 | 948,512                  | 948,512            |
| Cemetery Memorials         | 0                | 0               | 0                                   | 0                             | 0                          | 0                 | 2,629                    | 2,629              |
| Materials & Supplies       | 3,447            | 0               | 0                                   | 0                             | 0                          | 0                 | 0                        | 3,447              |
| Reimbursable Damages       | 24,800           | 0               | 0                                   | 0                             | 0                          | 0                 | 0                        | 24,800             |
| <i>Total Committed</i>     | <u>\$169,400</u> | <u>\$0</u>      | <u>\$0</u>                          | <u>\$2,035,942</u>            | <u>\$0</u>                 | <u>\$192,175</u>  | <u>\$1,408,536</u>       | <u>\$3,806,053</u> |

(continued)

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2016

| Fund Balances                 | General            | Fire<br>Department | Special<br>Assessments<br>Bond<br>Retirement | General<br>Municipal<br>Improvement | Buildings<br>and<br>Improvements | Road<br>Improvements | Other<br>Governmental<br>Funds | Total               |
|-------------------------------|--------------------|--------------------|--|-------------------------------------|----------------------------------|----------------------|--------------------------------|---------------------|
| <i>Assigned to:</i>           |                    |                    |  |                                     |                                  |                      |                                |                     |
| Capital Improvements          | \$0                | \$0                | \$0  | \$0                                 | \$0                              | \$0                  | \$713,255                      | \$713,255           |
| Purchases on Order            | 66,681             | 0                  | 0  | 0                                   | 0                                | 0                    | 0                              | 66,681              |
| 2017 Appropriations           | 2,393,779          | 0                  | 0  | 0                                   | 0                                | 0                    | 0                              | 2,393,779           |
| <i>Total Assigned</i>         | <u>2,460,460</u>   | <u>0</u>           | <u>0</u>                                     | <u>0</u>                            | <u>0</u>                         | <u>0</u>             | <u>713,255</u>                 | <u>3,173,715</u>    |
| Unassigned (Deficit)          | 6,516,688          | 0                  | 0  | 0                                   | (1,087,163)                      | 0                    | 0                              | 5,429,525           |
| Total Fund Balances (Deficit) | <u>\$9,830,053</u> | <u>\$248,385</u>   | <u>\$196,885</u>                             | <u>\$2,035,942</u>                  | <u>(\$1,087,163)</u>             | <u>\$192,175</u>     | <u>\$3,975,255</u>             | <u>\$15,391,532</u> |

**Note 21 – Significant Commitments**

***Contractual Commitments***

At December 31, 2016, the City’s significant contractual commitments consisted of:

| Project               | Contract<br>Amount | Amount<br>Paid   | Remaining<br>on Contract |
|-----------------------|--------------------|------------------|--------------------------|
| Professional Services | \$14,000           | \$7,000          | \$7,000                  |
| IT Equipment          | 26,500             | 21,150           | 5,350                    |
| Economic Development  | 560,171            | 333,275          | 226,896                  |
| Police Equipment      | 169,298            | 9,414            | 159,884                  |
| Service Equipment     | 68,429             | 0                | 68,429                   |
| Fire Equipment        | 130,540            | 0                | 130,540                  |
| Building Improvements | 33,900             | 4,478            | 29,422                   |
| Land Improvements     | 145,160            | 19,702           | 125,458                  |
| Storm Sewers          | 415,932            | 154,440          | 261,492                  |
| Sanitary Sewers       | 21,900             | 17,064           | 4,836                    |
| New Buildings         | 584,898            | 173,611          | 411,287                  |
| Totals                | <u>\$2,170,728</u> | <u>\$740,134</u> | <u>\$1,430,594</u>       |

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

***Encumbrances***

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

|                               |                    |
|-------------------------------|--------------------|
| General                       | \$725,358          |
| Fire Department               | 10,256             |
| General Municipal Improvement | 540,682            |
| Buildings and Improvements    | 29,422             |
| Other Governmental Funds      | 588,468            |
| Total                         | <u>\$1,894,186</u> |

**City of Brecksville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2016*

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**Note 22 – Donor Restricted Endowments**

The City's private purpose trust fund includes donor restricted endowments. Endowments, in the amount of \$3,000, represent the principal portion. The amount of interest on donor restricted investments that is available for expenditures by the City is \$131 and is included as held in trust for cemetery. State law permits the City to appropriate, for purposes consistent with the endowment's intent, net appreciation, realized and unrealized, unless the endowment terms specify otherwise. The endowments indicate that the interest should be used for the decoration of specifically named graves.

**Note 23 – Accountability**

As of December 31, 2016, the buildings and improvements fund had a deficit fund balance of \$1,087,163. The deficit is the result of the issuance of short-term bond anticipation notes which are used to finance a project until bonds are issued. Once the notes are retired or bonds are issued, this deficit will be eliminated.

**Note 24 – Subsequent Events**

On March 21, 2017, the City passed legislation providing for the issuance and sale of bonds not to exceed \$8,000,000, for the purpose of constructing and equipping of a police station. The City is anticipating closing this bond issue in June of 2017.

On March 21, 2017, the City passed legislation providing for the issuance and sale of bonds not to exceed \$2,000,000, for the purpose of constructing a new city service center garage. This issuance will retire the outstanding notes on the Stadium Drive Service Garage project. The City is anticipating closing this bond issue in June of 2017.

On April 18, 2017, the City passed legislation providing for the issuance and sale of bond anticipation notes not to exceed \$4,320,000, for the purpose of improving State Route 82. The City is anticipating closing this note issue in June of 2017.



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

|   | 2016        | 2015        | 2014        |
|---|-------------|-------------|-------------|
| City's Proportion of the Net Pension Liability  | 0.05089900% | 0.05221000% | 0.05221000% |
| City's Proportionate Share of the Net Pension Liability   | \$8,816,348 | \$6,297,110 | \$6,154,879 |
| City's Covered Payroll  | \$6,334,843 | \$6,400,950 | \$6,342,796 |
| City's Proportionate Share of the Net<br>Pension Liability as a Percentage of its Covered Payroll | 139.17%     | 98.38%      | 97.04%      |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability                        | 81.08%      | 86.45%      | 86.36%      |

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

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

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

|   | 2016         | 2015        | 2014        |
|---|--------------|-------------|-------------|
| City's Proportion of the Net Pension Liability  | 0.16208000%  | 0.16886840% | 0.16886840% |
| City's Proportionate Share of the Net Pension Liability   | \$10,426,720 | \$8,748,087 | \$8,224,421 |
| City's Covered Payroll  | \$3,494,644  | \$3,429,025 | \$3,374,994 |
| City's Proportionate Share of the Net<br>Pension Liability as a Percentage of its Covered Payroll | 298.36%      | 255.12%     | 243.69%     |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability                        | 66.77%       | 71.71%      | 73.00%      |

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

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

**City of Brecksville, Ohio**  
*Required Supplementary Information*  
*Schedule of City Contributions*  
*Ohio Public Employees Retirement System - Traditional Plan*  
*Last Four Years (1)*

|   | <u>2016</u>      | <u>2015</u>      | <u>2014</u>      | <u>2013</u>      |
|---|------------------|------------------|------------------|------------------|
| Contractually Required Contribution                                     | \$788,375        | \$760,181        | \$768,114        | \$824,563        |
| Contributions in Relation to the<br>Contractually Required Contribution | <u>(788,375)</u> | <u>(760,181)</u> | <u>(768,114)</u> | <u>(824,563)</u> |
| Contribution Deficiency (Excess)  | <u>\$0</u>       | <u>\$0</u>       | <u>\$0</u>       | <u>\$0</u>       |
| City Covered Payroll  | \$6,569,792      | \$6,334,843      | \$6,400,950      | \$6,342,796      |
| Contributions as a Percentage of Covered Payroll                        | 12.00%           | 12.00%           | 12.00%           | 13.00%           |

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

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

|   | <u>2016</u>      | <u>2015</u>      | <u>2014</u>      | <u>2013</u>      |
|---|------------------|------------------|------------------|------------------|
| Contractually Required Contribution                                     | \$736,956        | \$722,599        | \$706,703        | \$589,056        |
| Contributions in Relation to the<br>Contractually Required Contribution | <u>(736,956)</u> | <u>(722,599)</u> | <u>(706,703)</u> | <u>(589,056)</u> |
| Contribution Deficiency (Excess)  | <u>\$0</u>       | <u>\$0</u>       | <u>\$0</u>       | <u>\$0</u>       |
| City Covered Payroll  | \$3,583,217      | \$3,494,644      | \$3,429,025      | \$3,374,994      |
| Contributions as a Percentage of Covered Payroll                        | 20.57%           | 20.68%           | 20.61%           | 17.45%           |

| 2012        | 2011        | 2010        | 2009        | 2008        | 2007        |
|-------------|-------------|-------------|-------------|-------------|-------------|
| \$485,500   | \$463,725   | \$488,638   | \$492,677   | \$496,059   | \$479,077   |
| (485,500)   | (463,725)   | (488,638)   | (492,677)   | (496,059)   | (479,077)   |
| \$0         | \$0         | \$0         | \$0         | \$0         | \$0         |
| \$3,380,216 | \$3,217,478 | \$3,414,468 | \$3,445,306 | \$3,463,189 | \$3,346,649 |
| 14.36%      | 14.41%      | 14.31%      | 14.30%      | 14.32%      | 14.32%      |

# Safety



*(Pictured are two events sponsored by MetroHealth and Brugger's Bagels.)* The City of Brecksville was awarded a \$4,800 grant from the Ohio Older Adult Falls Prevention Coalition to help promote falls prevention programs and help older adults alleviate the fear of falling. The goal of our organization is to form a collaborative between the City of Brecksville's Department of Human Services, MetroHealth Systems, Fairhill Partners, and The Cuyahoga County Board of Health (CCBH) to provide falls prevention and awareness programs for older adults and those with special needs (Matter of Balance) in our region of southwestern Cuyahoga County. Our primary goal as a collaborative is to provide the classes and tools necessary to help reduce fall-related injuries in this population. The program will be piloted in Brecksville and then replicated in our neighboring communities.





## Combining and Individual Fund Statements and Schedules

### Combining Statements - Nonmajor Governmental Funds

#### *Nonmajor Special Revenue Funds*

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

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

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

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

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

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

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

***Indigent Drivers Fund*** - This fund accounts for and reports \$25 of any fine imposed for a violation of a municipal ordinance relating to operating a vehicle while under the influence of alcohol and/or drugs. These monies are restricted for the rehabilitation and treatment of indigent individuals.

***Indigent Drivers Interlock Fund*** - This fund accounts for and reports funds distributed by the State Department of Public Safety pursuant to ORC 4511.19(G). These monies are restricted for the purchase of immobilizing or disabling devices to be used by an offender who is ordered to use the device and is determined not to have the means to pay for the use of such device.

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

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

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

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

(continued)



## Combining Statements - Nonmajor Governmental Funds (continued)

### *Nonmajor Special Revenue Funds (continued)*

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

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

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

***Vehicle Immobilization Fund*** - This fund accounts for and reports restricted revenues and expenditures pursuant to changes in Ohio Law relative to operating a motor vehicle while intoxicated or driving under suspension of license. The Bureau of Motor Vehicles pays the City \$100 for immobilization costs incurred.

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

***Memorial Fund*** - This fund accounts for and reports donations committed to memorials for deceased community members.

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

### *Nonmajor Debt Service Fund*

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

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

### *Nonmajor Capital Projects Funds*

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

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

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

(continued)

**Combining Statements - Nonmajor Governmental Funds (continued)**

***Nonmajor Capital Projects Funds (continued)***

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

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

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

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

**City of Brecksville, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2016*

|  | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Debt<br>Service<br>Fund | Nonmajor<br>Capital<br>Projects<br>Funds | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|---|-------------------------------------|--|--|
| <b>Assets</b>  |   |                                     |  |  |
| Equity in Pooled Cash and<br>Cash Equivalents                                  | \$1,636,355                             | \$177,202                           | \$2,373,623                              | \$4,187,180                                |
| Cash and Cash Equivalents<br>In Segregated Accounts                            | 2,000                                   | 0                                   | 0  | 2,000                                      |
| Materials and Supplies Inventory   | 31,413                                  | 0                                   | 0  | 31,413                                     |
| Accounts Receivable  | 2,303                                   | 0                                   | 22,289                                   | 24,592                                     |
| Intergovernmental Receivable   | 369,506                                 | 0                                   | 0  | 369,506                                    |
| Prepaid Items  | 7,546                                   | 0                                   | 0  | 7,546                                      |
| Property Taxes Receivable  | 704,936                                 | 0                                   | 0  | 704,936                                    |
| <i>Total Assets</i>  | <u>\$2,754,059</u>                      | <u>\$177,202</u>                    | <u>\$2,395,912</u>                       | <u>\$5,327,173</u>                         |
| <b>Liabilities</b>   |   |                                     |  |  |
| Accounts Payable   | \$13,546                                | \$0                                 | \$2,769                                  | \$16,315                                   |
| Contracts Payable  | 0                                       | 0                                   | 333,221                                  | 333,221                                    |
| Notes Payable  | 0                                       | 2,685                               | 0  | 2,685                                      |
| Accrued Wages  | 29,156                                  | 0                                   | 0  | 29,156                                     |
| Intergovernmental Payable  | 4,878                                   | 0                                   | 0  | 4,878                                      |
| <i>Total Liabilities</i>   | <u>47,580</u>                           | <u>2,685</u>                        | <u>335,990</u>                           | <u>386,255</u>                             |
| <b>Deferred Inflows of Resources</b>   |   |                                     |  |  |
| Property Taxes   | 674,147                                 | 0                                   | 0  | 674,147                                    |
| Unavailable Revenue  | 291,516                                 | 0                                   | 0  | 291,516                                    |
| <i>Total Deferred Inflows of Resources</i>                                     | <u>965,663</u>                          | <u>0</u>                            | <u>0</u>                                 | <u>965,663</u>                             |
| <b>Fund Balances</b>   |   |                                     |  |  |
| Nonspendable   | 38,959                                  | 0                                   | 0  | 38,959                                     |
| Restricted   | 1,423,053                               | 174,517                             | 216,935                                  | 1,814,505                                  |
| Committed  | 278,804                                 | 0                                   | 1,129,732                                | 1,408,536                                  |
| Assigned   | 0                                       | 0                                   | 713,255                                  | 713,255                                    |
| <i>Total Fund Balances</i>   | <u>1,740,816</u>                        | <u>174,517</u>                      | <u>2,059,922</u>                         | <u>3,975,255</u>                           |
| <i>Total Liabilities, Deferred Inflows of<br/>Resources, and Fund Balances</i> | <u>\$2,754,059</u>                      | <u>\$177,202</u>                    | <u>\$2,395,912</u>                       | <u>\$5,327,173</u>                         |

**City of Brecksville, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2016*

|   | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Debt<br>Service<br>Fund | Nonmajor<br>Capital<br>Projects<br>Funds | Total<br>Nonmajor<br>Governmental<br>Funds |
|---|---|-------------------------------------|--|--|
| <b>Revenues</b>                                     |   |                                     |  |  |
| Property Taxes                                      | \$679,998                               | \$0                                 | \$0                                      | \$679,998                                  |
| Charges for Services                                | 1,014,813                               | 0                                   | 290,823                                  | 1,305,636                                  |
| Licenses and Permits                                | 20,350                                  | 0                                   | 114,682                                  | 135,032                                    |
| Fines and Forfeitures                               | 19,708                                  | 0                                   | 0  | 19,708                                     |
| Intergovernmental                                   | 801,026                                 | 0                                   | 0  | 801,026                                    |
| Interest  | 20,058                                  | 0                                   | 16,803                                   | 36,861                                     |
| Donations   | 10,844                                  | 0                                   | 0  | 10,844                                     |
| Rentals   | 59,207                                  | 0                                   | 0  | 59,207                                     |
| Miscellaneous                                       | 49,201                                  | 0                                   | 0  | 49,201                                     |
| <i>Total Revenues</i>                               | <u>2,675,205</u>                        | <u>0</u>                            | <u>422,308</u>                           | <u>3,097,513</u>                           |
| <b>Expenditures</b>                                 |   |                                     |  |  |
| Current:  |   |                                     |  |  |
| General Government:                                 |   |                                     |  |  |
| Legislative and Executive                           | 317                                     | 0                                   | 0  | 317  |
| Judicial System                                     | 1,949                                   | 0                                   | 0  | 1,949                                      |
| Public Safety:                                      |   |                                     |  |  |
| Police  | 156,204                                 | 0                                   | 0  | 156,204                                    |
| Street Construction, Maintenance, and Repair        | 1,355,892                               | 0                                   | 0  | 1,355,892                                  |
| Housing and Community Development                   | 42,233                                  | 0                                   | 0  | 42,233                                     |
| Basic Utility Services                              | 6,500                                   | 0                                   | 0  | 6,500                                      |
| Recreational Activities                             | 1,786,943                               | 0                                   | 0  | 1,786,943                                  |
| Capital Outlay                                      | 0                                       | 0                                   | 641,799                                  | 641,799                                    |
| Debt Service:                                       |   |                                     |  |  |
| Principal Retirement                                | 0                                       | 585,000                             | 59,465                                   | 644,465                                    |
| Interest and Fiscal Charges                         | 0                                       | 127,573                             | 0  | 127,573                                    |
| <i>Total Expenditures</i>                           | <u>3,350,038</u>                        | <u>712,573</u>                      | <u>701,264</u>                           | <u>4,763,875</u>                           |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(674,833)</u>                        | <u>(712,573)</u>                    | <u>(278,956)</u>                         | <u>(1,666,362)</u>                         |
| <b>Other Financing Sources (Uses)</b>               |   |                                     |  |  |
| Proceeds from Sale of Capital Assets                | 1,231                                   | 0                                   | 0  | 1,231                                      |
| Transfers In  | 830,000                                 | 725,000                             | 413,989                                  | 1,968,989                                  |
| Transfers Out                                       | (17,090)                                | 0                                   | 0  | (17,090)                                   |
| <i>Total Other Financing Sources (Uses)</i>         | <u>814,141</u>                          | <u>725,000</u>                      | <u>413,989</u>                           | <u>1,953,130</u>                           |
| <i>Net Change in Fund Balances</i>                  | 139,308                                 | 12,427                              | 135,033                                  | 286,768                                    |
| <i>Fund Balances Beginning of Year</i>              | <u>1,601,508</u>                        | <u>162,090</u>                      | <u>1,924,889</u>                         | <u>3,688,487</u>                           |
| <i>Fund Balances End of Year</i>                    | <u><u>\$1,740,816</u></u>               | <u><u>\$174,517</u></u>             | <u><u>\$2,059,922</u></u>                | <u><u>\$3,975,255</u></u>                  |

**City of Brecksville, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2016*

|  | Motor<br>Vehicle<br>License Tax | Street<br>Repair and<br>Maintenance | State<br>Highway | Community<br>Center | Road<br>Maintenance | Federal<br>Equitable<br>Sharing |
|--|---------------------------------|-------------------------------------|------------------|---------------------|---------------------|---------------------------------|
| <b>Assets</b>  |                                 |                                     |                  |                     |                     |                                 |
| Equity in Pooled Cash and<br>Cash Equivalents                                  | \$13,960                        | \$214,036                           | \$53,719         | \$309,410           | \$176,476           | \$17,958                        |
| Cash and Cash Equivalents  |                                 |                                     |                  |                     |                     |                                 |
| In Segregated Accounts   | 0                               | 0                                   | 0                | 2,000               | 0                   | 0                               |
| Materials and Supplies Inventory   | 0                               | 31,413                              | 0                | 0                   | 0                   | 0                               |
| Accounts Receivable  | 0                               | 0                                   | 0                | 1,260               | 916                 | 0                               |
| Intergovernmental Receivable   | 17,817                          | 285,384                             | 23,136           | 0                   | 33,207              | 0                               |
| Prepaid Items  | 0                               | 0                                   | 0                | 7,546               | 0                   | 0                               |
| Property Taxes Receivable  | 0                               | 0                                   | 0                | 0                   | 542,258             | 0                               |
| <i>Total Assets</i>  | <u>\$31,777</u>                 | <u>\$530,833</u>                    | <u>\$76,855</u>  | <u>\$320,216</u>    | <u>\$752,857</u>    | <u>\$17,958</u>                 |
| <b>Liabilities</b>   |                                 |                                     |                  |                     |                     |                                 |
| Accounts Payable   | \$0                             | \$0                                 | \$0              | \$13,501            | \$0                 | \$0                             |
| Accrued Wages  | 0                               | 0                                   | 0                | 29,156              | 0                   | 0                               |
| Intergovernmental Payable  | 0                               | 0                                   | 0                | 4,878               | 0                   | 0                               |
| <i>Total Liabilities</i>   | <u>0</u>                        | <u>0</u>                            | <u>0</u>         | <u>47,535</u>       | <u>0</u>            | <u>0</u>                        |
| <b>Deferred Inflows of Resources</b>   |                                 |                                     |                  |                     |                     |                                 |
| Property Taxes   | 0                               | 0                                   | 0                | 0                   | 518,574             | 0                               |
| Unavailable Revenue  | 11,878                          | 190,256                             | 15,424           | 0                   | 56,891              | 0                               |
| <i>Total Deferred Inflows of Resources</i>                                     | <u>11,878</u>                   | <u>190,256</u>                      | <u>15,424</u>    | <u>0</u>            | <u>575,465</u>      | <u>0</u>                        |
| <b>Fund Balances</b>   |                                 |                                     |                  |                     |                     |                                 |
| Nonspendable   | 0                               | 31,413                              | 0                | 7,546               | 0                   | 0                               |
| Restricted   | 19,899                          | 309,164                             | 61,431           | 0                   | 177,392             | 17,958                          |
| Committed  | 0                               | 0                                   | 0                | 265,135             | 0                   | 0                               |
| <i>Total Fund Balances</i>   | <u>19,899</u>                   | <u>340,577</u>                      | <u>61,431</u>    | <u>272,681</u>      | <u>177,392</u>      | <u>17,958</u>                   |
| <i>Total Liabilities, Deferred Inflows of<br/>Resources, and Fund Balances</i> | <u>\$31,777</u>                 | <u>\$530,833</u>                    | <u>\$76,855</u>  | <u>\$320,216</u>    | <u>\$752,857</u>    | <u>\$17,958</u>                 |

(continued)

**City of Brecksville, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2016*

|  | Indigent<br>Drivers | Indigent<br>Drivers<br>Interlock | Enforcement<br>and Education | Court<br>Computerization | Natureworks<br>Grants | Recycling<br>Demo |
|--|---------------------|----------------------------------|------------------------------|--------------------------|-----------------------|-------------------|
| <b>Assets</b>  |                     |                                  |                              |                          |                       |                   |
| Equity in Pooled Cash and<br>Cash Equivalents                                  | \$23,279            | \$5,651                          | \$35,218                     | \$163,287                | \$950                 | \$29,597          |
| Cash and Cash Equivalents  |                     |                                  |                              |                          |                       |                   |
| In Segregated Accounts   | 0                   | 0                                | 0                            | 0                        | 0                     | 0                 |
| Materials and Supplies Inventory   | 0                   | 0                                | 0                            | 0                        | 0                     | 0                 |
| Accounts Receivable  | 0                   | 0                                | 0                            | 0                        | 0                     | 0                 |
| Intergovernmental Receivable   | 0                   | 0                                | 0                            | 0                        | 0                     | 0                 |
| Prepaid Items  | 0                   | 0                                | 0                            | 0                        | 0                     | 0                 |
| Property Taxes Receivable  | 0                   | 0                                | 0                            | 0                        | 0                     | 0                 |
| <i>Total Assets</i>  | <u>\$23,279</u>     | <u>\$5,651</u>                   | <u>\$35,218</u>              | <u>\$163,287</u>         | <u>\$950</u>          | <u>\$29,597</u>   |
| <b>Liabilities</b>   |                     |                                  |                              |                          |                       |                   |
| Accounts Payable   | \$0                 | \$0                              | \$45                         | \$0                      | \$0                   | \$0               |
| Accrued Wages  | 0                   | 0                                | 0                            | 0                        | 0                     | 0                 |
| Intergovernmental Payable  | 0                   | 0                                | 0                            | 0                        | 0                     | 0                 |
| <i>Total Liabilities</i>   | <u>0</u>            | <u>0</u>                         | <u>45</u>                    | <u>0</u>                 | <u>0</u>              | <u>0</u>          |
| <b>Deferred Inflows of Resources</b>   |                     |                                  |                              |                          |                       |                   |
| Property Taxes   | 0                   | 0                                | 0                            | 0                        | 0                     | 0                 |
| Unavailable Revenue  | 0                   | 0                                | 0                            | 0                        | 0                     | 0                 |
| <i>Total Deferred Inflows of Resources</i>                                     | <u>0</u>            | <u>0</u>                         | <u>0</u>                     | <u>0</u>                 | <u>0</u>              | <u>0</u>          |
| <b>Fund Balances</b>   |                     |                                  |                              |                          |                       |                   |
| Nonspendable   | 0                   | 0                                | 0                            | 0                        | 0                     | 0                 |
| Restricted   | 23,279              | 5,651                            | 24,133                       | 163,287                  | 950                   | 29,597            |
| Committed  | 0                   | 0                                | 11,040                       | 0                        | 0                     | 0                 |
| <i>Total Fund Balances</i>   | <u>23,279</u>       | <u>5,651</u>                     | <u>35,173</u>                | <u>163,287</u>           | <u>950</u>            | <u>29,597</u>     |
| <i>Total Liabilities, Deferred Inflows of<br/>Resources, and Fund Balances</i> | <u>\$23,279</u>     | <u>\$5,651</u>                   | <u>\$35,218</u>              | <u>\$163,287</u>         | <u>\$950</u>          | <u>\$29,597</u>   |

| Tree Planting<br>Grants | Law<br>Enforcement | Law<br>Enforcement<br>Mandatory<br>Drug | Vehicle<br>Immobilization | Police<br>Pension | Memorial       | Peace<br>Officer<br>Training | Total<br>Nonmajor<br>Special Revenue<br>Funds |
|-------------------------|--------------------|---|---------------------------|-------------------|----------------|------------------------------|---|
| \$128,904               | \$102,136          | \$39,157                                | \$61,796                  | \$254,092         | \$2,629        | \$4,100                      | \$1,636,355                                   |
| 0                       | 0                  | 0                                       | 0                         | 0                 | 0              | 0                            | 2,000   |
| 0                       | 0                  | 0                                       | 0                         | 0                 | 0              | 0                            | 31,413  |
| 0                       | 127                | 0                                       | 0                         | 0                 | 0              | 0                            | 2,303   |
| 0                       | 0                  | 0                                       | 0                         | 9,962             | 0              | 0                            | 369,506                                       |
| 0                       | 0                  | 0                                       | 0                         | 0                 | 0              | 0                            | 7,546   |
| 0                       | 0                  | 0                                       | 0                         | 162,678           | 0              | 0                            | 704,936                                       |
| <u>\$128,904</u>        | <u>\$102,263</u>   | <u>\$39,157</u>                         | <u>\$61,796</u>           | <u>\$426,732</u>  | <u>\$2,629</u> | <u>\$4,100</u>               | <u>\$2,754,059</u>                            |
| \$0                     | \$0                | \$0                                     | \$0                       | \$0               | \$0            | \$0                          | \$13,546                                      |
| 0                       | 0                  | 0                                       | 0                         | 0                 | 0              | 0                            | 29,156  |
| 0                       | 0                  | 0                                       | 0                         | 0                 | 0              | 0                            | 4,878   |
| 0                       | 0                  | 0                                       | 0                         | 0                 | 0              | 0                            | 47,580  |
| 0                       | 0                  | 0                                       | 0                         | 155,573           | 0              | 0                            | 674,147                                       |
| 0                       | 0                  | 0                                       | 0                         | 17,067            | 0              | 0                            | 291,516                                       |
| 0                       | 0                  | 0                                       | 0                         | 172,640           | 0              | 0                            | 965,663                                       |
| 0                       | 0                  | 0                                       | 0                         | 0                 | 0              | 0                            | 38,959  |
| 128,904                 | 102,263            | 39,157                                  | 61,796                    | 254,092           | 0              | 4,100                        | 1,423,053                                     |
| 0                       | 0                  | 0                                       | 0                         | 0                 | 2,629          | 0                            | 278,804                                       |
| <u>128,904</u>          | <u>102,263</u>     | <u>39,157</u>                           | <u>61,796</u>             | <u>254,092</u>    | <u>2,629</u>   | <u>4,100</u>                 | <u>1,740,816</u>                              |
| <u>\$128,904</u>        | <u>\$102,263</u>   | <u>\$39,157</u>                         | <u>\$61,796</u>           | <u>\$426,732</u>  | <u>\$2,629</u> | <u>\$4,100</u>               | <u>\$2,754,059</u>                            |

**City of Brecksville, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2016*

|   | Motor<br>Vehicle<br>License Tax | Street<br>Repair and<br>Maintenance | State<br>Highway       | Community<br>Center     |
|---|---------------------------------|-------------------------------------|------------------------|-------------------------|
| <b>Revenues</b>                                     |                                 |                                     |                        |                         |
| Property Taxes                                      | \$0                             | \$0                                 | \$0                    | \$0                     |
| Charges for Services                                | 0                               | 0                                   | 0                      | 1,014,813               |
| Licenses and Permits                                | 0                               | 0                                   | 0                      | 0                       |
| Fines and Forfeitures                               | 0                               | 0                                   | 0                      | 0                       |
| Intergovernmental                                   | 36,844                          | 595,461                             | 48,279                 | 0                       |
| Interest  | 613                             | 3,832                               | 787                    | 4,841                   |
| Donations   | 0                               | 0                                   | 0                      | 10,844                  |
| Rentals   | 0                               | 0                                   | 0                      | 59,207                  |
| Miscellaneous                                       | 0                               | 0                                   | 0                      | 19,849                  |
| <i>Total Revenues</i>                               | <u>37,457</u>                   | <u>599,293</u>                      | <u>49,066</u>          | <u>1,109,554</u>        |
| <b>Expenditures</b>                                 |                                 |                                     |                        |                         |
| Current:  |                                 |                                     |                        |                         |
| General Government:                                 |                                 |                                     |                        |                         |
| Legislative and Executive                           | 0                               | 0                                   | 0                      | 0                       |
| Judicial System                                     | 0                               | 0                                   | 0                      | 0                       |
| Public Safety:                                      |                                 |                                     |                        |                         |
| Police  | 0                               | 0                                   | 0                      | 0                       |
| Street Construction, Maintenance, and Repair        | 70,000                          | 667,865                             | 40,000                 | 0                       |
| Housing and Community Development                   | 0                               | 0                                   | 0                      | 0                       |
| Basic Utility Services                              | 0                               | 0                                   | 0                      | 0                       |
| Recreational Activities                             | 0                               | 0                                   | 0                      | 1,786,943               |
| <i>Total Expenditures</i>                           | <u>70,000</u>                   | <u>667,865</u>                      | <u>40,000</u>          | <u>1,786,943</u>        |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(32,543)</u>                 | <u>(68,572)</u>                     | <u>9,066</u>           | <u>(677,389)</u>        |
| <b>Other Financing Sources (Uses)</b>               |                                 |                                     |                        |                         |
| Proceeds from Sale of Capital Assets                | 0                               | 0                                   | 0                      | 1,231                   |
| Transfers In  | 0                               | 0                                   | 0                      | 830,000                 |
| Transfers Out                                       | 0                               | 0                                   | 0                      | 0                       |
| <i>Total Other Financing Sources (Uses)</i>         | <u>0</u>                        | <u>0</u>                            | <u>0</u>               | <u>831,231</u>          |
| <i>Net Change in Fund Balances</i>                  | (32,543)                        | (68,572)                            | 9,066                  | 153,842                 |
| <i>Fund Balances Beginning of Year</i>              | <u>52,442</u>                   | <u>409,149</u>                      | <u>52,365</u>          | <u>118,839</u>          |
| <i>Fund Balances End of Year</i>                    | <u><u>\$19,899</u></u>          | <u><u>\$340,577</u></u>             | <u><u>\$61,431</u></u> | <u><u>\$272,681</u></u> |



| Road<br>Maintenance | Federal<br>Equitable<br>Sharing | Indigent<br>Drivers | Indigent<br>Drivers<br>Interlock | Enforcement<br>and Education | Court<br>Computerization |
|---------------------|---------------------------------|---------------------|----------------------------------|------------------------------|--------------------------|
| \$523,071           | \$0                             | \$0                 | \$0                              | \$0                          | \$0                      |
| 0                   | 0                               | 0                   | 0                                | 0                            | 0                        |
| 0                   | 0                               | 0                   | 0                                | 0                            | 0                        |
| 0                   | 0                               | 500                 | 0                                | 774                          | 12,906                   |
| 66,413              | 0                               | 0                   | 0                                | 4,480                        | 0                        |
| 4,324               | 224                             | 288                 | 71                               | 430                          | 1,958                    |
| 0                   | 0                               | 0                   | 0                                | 0                            | 0                        |
| 0                   | 0                               | 0                   | 0                                | 0                            | 0                        |
| 29,225              | 0                               | 0                   | 0                                | 0                            | 0                        |
| <u>623,033</u>      | <u>224</u>                      | <u>788</u>          | <u>71</u>                        | <u>5,684</u>                 | <u>14,864</u>            |
| 0                   | 0                               | 0                   | 0                                | 0                            | 0                        |
| 0                   | 0                               | 0                   | 0                                | 0                            | 1,949                    |
| 0                   | 0                               | 15                  | 0                                | 4,187                        | 0                        |
| 578,027             | 0                               | 0                   | 0                                | 0                            | 0                        |
| 0                   | 0                               | 0                   | 0                                | 0                            | 0                        |
| 0                   | 0                               | 0                   | 0                                | 0                            | 0                        |
| 0                   | 0                               | 0                   | 0                                | 0                            | 0                        |
| <u>578,027</u>      | <u>0</u>                        | <u>15</u>           | <u>0</u>                         | <u>4,187</u>                 | <u>1,949</u>             |
| <u>45,006</u>       | <u>224</u>                      | <u>773</u>          | <u>71</u>                        | <u>1,497</u>                 | <u>12,915</u>            |
| 0                   | 0                               | 0                   | 0                                | 0                            | 0                        |
| 0                   | 0                               | 0                   | 0                                | 0                            | 0                        |
| (17,090)            | 0                               | 0                   | 0                                | 0                            | 0                        |
| <u>(17,090)</u>     | <u>0</u>                        | <u>0</u>            | <u>0</u>                         | <u>0</u>                     | <u>0</u>                 |
| 27,916              | 224                             | 773                 | 71                               | 1,497                        | 12,915                   |
| <u>149,476</u>      | <u>17,734</u>                   | <u>22,506</u>       | <u>5,580</u>                     | <u>33,676</u>                | <u>150,372</u>           |
| <u>\$177,392</u>    | <u>\$17,958</u>                 | <u>\$23,279</u>     | <u>\$5,651</u>                   | <u>\$35,173</u>              | <u>\$163,287</u>         |

(continued)

**City of Brecksville, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Year Ended December 31, 2016*

|   | Natureworks<br>Grants | Recycling<br>Demo | Tree Planting<br>Grants | Law<br>Enforcement |
|---|-----------------------|-------------------|-------------------------|--------------------|
| <b>Revenues</b>                                     |                       |                   |                         |                    |
| Property Taxes                                      | \$0                   | \$0               | \$0                     | \$0                |
| Charges for Services                                | 0                     | 0                 | 0                       | 0                  |
| Licenses and Permits                                | 0                     | 0                 | 20,350                  | 0                  |
| Fines and Forfeitures                               | 0                     | 0                 | 0                       | 4,513              |
| Intergovernmental                                   | 0                     | 29,625            | 0                       | 0                  |
| Interest  | 0                     | 138               | 0                       | 1,287              |
| Donations   | 0                     | 0                 | 0                       | 0                  |
| Rentals   | 0                     | 0                 | 0                       | 0                  |
| Miscellaneous                                       | 0                     | 0                 | 0                       | 127                |
| <i>Total Revenues</i>                               | <u>0</u>              | <u>29,763</u>     | <u>20,350</u>           | <u>5,927</u>       |
| <b>Expenditures</b>                                 |                       |                   |                         |                    |
| Current:  |                       |                   |                         |                    |
| General Government:                                 |                       |                   |                         |                    |
| Legislative and Executive                           | 0                     | 0                 | 0                       | 0                  |
| Judicial System                                     | 0                     | 0                 | 0                       | 0                  |
| Public Safety:                                      |                       |                   |                         |                    |
| Police  | 0                     | 0                 | 0                       | 9,190              |
| Street Construction, Maintenance, and Repair        | 0                     | 0                 | 0                       | 0                  |
| Housing and Community Development                   | 0                     | 0                 | 42,233                  | 0                  |
| Basic Utility Services                              | 0                     | 6,500             | 0                       | 0                  |
| Recreational Activities                             | 0                     | 0                 | 0                       | 0                  |
| <i>Total Expenditures</i>                           | <u>0</u>              | <u>6,500</u>      | <u>42,233</u>           | <u>9,190</u>       |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>0</u>              | <u>23,263</u>     | <u>(21,883)</u>         | <u>(3,263)</u>     |
| <b>Other Financing Sources (Uses)</b>               |                       |                   |                         |                    |
| Inception of Capital Lease                          | 0                     | 0                 | 0                       | 0                  |
| Transfers In  | 0                     | 0                 | 0                       | 0                  |
| Transfers Out                                       | 0                     | 0                 | 0                       | 0                  |
| <i>Total Other Financing Sources (Uses)</i>         | <u>0</u>              | <u>0</u>          | <u>0</u>                | <u>0</u>           |
| <i>Net Change in Fund Balances</i>                  | 0                     | 23,263            | (21,883)                | (3,263)            |
| <i>Fund Balances Beginning of Year</i>              | <u>950</u>            | <u>6,334</u>      | <u>150,787</u>          | <u>105,526</u>     |
| <i>Fund Balances End of Year</i>                    | <u>\$950</u>          | <u>\$29,597</u>   | <u>\$128,904</u>        | <u>\$102,263</u>   |

| Law Enforcement Mandatory Drug | Vehicle Immobilization | Police Pension | Memorial | Peace Officer Training | Total Nonmajor Special Revenue Funds |
|--------------------------------|------------------------|----------------|----------|------------------------|--------------------------------------|
| \$0                            | \$0                    | \$156,927      | \$0      | \$0                    | \$679,998                            |
| 0                              | 0                      | 0              | 0        | 0                      | 1,014,813                            |
| 0                              | 0                      | 0              | 0        | 0                      | 20,350                               |
| 0                              | 1,015                  | 0              | 0        | 0                      | 19,708                               |
| 0                              | 0                      | 19,924         | 0        | 0                      | 801,026                              |
| 500                            | 765                    | 0              | 0        | 0                      | 20,058                               |
| 0                              | 0                      | 0              | 0        | 0                      | 10,844                               |
| 0                              | 0                      | 0              | 0        | 0                      | 59,207                               |
| 0                              | 0                      | 0              | 0        | 0                      | 49,201                               |
| 500                            | 1,780                  | 176,851        | 0        | 0                      | 2,675,205                            |
| 0                              | 0                      | 0              | 317      | 0                      | 317                                  |
| 0                              | 0                      | 0              | 0        | 0                      | 1,949                                |
| 1,989                          | 0                      | 140,123        | 0        | 700                    | 156,204                              |
| 0                              | 0                      | 0              | 0        | 0                      | 1,355,892                            |
| 0                              | 0                      | 0              | 0        | 0                      | 42,233                               |
| 0                              | 0                      | 0              | 0        | 0                      | 6,500                                |
| 0                              | 0                      | 0              | 0        | 0                      | 1,786,943                            |
| 1,989                          | 0                      | 140,123        | 317      | 700                    | 3,350,038                            |
| (1,489)                        | 1,780                  | 36,728         | (317)    | (700)                  | (674,833)                            |
| 0                              | 0                      | 0              | 0        | 0                      | 1,231                                |
| 0                              | 0                      | 0              | 0        | 0                      | 830,000                              |
| 0                              | 0                      | 0              | 0        | 0                      | (17,090)                             |
| 0                              | 0                      | 0              | 0        | 0                      | 814,141                              |
| (1,489)                        | 1,780                  | 36,728         | (317)    | (700)                  | 139,308                              |
| 40,646                         | 60,016                 | 217,364        | 2,946    | 4,800                  | 1,601,508                            |
| \$39,157                       | \$61,796               | \$254,092      | \$2,629  | \$4,100                | \$1,740,816                          |

**City of Brecksville, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2016*

|   | Issue II         | Recreation<br>Expansion | Recreation<br>Facilities<br>Expansion |
|---|------------------|-------------------------|---------------------------------------|
| <b>Assets</b>                                 |                  |                         |                                       |
| Equity in Pooled Cash and<br>Cash Equivalents | \$216,935        | \$89,970                | \$158,019                             |
| Accounts Receivable                           | 0                | 0                       | 0                                     |
| <i>Total Assets</i>                           | <u>\$216,935</u> | <u>\$89,970</u>         | <u>\$158,019</u>                      |
| <b>Liabilities</b>                            |                  |                         |                                       |
| Accounts Payable                              | \$0              | \$123                   | \$0                                   |
| Contracts Payable                             | 0                | 0                       | 0                                     |
| <i>Total Liabilities</i>                      | <u>0</u>         | <u>123</u>              | <u>0</u>                              |
| <b>Fund Balances</b>                          |                  |                         |                                       |
| Restricted                                    | 216,935          | 0                       | 0                                     |
| Committed                                     | 0                | 0                       | 0                                     |
| Assigned                                      | 0                | 89,847                  | 158,019                               |
| <i>Total Fund Balances</i>                    | <u>216,935</u>   | <u>89,847</u>           | <u>158,019</u>                        |
| <i>Total Liabilities and Fund Balances</i>    | <u>\$216,935</u> | <u>\$89,970</u>         | <u>\$158,019</u>                      |

| Police Station<br>Building | Public Utility<br>Improvement | Fire<br>Ambulance<br>Capital | Total<br>Nonmajor<br>Capital Projects<br>Funds |
|----------------------------|-------------------------------|------------------------------|--|
| \$510,889                  | \$338,401                     | \$1,059,409                  | \$2,373,623                                    |
| 0                          | 0                             | 22,289                       | 22,289   |
| <u>\$510,889</u>           | <u>\$338,401</u>              | <u>\$1,081,698</u>           | <u>\$2,395,912</u>                             |
| \$0                        | \$0                           | \$2,646                      | \$2,769  |
| 202,681                    | 0                             | 130,540                      | 333,221  |
| <u>202,681</u>             | <u>0</u>                      | <u>133,186</u>               | <u>335,990</u>                                 |
| 0                          | 0                             | 0                            | 216,935  |
| 0                          | 181,220                       | 948,512                      | 1,129,732                                      |
| 308,208                    | 157,181                       | 0                            | 713,255  |
| <u>308,208</u>             | <u>338,401</u>                | <u>948,512</u>               | <u>2,059,922</u>                               |
| <u>\$510,889</u>           | <u>\$338,401</u>              | <u>\$1,081,698</u>           | <u>\$2,395,912</u>                             |

**City of Brecksville, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*

*Nonmajor Capital Projects Funds*

*For the Year Ended December 31, 2016*

|   | Issue II                | Recreation<br>Expansion | Recreation<br>Facilities<br>Expansion |
|---|-------------------------|-------------------------|---------------------------------------|
| <b>Revenues</b>   |                         |                         |                                       |
| Charges for Services                                    | \$0                     | \$0                     | \$0                                   |
| Licenses and Permits                                    | 0                       | 76,572                  | 0                                     |
| Interest  | 3,111                   | 1,122                   | 0                                     |
| <i>Total Revenues</i>                                   | <u>3,111</u>            | <u>77,694</u>           | <u>0</u>                              |
| <b>Expenditures</b>                                     |                         |                         |                                       |
| Capital Outlay  | 4                       | 62,012                  | 0                                     |
| Debt Service:   |                         |                         |                                       |
| Principal Retirement                                    | 59,465                  | 0                       | 0                                     |
| <i>Total Expenditures</i>                               | <u>59,469</u>           | <u>62,012</u>           | <u>0</u>                              |
| <i>Excess of Revenues Over<br/>(Under) Expenditures</i> | (56,358)                | 15,682                  | 0                                     |
| <b>Other Financing Sources (Uses)</b>                   |                         |                         |                                       |
| Transfers In  | 59,470                  | 0                       | 158,019                               |
| <i>Net Change in Fund Balances</i>                      | 3,112                   | 15,682                  | 158,019                               |
| <i>Fund Balances Beginning of Year</i>                  | <u>213,823</u>          | <u>74,165</u>           | <u>0</u>                              |
| <i>Fund Balances End of Year</i>                        | <u><u>\$216,935</u></u> | <u><u>\$89,847</u></u>  | <u><u>\$158,019</u></u>               |

| Police<br>Station<br>Building | Public Utility<br>Improvement | Fire<br>Ambulance<br>Capital | Total<br>Nonmajor<br>Capital Projects<br>Funds |
|-------------------------------|-------------------------------|------------------------------|--|
| \$0                           | \$0                           | \$290,823                    | \$290,823                                      |
| 0                             | 38,110                        | 0                            | 114,682  |
| 0                             | 1,053                         | 11,517                       | 16,803   |
| 0                             | 39,163                        | 302,340                      | 422,308  |
| 400,150                       | 12,370                        | 167,263                      | 641,799  |
| 0                             | 0                             | 0                            | 59,465   |
| 400,150                       | 12,370                        | 167,263                      | 701,264  |
| (400,150)                     | 26,793                        | 135,077                      | (278,956)                                      |
| 196,500                       | 0                             | 0                            | 413,989  |
| (203,650)                     | 26,793                        | 135,077                      | 135,033  |
| 511,858                       | 311,608                       | 813,435                      | 1,924,889                                      |
| <u>\$308,208</u>              | <u>\$338,401</u>              | <u>\$948,512</u>             | <u>\$2,059,922</u>                             |

## Combining Statements - Fiduciary Funds

### *Fiduciary Funds*

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

### *Private Purpose Trust Fund*

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

### *Agency Funds*

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

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

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

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



**City of Brecksville, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
*For the Year Ended December 31, 2016*

|   | Beginning<br>Balance<br>12/31/15 | Additions | Deductions | Ending<br>Balance<br>12/31/16 |
|---|----------------------------------|-----------|------------|-------------------------------|
| <b>Senior Citizens' Programs</b>              |                                  |           |            |                               |
| <b>Assets</b>                                 |                                  |           |            |                               |
| Equity in Pooled Cash<br>and Cash Equivalents | \$41,222                         | \$10,940  | \$21,356   | \$30,806                      |
| <b>Liabilities</b>                            |                                  |           |            |                               |
| Undistributed Monies                          | \$41,222                         | \$10,940  | \$21,356   | \$30,806                      |
| <b>Street Openings</b>                        |                                  |           |            |                               |
| <b>Assets</b>                                 |                                  |           |            |                               |
| Equity in Pooled Cash<br>and Cash Equivalents | \$294,731                        | \$47,400  | \$29,050   | \$313,081                     |
| <b>Liabilities</b>                            |                                  |           |            |                               |
| Deposits Held and Due to Others               | \$294,731                        | \$47,400  | \$29,050   | \$313,081                     |
| <b>Deposits and Fees</b>                      |                                  |           |            |                               |
| <b>Assets</b>                                 |                                  |           |            |                               |
| Equity in Pooled Cash<br>and Cash Equivalents | \$489,194                        | \$398,232 | \$359,731  | \$527,695                     |
| <b>Liabilities</b>                            |                                  |           |            |                               |
| Deposits Held and Due to Others               | \$489,194                        | \$398,232 | \$359,731  | \$527,695                     |
| <b>Contractors Deposit</b>                    |                                  |           |            |                               |
| <b>Assets</b>                                 |                                  |           |            |                               |
| Equity in Pooled Cash<br>and Cash Equivalents | \$10,000                         | \$260,000 | \$13,250   | \$256,750                     |
| <b>Liabilities</b>                            |                                  |           |            |                               |
| Deposits Held and Due to Others               | \$10,000                         | \$260,000 | \$13,250   | \$256,750                     |
| <b>Total - All Agency Funds</b>               |                                  |           |            |                               |
| <b>Assets</b>                                 |                                  |           |            |                               |
| Equity in Pooled Cash<br>and Cash Equivalents | \$835,147                        | \$716,572 | \$423,387  | \$1,128,332                   |
| <b>Liabilities</b>                            |                                  |           |            |                               |
| Undistributed Monies                          | \$41,222                         | \$10,940  | \$21,356   | \$30,806                      |
| Deposits Held and Due to Others               | 793,925                          | 705,632   | 402,031    | 1,097,526                     |
| <i>Total Liabilities</i>                      | \$835,147                        | \$716,572 | \$423,387  | \$1,128,332                   |

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

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2016*

|                             | Budgeted Amounts  |                   |                   | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|-----------------------------|-------------------|-------------------|-------------------|---|
|                             | Original          | Final             | Actual            |   |
| <b>Revenues</b>             |                   |                   |                   |   |
| Property Taxes              | \$1,953,448       | \$1,829,034       | \$1,835,967       | \$6,933   |
| Municipal Income Taxes      | 13,225,671        | 15,631,000        | 15,599,338        | (31,662)  |
| Charges for Services        | 116,510           | 137,700           | 133,574           | (4,126)   |
| Licenses and Permits        | 265,681           | 314,000           | 344,945           | 30,945  |
| Fines and Forfeitures       | 191,646           | 226,500           | 236,381           | 9,881   |
| Intergovernmental           | 469,264           | 439,648           | 434,534           | (5,114)   |
| Interest                    | 80,381            | 95,000            | 101,024           | 6,024   |
| Donations                   | 8,503             | 10,050            | 10,142            | 92  |
| Rentals                     | 76,997            | 91,000            | 101,760           | 10,760  |
| Miscellaneous               | 243,266           | 234,400           | 244,593           | 10,193  |
| <i>Total Revenues</i>       | <u>16,631,367</u> | <u>19,008,332</u> | <u>19,042,258</u> | <u>33,926</u>   |
| <b>Expenditures</b>         |                   |                   |                   |   |
| Current:                    |                   |                   |                   |   |
| General Government:         |                   |                   |                   |   |
| Legislative and Executive:  |                   |                   |                   |   |
| Mayor:                      |                   |                   |                   |   |
| Salaries and Wages          | 188,793           | 188,793           | 187,239           | 1,554   |
| Fringe Benefits             | 68,732            | 68,732            | 67,038            | 1,694   |
| Materials and Supplies      | 3,800             | 3,788             | 70                | 3,718   |
| Purchased Services          | 2,150             | 2,162             | 2,162             | 0   |
| Total Mayor                 | <u>263,475</u>    | <u>263,475</u>    | <u>256,509</u>    | <u>6,966</u>  |
| Finance Director:           |                   |                   |                   |   |
| Salaries and Wages          | 305,099           | 310,251           | 310,251           | 0   |
| Fringe Benefits             | 102,602           | 100,450           | 95,219            | 5,231   |
| Materials and Supplies      | 4,500             | 4,500             | 2,202             | 2,298   |
| Purchased Services          | 5,000             | 5,000             | 3,339             | 1,661   |
| Total Finance Director      | <u>417,201</u>    | <u>420,201</u>    | <u>411,011</u>    | <u>9,190</u>  |
| Purchasing Department:      |                   |                   |                   |   |
| Salaries and Wages          | 145,622           | 145,622           | 144,963           | 659   |
| Fringe Benefits             | 51,652            | 51,652            | 49,798            | 1,854   |
| Materials and Supplies      | 3,250             | 3,250             | 416               | 2,834   |
| Purchased Services          | 750               | 750               | 675               | 75  |
| Total Purchasing Department | <u>201,274</u>    | <u>201,274</u>    | <u>195,852</u>    | <u>5,422</u>  |
| Legal Department:           |                   |                   |                   |   |
| Salaries and Wages          | 50,356            | 52,130            | 48,988            | 3,142   |
| Fringe Benefits             | 20,605            | 21,331            | 20,344            | 987   |
| Contractual Services        | 190,000           | 190,000           | 186,344           | 3,656   |
| Total Legal Department      | <u>260,961</u>    | <u>263,461</u>    | <u>255,676</u>    | <u>7,785</u>  |
| Legislative:                |                   |                   |                   |   |
| Salaries and Wages          | 199,685           | 199,685           | 195,885           | 3,800   |
| Fringe Benefits             | 56,919            | 56,919            | 55,730            | 1,189   |
| Contractual Services        | 9,100             | 12,100            | 7,870             | 4,230   |
| Materials and Supplies      | 2,085             | 2,085             | 656               | 1,429   |
| Purchased Services          | 1,039             | 1,039             | 284               | 755   |
| Total Legislative           | <u>\$268,828</u>  | <u>\$271,828</u>  | <u>\$260,425</u>  | <u>\$11,403</u>   |

(continued)

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2016*

|                                      | Budgeted Amounts |             |             | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--------------------------------------|------------------|-------------|-------------|---|
|                                      | Original         | Final       | Actual      |   |
| Civil Service:                       |                  |             |             |   |
| Salaries and Wages                   | \$1,500          | \$10,649    | \$7,469     | \$3,180   |
| Fringe Benefits                      | 809              | 1,160       | 1,160       | 0   |
| Contractual Services                 | 43,525           | 42,300      | 29,059      | 13,241  |
| Materials and Supplies               | 500              | 1,725       | 1,725       | 0   |
| Total Civil Service                  | 46,334           | 55,834      | 39,413      | 16,421  |
| Information Technology:              |                  |             |             |   |
| Salaries and Wages                   | 206,020          | 206,020     | 204,756     | 1,264   |
| Fringe Benefits                      | 77,556           | 77,556      | 73,857      | 3,699   |
| Contractual Services                 | 47,255           | 47,255      | 38,120      | 9,135   |
| Materials and Supplies               | 46,899           | 46,899      | 29,667      | 17,232  |
| Purchased Services                   | 150,081          | 150,081     | 70,075      | 80,006  |
| Capital Outlay                       | 2,950            | 2,950       | 0           | 2,950   |
| Total Information Technology         | 530,761          | 530,761     | 416,475     | 114,286   |
| County Fiscal Officer and Treasurer: |                  |             |             |   |
| Contractual Services                 | 88,900           | 88,900      | 70,976      | 17,924  |
| Income Tax Administration:           |                  |             |             |   |
| Contractual Services                 | 31,863           | 31,863      | 22,840      | 9,023   |
| Materials and Supplies               | 0                | 1,523       | 1,523       | 0   |
| Purchased Services                   | 200              | 200         | 0           | 200   |
| Other                                | 499,500          | 577,977     | 541,878     | 36,099  |
| Total Income Tax Administration      | 531,563          | 611,563     | 566,241     | 45,322  |
| Administrative Support:              |                  |             |             |   |
| Salaries and Wages                   | 89,608           | 92,176      | 92,176      | 0   |
| Fringe Benefits                      | 583,891          | 581,323     | 459,489     | 121,834   |
| Contractual Services                 | 542,474          | 403,224     | 357,501     | 45,723  |
| Materials and Supplies               | 868,131          | 520,476     | 273,628     | 246,848   |
| Purchased Services                   | 47,489           | 24,192      | 21,960      | 2,232   |
| Capital Outlay                       | 12,390           | 875,935     | 796,498     | 79,437  |
| Other                                | 185,615          | 106,271     | 106,271     | 0   |
| Total Administrative Support         | 2,329,598        | 2,603,597   | 2,107,523   | 496,074   |
| Land and Building:                   |                  |             |             |   |
| Salaries and Wages                   | 900,796          | 898,796     | 884,104     | 14,692  |
| Fringe Benefits                      | 337,118          | 337,118     | 322,366     | 14,752  |
| Contractual Services                 | 73,850           | 73,850      | 61,444      | 12,406  |
| Materials and Supplies               | 143,563          | 143,563     | 107,379     | 36,184  |
| Purchased Services                   | 759,411          | 759,411     | 655,893     | 103,518   |
| Total Land and Building              | 2,214,738        | 2,212,738   | 2,031,186   | 181,552   |
| Engineer:                            |                  |             |             |   |
| Salaries and Wages                   | 40,000           | 40,000      | 9,647       | 30,353  |
| Fringe Benefits                      | 6,180            | 6,180       | 1,490       | 4,690   |
| Contractual Services                 | 113,000          | 112,815     | 92,865      | 19,950  |
| Materials and Supplies               | 0                | 185         | 185         | 0   |
| Total Engineer                       | 159,180          | 159,180     | 104,187     | 54,993  |
| Total Legislative and Executive      | \$7,312,813      | \$7,682,812 | \$6,715,474 | \$967,338   |

(continued)

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2016*

|                          | <u>Budgeted Amounts</u> |                    |                    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--------------------------|-------------------------|--------------------|--------------------|---|
|                          | <u>Original</u>         | <u>Final</u>       | <u>Actual</u>      |   |
| Judicial System:         |                         |                    |                    |   |
| Mayor's Court:           |                         |                    |                    |   |
| Salaries and Wages       | \$98,658                | \$98,658           | \$97,861           | \$797   |
| Fringe Benefits          | 26,144                  | 26,144             | 25,300             | 844   |
| Contractual Services     | 0                       | 1,000              | 1,000              | 0   |
| Materials and Supplies   | 4,200                   | 3,200              | 3,071              | 129   |
| Purchased Services       | 1,500                   | 1,500              | 675                | 825   |
| Total Judicial System    | <u>130,502</u>          | <u>130,502</u>     | <u>127,907</u>     | <u>2,595</u>  |
| Total General Government | <u>7,443,315</u>        | <u>7,813,314</u>   | <u>6,843,381</u>   | <u>969,933</u>  |
| Public Safety:           |                         |                    |                    |   |
| Police:                  |                         |                    |                    |   |
| Law Enforcement:         |                         |                    |                    |   |
| Salaries and Wages       | 2,920,604               | 2,900,604          | 2,793,243          | 107,361   |
| Fringe Benefits          | 971,671                 | 971,671            | 887,386            | 84,285  |
| Contractual Services     | 56,000                  | 56,000             | 28,850             | 27,150  |
| Materials and Supplies   | 111,446                 | 111,446            | 46,582             | 64,864  |
| Purchased Services       | 91,350                  | 91,350             | 70,967             | 20,383  |
| Capital Outlay           | 160,000                 | 160,000            | 156,437            | 3,563   |
| Total Law Enforcement    | <u>4,311,071</u>        | <u>4,291,071</u>   | <u>3,983,465</u>   | <u>307,606</u>  |
| Prisoner Support:        |                         |                    |                    |   |
| Salaries and Wages       | 185,969                 | 181,969            | 167,292            | 14,677  |
| Fringe Benefits          | 74,100                  | 74,100             | 52,975             | 21,125  |
| Contractual Services     | 8,000                   | 8,000              | 1,833              | 6,167   |
| Materials and Supplies   | 23,500                  | 23,500             | 12,695             | 10,805  |
| Purchased Services       | 1,500                   | 1,500              | 0                  | 1,500   |
| Total Prisoner Support   | <u>293,069</u>          | <u>289,069</u>     | <u>234,795</u>     | <u>54,274</u>   |
| Traffic Control          |                         |                    |                    |   |
| Materials and Supplies   | 39,495                  | 39,495             | 38,195             | 1,300   |
| Purchased Services       | 37,000                  | 37,000             | 34,334             | 2,666   |
| Total Traffic Control    | <u>76,495</u>           | <u>76,495</u>      | <u>72,529</u>      | <u>3,966</u>  |
| Street Lighting:         |                         |                    |                    |   |
| Purchased Services       | 120,000                 | 120,000            | 106,223            | 13,777  |
| Animal Control:          |                         |                    |                    |   |
| Salaries and Wages       | 51,776                  | 52,276             | 52,276             | 0   |
| Fringe Benefits          | 23,208                  | 23,208             | 21,906             | 1,302   |
| Contractual Services     | 3,600                   | 3,600              | 3,220              | 380   |
| Materials and Supplies   | 2,000                   | 2,000              | 296                | 1,704   |
| Purchased Services       | 1,250                   | 1,250              | 483                | 767   |
| Total Animal Control     | <u>81,834</u>           | <u>82,334</u>      | <u>78,181</u>      | <u>4,153</u>  |
| Total Police             | <u>\$4,882,469</u>      | <u>\$4,858,969</u> | <u>\$4,475,193</u> | <u>\$383,776</u>  |

(continued)

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2016*

|   | Budgeted Amounts |           |           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|------------------|-----------|-----------|---|
|   | Original         | Final     | Actual    |   |
| Fire:   |                  |           |           |   |
| Hydrants:                                     |                  |           |           |   |
| Salaries and Wages                            | \$13,000         | \$13,000  | \$11,193  | \$1,807   |
| Fringe Benefits                               | 2,009            | 2,009     | 1,729     | 280   |
| Contractual Services                          | 12,000           | 12,000    | 0         | 12,000  |
| Materials and Supplies                        | 5,000            | 5,000     | 1,212     | 3,788   |
| Purchased Services                            | 1,000            | 1,000     | 0         | 1,000   |
| Total Fire                                    | 33,009           | 33,009    | 14,134    | 18,875  |
| Total Public Safety                           | 4,915,478        | 4,891,978 | 4,489,327 | 402,651   |
| Public Health and Social Services:            |                  |           |           |   |
| Board of Health:                              |                  |           |           |   |
| Contractual Services                          | 53,532           | 53,532    | 53,532    | 0   |
| Cemetery:                                     |                  |           |           |   |
| Salaries and Wages                            | 89,956           | 97,515    | 94,221    | 3,294   |
| Fringe Benefits                               | 20,713           | 21,154    | 21,154    | 0   |
| Materials and Supplies                        | 10,600           | 10,600    | 7,357     | 3,243   |
| Other   | 1,000            | 1,000     | 400       | 600   |
| Total Cemetery                                | 122,269          | 130,269   | 123,132   | 7,137   |
| Human Services Department:                    |                  |           |           |   |
| Salaries and Wages                            | 378,197          | 378,197   | 370,278   | 7,919   |
| Fringe Benefits                               | 112,454          | 112,454   | 109,043   | 3,411   |
| Contractual Services                          | 72,025           | 75,925    | 75,925    | 0   |
| Materials and Supplies                        | 102,008          | 102,008   | 82,492    | 19,516  |
| Purchased Services                            | 232,692          | 253,792   | 206,086   | 47,706  |
| Other   | 750              | 750       | 170       | 580   |
| Total Human Services Department               | 898,126          | 923,126   | 843,994   | 79,132  |
| Total Public Health and Social Services       | 1,073,927        | 1,106,927 | 1,020,658 | 86,269  |
| Street Construction, Maintenance, and Repair: |                  |           |           |   |
| Street Repairs and Maintenance:               |                  |           |           |   |
| Salaries and Wages                            | 751,543          | 791,543   | 721,598   | 69,945  |
| Fringe Benefits                               | 366,732          | 366,732   | 339,620   | 27,112  |
| Contractual Services                          | 2,000            | 2,000     | 0         | 2,000   |
| Materials and Supplies                        | 20,498           | 20,044    | 12,244    | 7,800   |
| Purchased Services                            | 0                | 455       | 455       | 0   |
| Total Street Repairs and Maintenance          | 1,140,773        | 1,180,774 | 1,073,917 | 106,857   |
| Vehicle Maintenance:                          |                  |           |           |   |
| Salaries and Wages                            | 357,809          | 357,809   | 349,293   | 8,516   |
| Fringe Benefits                               | 125,525          | 125,525   | 123,725   | 1,800   |
| Materials and Supplies                        | 44,000           | 44,000    | 36,400    | 7,600   |
| Purchased Services                            | 118,117          | 118,117   | 115,515   | 2,602   |
| Total Vehicle Maintenance                     | \$645,451        | \$645,451 | \$624,933 | \$20,518  |

(continued)

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2016*

|  | Budgeted Amounts |             |             | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------|-------------|-------------|---|
|  | Original         | Final       | Actual      |   |
| Snow and Ice Removal:                                |                  |             |             |   |
| Salaries and Wages                                   | \$215,750        | \$215,750   | \$104,942   | \$110,808   |
| Fringe Benefits                                      | 33,333           | 33,333      | 16,192      | 17,141  |
| Contractual Services                                 | 25,000           | 25,000      | 20,000      | 5,000   |
| Materials and Supplies                               | 25,000           | 25,000      | 8,206       | 16,794  |
| Total Snow and Ice Removal                           | 299,083          | 299,083     | 149,340     | 149,743   |
| Total Street Construction,<br>Maintenance and Repair | 2,085,307        | 2,125,308   | 1,848,190   | 277,118   |
| Housing and Community Development:                   |                  |             |             |   |
| Housing and Building Inspection:                     |                  |             |             |   |
| Salaries and Wages                                   | 396,780          | 386,780     | 367,175     | 19,605  |
| Fringe Benefits                                      | 136,184          | 136,184     | 127,853     | 8,331   |
| Contractual Services                                 | 19,500           | 19,500      | 15,129      | 4,371   |
| Materials and Supplies                               | 9,895            | 9,895       | 4,028       | 5,867   |
| Purchased Services                                   | 9,445            | 9,445       | 4,562       | 4,883   |
| Capital Outlay                                       | 10,000           | 10,000      | 9,434       | 566   |
| Total Housing and Building Inspection                | 581,804          | 571,804     | 528,181     | 43,623  |
| Board of Zoning Appeals:                             |                  |             |             |   |
| Contractual Services                                 | 100              | 4,100       | 2,601       | 1,499   |
| Planning Commission:                                 |                  |             |             |   |
| Salaries and Wages                                   | 2,000            | 2,000       | 1,611       | 389   |
| Fringe Benefits                                      | 309              | 309         | 249         | 60  |
| Contractual Services                                 | 7,044            | 4,044       | 5,176       | (1,132)   |
| Total Planning Commission                            | 9,353            | 6,353       | 7,036       | (683)   |
| Urban Forestry:                                      |                  |             |             |   |
| Salaries and Wages                                   | 226,745          | 230,350     | 230,350     | 0   |
| Fringe Benefits                                      | 83,099           | 79,494      | 75,303      | 4,191   |
| Contractual Services                                 | 21,385           | 21,385      | 17,614      | 3,771   |
| Materials and Supplies                               | 11,300           | 11,300      | 3,166       | 8,134   |
| Purchased Services                                   | 10,700           | 10,700      | 9,208       | 1,492   |
| Total Urban Forestry                                 | 353,229          | 353,229     | 335,641     | 17,588  |
| Total Housing and Community Development              | 944,486          | 935,486     | 873,459     | 62,027  |
| Basic Utility Services:                              |                  |             |             |   |
| Service Department:                                  |                  |             |             |   |
| Salaries and Wages                                   | 289,395          | 279,395     | 267,771     | 11,624  |
| Fringe Benefits                                      | 119,389          | 119,389     | 97,598      | 21,791  |
| Contractual Services                                 | 1,200            | 1,200       | 1,140       | 60  |
| Materials and Supplies                               | 16,100           | 16,100      | 5,938       | 10,162  |
| Purchased Services                                   | 10,930           | 10,930      | 5,874       | 5,056   |
| Capital Outlay                                       | 952,662          | 952,662     | 951,558     | 1,104   |
| Total Service Department                             | \$1,389,676      | \$1,379,676 | \$1,329,879 | \$49,797  |

(continued)

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2016*

|   | <u>Budgeted Amounts</u> |                    |                    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|-------------------------|--------------------|--------------------|---|
|   | <u>Original</u>         | <u>Final</u>       | <u>Actual</u>      |   |
| Solid Waste and Recycling:                          |                         |                    |                    |   |
| Salaries and Wages                                  | \$456,978               | \$456,978          | \$422,814          | \$34,164  |
| Fringe Benefits                                     | 131,308                 | 131,308            | 120,925            | 10,383  |
| Contractual Services                                | 362,695                 | 362,695            | 360,676            | 2,019   |
| Materials and Supplies                              | 6,200                   | 3,628              | 2,492              | 1,136   |
| Purchased Services                                  | 37,400                  | 39,972             | 39,972             | 0   |
| Total Solid Waste and Recycling                     | <u>994,581</u>          | <u>994,581</u>     | <u>946,879</u>     | <u>47,702</u>   |
| Storm Sewers and Drains:                            |                         |                    |                    |   |
| Salaries and Wages                                  | 47,000                  | 67,000             | 60,461             | 6,539   |
| Fringe Benefits                                     | 7,262                   | 7,262              | 9,225              | (1,963)   |
| Materials and Supplies                              | 7,500                   | 7,500              | 7,356              | 144   |
| Purchased Services                                  | 12,000                  | 12,000             | 5,763              | 6,237   |
| Total Storm Sewers and Drains                       | <u>73,762</u>           | <u>93,762</u>      | <u>82,805</u>      | <u>10,957</u>   |
| Total Basic Utility Services                        | <u>2,458,019</u>        | <u>2,468,019</u>   | <u>2,359,563</u>   | <u>108,456</u>  |
| <i>Total Expenditures</i>                           | <u>18,920,532</u>       | <u>19,341,032</u>  | <u>17,434,578</u>  | <u>1,906,454</u>  |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(2,289,165)</u>      | <u>(332,700)</u>   | <u>1,607,680</u>   | <u>1,940,380</u>  |
| <b>Other Financing Sources (Uses)</b>               |                         |                    |                    |   |
| Sale of Capital Assets                              | 260,000                 | 260,000            | 272,551            | 12,551  |
| Transfers In  | 100,000                 | 100,000            | 100,000            | 0   |
| Transfers Out                                       | (1,430,000)             | (1,784,519)        | (1,784,519)        | 0   |
| <i>Total Other Financing Sources (Uses)</i>         | <u>(1,070,000)</u>      | <u>(1,424,519)</u> | <u>(1,411,968)</u> | <u>12,551</u>   |
| <i>Net Change in Fund Balance</i>                   | <u>(3,359,165)</u>      | <u>(1,757,219)</u> | <u>195,712</u>     | <u>1,952,931</u>  |
| <i>Fund Balance Beginning of Year</i>               | 5,924,870               | 5,924,870          | 5,924,870          | 0   |
| Prior Year Encumbrances Appropriated                | <u>609,642</u>          | <u>609,642</u>     | <u>609,642</u>     | <u>0</u>  |
| <i>Fund Balance End of Year</i>                     | <u>\$3,175,347</u>      | <u>\$4,777,293</u> | <u>\$6,730,224</u> | <u>\$1,952,931</u>                                      |



**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Department Fund*  
*For the Year Ended December 31, 2016*

|  | Budgeted Amounts |             |             | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------|-------------|-------------|---|
|  | Original         | Final       | Actual      |   |
| <b>Revenues</b>                              |                  |             |             |   |
| Property Taxes                               | \$2,128,040      | \$1,768,162 | \$1,778,409 | \$10,247  |
| Intergovernmental                            | 271,946          | 236,068     | 227,266     | (8,802)   |
| Interest                                     | 8,787            | 4,000       | 7,343       | 3,343   |
| Donations                                    | 60               | 0           | 50          | 50  |
| Miscellaneous                                | 9,007            | 2,000       | 1,168       | (832)   |
| <i>Total Revenues</i>                        | 2,417,840        | 2,010,230   | 2,014,236   | 4,006   |
| <b>Expenditures</b>                          |                  |             |             |   |
| Current:                                     |                  |             |             |   |
| Public Safety:                               |                  |             |             |   |
| Fire:  |                  |             |             |   |
| Salaries and Wages                           | 1,733,207        | 1,733,207   | 1,669,548   | 63,659  |
| Fringe Benefits                              | 630,450          | 630,450     | 597,031     | 33,419  |
| Contractual Services                         | 18,916           | 18,916      | 15,104      | 3,812   |
| Materials and Supplies                       | 62,223           | 62,223      | 44,623      | 17,600  |
| Purchased Services                           | 121,092          | 121,092     | 91,630      | 29,462  |
| <i>Total Expenditures</i>                    | 2,565,888        | 2,565,888   | 2,417,936   | 147,952   |
| <i>Excess of Revenues Under Expenditures</i> | (148,048)        | (555,658)   | (403,700)   | 151,958   |
| <b>Other Financing Sources</b>               |                  |             |             |   |
| Sale of Capital Assets                       | 0                | 3,000       | 514         | (2,486)   |
| Transfers In                                 | 0                | 500,000     | 500,000     | 0   |
| <i>Total Other Financing Sources</i>         | 0                | 503,000     | 500,514     | (2,486)   |
| <i>Net Change in Fund Balance</i>            | (148,048)        | (52,658)    | 96,814      | 149,472   |
| <i>Fund Balance Beginning of Year</i>        | 183,858          | 183,858     | 183,858     | 0   |
| Prior Year Encumbrances Appropriated         | 8,531            | 8,531       | 8,531       | 0   |
| <i>Fund Balance End of Year</i>              | \$44,341         | \$139,731   | \$289,203   | \$149,472   |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Special Assessment Bond Retirement Fund  
For the Year Ended December 31, 2016*

|                                       | <u>Budgeted Amounts</u> |                  |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|-------------------------|------------------|------------------|---|
|                                       | <u>Original</u>         | <u>Final</u>     | <u>Actual</u>    |   |
| <b>Revenues</b>                       |                         |                  |                  |   |
| Special Assessments                   | \$450,000               | \$484,000        | \$484,452        | \$452   |
| <b>Expenditures</b>                   |                         |                  |                  |   |
| Debt Service:                         |                         |                  |                  |   |
| Principal Retirement                  | 438,000                 | 438,000          | 438,000          | 0   |
| Interest and Fiscal Charges           | 148,043                 | 148,043          | 130,798          | 17,245  |
| <i>Total Expenditures</i>             | <u>586,043</u>          | <u>586,043</u>   | <u>568,798</u>   | <u>17,245</u>   |
| <i>Net Change in Fund Balance</i>     | (136,043)               | (102,043)        | (84,346)         | 17,697  |
| <i>Fund Balance Beginning of Year</i> | <u>281,231</u>          | <u>281,231</u>   | <u>281,231</u>   | <u>0</u>  |
| <i>Fund Balance End of Year</i>       | <u>\$145,188</u>        | <u>\$179,188</u> | <u>\$196,885</u> | <u>\$17,697</u>   |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Municipal Improvement Fund  
For the Year Ended December 31, 2016*

|   | <u>Budgeted Amounts</u> |                 |                    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|-------------------------|-----------------|--------------------|---|
|   | <u>Original</u>         | <u>Final</u>    | <u>Actual</u>      |   |
| <b>Revenues</b>                                     |                         |                 |                    |   |
| Municipal Income Taxes                              | \$1,656,126             | \$960,000       | \$960,000          | \$0   |
| Intergovernmental                                   | 4,188,519               | 2,508,845       | 2,427,942          | (80,903)  |
| Special Assessments                                 | 25,187                  | 14,000          | 14,600             | 600   |
| Interest  | 39,369                  | 9,000           | 22,821             | 13,821  |
| Miscellaneous                                       | 27,644                  | 90,000          | 16,024             | (73,976)  |
| <i>Total Revenues</i>                               | 5,936,845               | 3,581,845       | 3,441,387          | (140,458)   |
| <b>Expenditures</b>                                 |                         |                 |                    |   |
| Capital Outlay:                                     |                         |                 |                    |   |
| Capital Outlay                                      | 5,120,294               | 4,420,294       | 2,834,548          | 1,585,746   |
| <i>Excess of Revenues Over (Under) Expenditures</i> | 816,551                 | (838,449)       | 606,839            | 1,445,288   |
| <b>Other Financing Uses</b>                         |                         |                 |                    |   |
| Transfers Out                                       | (342,380)               | (342,380)       | (342,380)          | 0   |
| <i>Net Change in Fund Balance</i>                   | 474,171                 | (1,180,829)     | 264,459            | 1,445,288   |
| <i>Fund Balance Beginning of Year</i>               | 53,807                  | 53,807          | 53,807             | 0   |
| Prior Year Encumbrances Appropriated                | 1,141,961               | 1,141,961       | 1,141,961          | 0   |
| <i>Fund Balance End of Year</i>                     | <u>\$1,669,939</u>      | <u>\$14,939</u> | <u>\$1,460,227</u> | <u>\$1,445,288</u>                                      |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Buildings and Improvements Fund  
For the Year Ended December 31, 2016*

|  | <u>Budgeted Amounts</u> |                    |                    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|-------------------------|--------------------|--------------------|---|
|  | <u>Original</u>         | <u>Final</u>       | <u>Actual</u>      |   |
| <b>Revenues</b>                              |                         |                    |                    |   |
| Municipal Income Taxes                       | \$1,200,000             | \$1,200,000        | \$1,200,000        | \$0   |
| Intergovernmental                            | 0                       | 13,500             | 13,500             | 0   |
| Interest                                     | 10,000                  | 10,000             | 7,033              | (2,967)   |
| Miscellaneous                                | 0                       | 0                  | 280                | 280   |
| <i>Total Revenues</i>                        | <u>1,210,000</u>        | <u>1,223,500</u>   | <u>1,220,813</u>   | <u>(2,687)</u>  |
| <b>Expenditures</b>                          |                         |                    |                    |   |
| Capital Outlay:                              |                         |                    |                    |   |
| Capital Outlay                               | 1,465,968               | 1,465,968          | 896,996            | 568,972   |
| Debt Service:                                |                         |                    |                    |   |
| Principal Retirement                         | 2,000,000               | 2,000,000          | 2,000,000          | 0   |
| Interest and Fiscal Charges                  | 20,000                  | 20,000             | 19,944             | 56  |
| Total Debt Service                           | <u>2,020,000</u>        | <u>2,020,000</u>   | <u>2,019,944</u>   | <u>56</u>   |
| <i>Total Expenditures</i>                    | <u>3,485,968</u>        | <u>3,485,968</u>   | <u>2,916,940</u>   | <u>569,028</u>  |
| <i>Excess of Revenues Under Expenditures</i> | <u>(2,275,968)</u>      | <u>(2,262,468)</u> | <u>(1,696,127)</u> | <u>566,341</u>  |
| <b>Other Financing Sources (Uses)</b>        |                         |                    |                    |   |
| General Obligation Notes Issued              | 2,000,000               | 2,000,000          | 2,000,000          | 0   |
| Transfers Out                                | (425,000)               | (425,000)          | (425,000)          | 0   |
| <i>Total Other Financing Sources (Uses)</i>  | <u>1,575,000</u>        | <u>1,575,000</u>   | <u>1,575,000</u>   | <u>0</u>  |
| <i>Net Change in Fund Balance</i>            | (700,968)               | (687,468)          | (121,127)          | 566,341   |
| <i>Fund Balance Beginning of Year</i>        | 91,052                  | 91,052             | 91,052             | 0   |
| Prior Year Encumbrances Appropriated         | 735,968                 | 735,968            | 735,968            | 0   |
| <i>Fund Balance End of Year</i>              | <u>\$126,052</u>        | <u>\$139,552</u>   | <u>\$705,893</u>   | <u>\$566,341</u>  |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Road Improvements Fund*  
*For the Year Ended December 31, 2016*

|                                       | <u>Budgeted Amounts</u> |                        |                         | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|-------------------------|------------------------|-------------------------|---|
|                                       | <u>Original</u>         | <u>Final</u>           | <u>Actual</u>           |   |
| <b>Revenues</b>                       |                         |                        |                         |   |
| Municipal Income Taxes                | \$360,000               | \$360,000              | \$360,000               | \$0   |
| Interest                              | 2,500                   | 2,500                  | 2,628                   | 128   |
| <i>Total Revenues</i>                 | <u>362,500</u>          | <u>362,500</u>         | <u>362,628</u>          | <u>128</u>  |
| <b>Expenditures</b>                   |                         |                        |                         |   |
| Capital Outlay:                       |                         |                        |                         |   |
| Road Repaving:                        |                         |                        |                         |   |
| Contractual Services                  | 3,953                   | 3,953                  | 2,967                   | 986   |
| Purchased Services                    | 443,047                 | 443,047                | 298,914                 | 144,133   |
| <i>Total Expenditures</i>             | <u>447,000</u>          | <u>447,000</u>         | <u>301,881</u>          | <u>145,119</u>  |
| <i>Net Change in Fund Balance</i>     | (84,500)                | (84,500)               | 60,747                  | 145,247   |
| <i>Fund Balance Beginning of Year</i> | 83,431                  | 83,431                 | 83,431                  | 0   |
| Prior Year Encumbrances Appropriated  | 47,000                  | 47,000                 | 47,000                  | 0   |
| <i>Fund Balance End of Year</i>       | <u><u>\$45,931</u></u>  | <u><u>\$45,931</u></u> | <u><u>\$191,178</u></u> | <u><u>\$145,247</u></u>                                 |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Motor Vehicle License Tax Fund*  
*For the Year Ended December 31, 2016*

|   | <u>Budgeted Amounts</u> |                 |                 | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|-------------------------|-----------------|-----------------|---|
|   | <u>Original</u>         | <u>Final</u>    | <u>Actual</u>   |   |
| <b>Revenues</b>                               |                         |                 |                 |   |
| Intergovernmental                             | \$36,000                | \$36,000        | \$36,702        | \$702   |
| Interest                                      | 450                     | 450             | 613             | 163   |
| <i>Total Revenues</i>                         | 36,450                  | 36,450          | 37,315          | 865   |
| <b>Expenditures</b>                           |                         |                 |                 |   |
| Current:                                      |                         |                 |                 |   |
| Street Construction, Maintenance, and Repair: |                         |                 |                 |   |
| Street Repair and Maintenance:                |                         |                 |                 |   |
| Capital Outlay                                | 70,000                  | 70,000          | 70,000          | 0   |
| <i>Net Change in Fund Balance</i>             | (33,550)                | (33,550)        | (32,685)        | 865   |
| <i>Fund Balance Beginning of Year</i>         | 46,645                  | 46,645          | 46,645          | 0   |
| <i>Fund Balance End of Year</i>               | <u>\$13,095</u>         | <u>\$13,095</u> | <u>\$13,960</u> | <u>\$865</u>  |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Repair and Maintenance Fund*  
*For the Year Ended December 31, 2016*

|   | <u>Budgeted Amounts</u> |                  |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|-------------------------|------------------|------------------|---|
|   | <u>Original</u>         | <u>Final</u>     | <u>Actual</u>    |   |
| <b>Revenues</b>                               |                         |                  |                  |   |
| Intergovernmental                             | \$562,000               | \$584,000        | \$595,502        | \$11,502  |
| Interest                                      | 1,956                   | 1,956            | 3,832            | 1,876   |
| <i>Total Revenues</i>                         | 563,956                 | 585,956          | 599,334          | 13,378  |
| <b>Expenditures</b>                           |                         |                  |                  |   |
| Current:                                      |                         |                  |                  |   |
| Street Construction, Maintenance, and Repair: |                         |                  |                  |   |
| Snow and Ice Removal:                         |                         |                  |                  |   |
| Purchased Services                            | 638,000                 | 688,000          | 679,004          | 8,996   |
| <i>Net Change in Fund Balance</i>             | (74,044)                | (102,044)        | (79,670)         | 22,374  |
| <i>Fund Balance Beginning of Year</i>         | 276,492                 | 276,492          | 276,492          | 0   |
| Prior Year Encumbrances Appropriated          | 3,000                   | 3,000            | 3,000            | 0   |
| <i>Fund Balance End of Year</i>               | <u>\$205,448</u>        | <u>\$177,448</u> | <u>\$199,822</u> | <u>\$22,374</u>   |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*State Highway Fund*  
*For the Year Ended December 31, 2016*

|   | <u>Budgeted Amounts</u> |                        |                        | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|-------------------------|------------------------|------------------------|---|
|   | <u>Original</u>         | <u>Final</u>           | <u>Actual</u>          |   |
| <b>Revenues</b>                               |                         |                        |                        |   |
| Intergovernmental                             | \$44,500                | \$46,700               | \$48,284               | \$1,584   |
| Interest                                      | 379                     | 379                    | 787                    | 408   |
| <i>Total Revenues</i>                         | <u>44,879</u>           | <u>47,079</u>          | <u>49,071</u>          | <u>1,992</u>  |
| <b>Expenditures</b>                           |                         |                        |                        |   |
| Current:                                      |                         |                        |                        |   |
| Street Construction, Maintenance, and Repair: |                         |                        |                        |   |
| Route 21 Center Strip:                        |                         |                        |                        |   |
| Salaries and Wages                            | 5,750                   | 5,750                  | 0                      | 5,750   |
| Fringe Benefits                               | 800                     | 800                    | 0                      | 800   |
| Purchased Services                            | 50,000                  | 50,000                 | 40,000                 | 10,000  |
| <i>Total Expenditures</i>                     | <u>56,550</u>           | <u>56,550</u>          | <u>40,000</u>          | <u>16,550</u>   |
| <i>Net Change in Fund Balance</i>             | (11,671)                | (9,471)                | 9,071                  | 18,542  |
| <i>Fund Balance Beginning of Year</i>         | <u>44,648</u>           | <u>44,648</u>          | <u>44,648</u>          | <u>0</u>  |
| <i>Fund Balance End of Year</i>               | <u><u>\$32,977</u></u>  | <u><u>\$35,177</u></u> | <u><u>\$53,719</u></u> | <u><u>\$18,542</u></u>                                  |



**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Community Center Fund*  
*For the Year Ended December 31, 2016*

|   | Budgeted Amounts   |                    |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|--------------------|--------------------|------------------|---|
|   | Original           | Final              | Actual           |   |
| <b>Revenues</b>                                   |                    |                    |                  |   |
| Charges for Services                              | \$886,275          | \$900,200          | \$1,014,813      | \$114,613   |
| Interest  | 4,228              | 2,500              | 4,841            | 2,341   |
| Donations   | 9,470              | 5,500              | 10,844           | 5,344   |
| Rentals   | 51,708             | 59,250             | 59,207           | (43)  |
| Miscellaneous                                     | 21,524             | 17,800             | 19,545           | 1,745   |
| <i>Total Revenues</i>                             | <u>973,205</u>     | <u>985,250</u>     | <u>1,109,250</u> | <u>124,000</u>  |
| <b>Expenditures</b>                               |                    |                    |                  |   |
| Current:  |                    |                    |                  |   |
| Recreational Activities:                          |                    |                    |                  |   |
| Community Center:                                 |                    |                    |                  |   |
| Salaries and Wages                                | 936,918            | 936,918            | 895,761          | 41,157  |
| Fringe Benefits                                   | 333,860            | 333,860            | 311,260          | 22,600  |
| Contractual Services                              | 210,769            | 215,350            | 188,903          | 26,447  |
| Materials and Supplies                            | 130,151            | 155,892            | 114,661          | 41,231  |
| Purchased Services                                | 318,751            | 326,571            | 294,776          | 31,795  |
| Capital Outlay                                    | 33,500             | 0                  | 0                | 0   |
| Other   | 29,446             | 27,304             | 27,304           | 0   |
| <i>Total Expenditures</i>                         | <u>1,993,395</u>   | <u>1,995,895</u>   | <u>1,832,665</u> | <u>163,230</u>  |
| <i>Excess of Revenues Over Under Expenditures</i> | <u>(1,020,190)</u> | <u>(1,010,645)</u> | <u>(723,415)</u> | <u>287,230</u>  |
| <b>Other Financing Sources</b>                    |                    |                    |                  |   |
| Sale of Capital Assets                            | 0                  | 0                  | 1,231            | 1,231   |
| Transfers In                                      | 830,000            | 830,000            | 830,000          | 0   |
| <i>Total Other Financing Sources</i>              | <u>830,000</u>     | <u>830,000</u>     | <u>831,231</u>   | <u>1,231</u>  |
| <i>Net Change in Fund Balance</i>                 | (190,190)          | (180,645)          | 107,816          | 288,461   |
| <i>Fund Balance Beginning of Year</i>             | 173,480            | 173,480            | 173,480          | 0   |
| Prior Year Encumbrances Appropriated              | 21,517             | 21,517             | 21,517           | 0   |
| <i>Fund Balance End of Year</i>                   | <u>\$4,807</u>     | <u>\$14,352</u>    | <u>\$302,813</u> | <u>\$288,461</u>  |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Road Maintenance Fund*  
*For the Year Ended December 31, 2016*

|   | <u>Budgeted Amounts</u> |                  |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|-------------------------|------------------|------------------|---|
|   | <u>Original</u>         | <u>Final</u>     | <u>Actual</u>    |   |
| <b>Revenues</b>                                     |                         |                  |                  |   |
| Property Taxes                                      | \$523,054               | \$523,054        | \$523,071        | \$17  |
| Intergovernmental                                   | 33,484                  | 66,784           | 66,413           | (371)   |
| Interest  | 2,266                   | 2,266            | 4,324            | 2,058   |
| Miscellaneous                                       | 0                       | 0                | 28,309           | 28,309  |
| <i>Total Revenues</i>                               | <u>558,804</u>          | <u>592,104</u>   | <u>622,117</u>   | <u>30,013</u>   |
| <b>Expenditures</b>                                 |                         |                  |                  |   |
| Current:  |                         |                  |                  |   |
| Street Construction, Maintenance, and Repair:       |                         |                  |                  |   |
| Street Repair and Maintenance:                      |                         |                  |                  |   |
| Contractual Services                                | 0                       | 204              | 204              | 0   |
| Purchased Services                                  | 500                     | 296              | 20,965           | (20,669)  |
| Capital Outlay                                      | 600,000                 | 600,000          | 578,156          | 21,844  |
| <i>Total Expenditures</i>                           | <u>600,500</u>          | <u>600,500</u>   | <u>599,325</u>   | <u>1,175</u>  |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (41,696)                | (8,396)          | 22,792           | 31,188  |
| <b>Other Financing Uses</b>                         |                         |                  |                  |   |
| Transfers Out                                       | (17,090)                | (17,090)         | (17,090)         | 0   |
| <i>Net Change in Fund Balance</i>                   | (58,786)                | (25,486)         | 5,702            | 31,188  |
| <i>Fund Balance Beginning of Year</i>               | <u>150,016</u>          | <u>150,016</u>   | <u>150,016</u>   | <u>0</u>  |
| <i>Fund Balance End of Year</i>                     | <u>\$91,230</u>         | <u>\$124,530</u> | <u>\$155,718</u> | <u>\$31,188</u>   |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Federal Equitable Sharing Fund*  
*For the Year Ended December 31, 2016*

|                                       | <u>Budgeted Amounts</u> |                |                 | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|-------------------------|----------------|-----------------|---|
|                                       | <u>Original</u>         | <u>Final</u>   | <u>Actual</u>   |   |
| <b>Revenues</b>                       |                         |                |                 |   |
| Interest                              | \$2,200                 | \$200          | \$224           | \$24  |
| <b>Expenditures</b>                   |                         |                |                 |   |
| Current:                              |                         |                |                 |   |
| General Government:                   |                         |                |                 |   |
| Legislative and Executive:            |                         |                |                 |   |
| Federal Equitable Sharing             |                         |                |                 |   |
| Materials and Supplies                | 15,000                  | 15,000         | 0               | 15,000  |
| <i>Net Change in Fund Balance</i>     | (12,800)                | (14,800)       | 224             | 15,024  |
| <i>Fund Balance Beginning of Year</i> | 17,734                  | 17,734         | 17,734          | 0   |
| <i>Fund Balance End of Year</i>       | <u>\$4,934</u>          | <u>\$2,934</u> | <u>\$17,958</u> | <u>\$15,024</u>   |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Indigent Drivers Fund*  
*For the Year Ended December 31, 2016*

|                                       | <u>Budgeted Amounts</u> |                       |                        | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|-------------------------|-----------------------|------------------------|---|
|                                       | <u>Original</u>         | <u>Final</u>          | <u>Actual</u>          |   |
| <b>Revenues</b>                       |                         |                       |                        |   |
| Fines and Forfeitures                 | \$600                   | \$600                 | \$500                  | (\$100)   |
| Interest                              | 200                     | 200                   | 288                    | 88  |
| <i>Total Revenues</i>                 | <u>800</u>              | <u>800</u>            | <u>788</u>             | <u>(12)</u>   |
| <b>Expenditures</b>                   |                         |                       |                        |   |
| Current:                              |                         |                       |                        |   |
| Public Safety:                        |                         |                       |                        |   |
| Police:                               |                         |                       |                        |   |
| Contractual Services                  | 1,000                   | 1,000                 | 15                     | 985   |
| Materials and Supplies                | 15,000                  | 15,000                | 0                      | 15,000  |
| <i>Total Expenditures</i>             | <u>16,000</u>           | <u>16,000</u>         | <u>15</u>              | <u>15,985</u>   |
| <i>Net Change in Fund Balance</i>     | (15,200)                | (15,200)              | 773                    | 15,973  |
| <i>Fund Balance Beginning of Year</i> | <u>22,506</u>           | <u>22,506</u>         | <u>22,506</u>          | <u>0</u>  |
| <i>Fund Balance End of Year</i>       | <u><u>\$7,306</u></u>   | <u><u>\$7,306</u></u> | <u><u>\$23,279</u></u> | <u><u>\$15,973</u></u>                                  |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Indigent Drivers Interlock Fund*  
*For the Year Ended December 31, 2016*

|                                       | <u>Budgeted Amounts</u> |                |                | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|-------------------------|----------------|----------------|---|
|                                       | <u>Original</u>         | <u>Final</u>   | <u>Actual</u>  |   |
| <b>Revenues</b>                       |                         |                |                |   |
| Interest                              | \$60                    | \$60           | \$71           | \$11  |
| <b>Expenditures</b>                   |                         |                |                |   |
| Current:                              |                         |                |                |   |
| Public Safety:                        |                         |                |                |   |
| Police:                               |                         |                |                |   |
| Materials and Supplies                | 4,000                   | 4,000          | 0              | 4,000   |
| <i>Net Change in Fund Balance</i>     | (3,940)                 | (3,940)        | 71             | 4,011   |
| <i>Fund Balance Beginning of Year</i> | 5,580                   | 5,580          | 5,580          | 0   |
| <i>Fund Balance End of Year</i>       | <u>\$1,640</u>          | <u>\$1,640</u> | <u>\$5,651</u> | <u>\$4,011</u>  |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Enforcement and Education Fund*  
*For the Year Ended December 31, 2016*

|                                       | <u>Budgeted Amounts</u> |                 |                 | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|-------------------------|-----------------|-----------------|---|
|                                       | <u>Original</u>         | <u>Final</u>    | <u>Actual</u>   |   |
| <b>Revenues</b>                       |                         |                 |                 |   |
| Fines and Forfeitures                 | \$1,000                 | \$1,000         | \$774           | (\$226)   |
| Intergovernmental                     | 2,400                   | 4,400           | 4,480           | 80  |
| Interest                              | 595                     | 595             | 430             | (165)   |
| <i>Total Revenues</i>                 | <u>3,995</u>            | <u>5,995</u>    | <u>5,684</u>    | <u>(311)</u>  |
| <b>Expenditures</b>                   |                         |                 |                 |   |
| Current:                              |                         |                 |                 |   |
| Public Safety:                        |                         |                 |                 |   |
| Police:                               |                         |                 |                 |   |
| Salaries and Wages                    | 2,250                   | 2,779           | 2,646           | 133   |
| Fringe Benefits                       | 312                     | 483             | 483             | 0   |
| Materials and Supplies                | 16,500                  | 16,500          | 0               | 16,500  |
| Purchased Services                    | 5,396                   | 5,396           | 1,143           | 4,253   |
| <i>Total Expenditures</i>             | <u>24,458</u>           | <u>25,158</u>   | <u>4,272</u>    | <u>20,886</u>   |
| <i>Net Change in Fund Balance</i>     | (20,463)                | (19,163)        | 1,412           | 20,575  |
| <i>Fund Balance Beginning of Year</i> | 33,733                  | 33,733          | 33,733          | 0   |
| Prior Year Encumbrances Appropriated  | 48                      | 48              | 48              | 0   |
| <i>Fund Balance End of Year</i>       | <u>\$13,318</u>         | <u>\$14,618</u> | <u>\$35,193</u> | <u>\$20,575</u>   |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Court Computerization Fund  
For the Year Ended December 31, 2016*

|                                       | <u>Budgeted Amounts</u> |                  |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|-------------------------|------------------|------------------|---|
|                                       | <u>Original</u>         | <u>Final</u>     | <u>Actual</u>    |   |
| <b>Revenues</b>                       |                         |                  |                  |   |
| Fines and Forfeitures                 | \$13,000                | \$13,000         | \$12,906         | (\$94)  |
| Interest                              | 1,851                   | 1,851            | 1,958            | 107   |
| <i>Total Revenues</i>                 | 14,851                  | 14,851           | 14,864           | 13  |
| <b>Expenditures</b>                   |                         |                  |                  |   |
| Current:                              |                         |                  |                  |   |
| General Government:                   |                         |                  |                  |   |
| Judicial:                             |                         |                  |                  |   |
| Court Computerization:                |                         |                  |                  |   |
| Materials and Supplies                | 65,000                  | 65,000           | 2,549            | 62,451  |
| <i>Net Change in Fund Balance</i>     | (50,149)                | (50,149)         | 12,315           | 62,464  |
| <i>Fund Balance Beginning of Year</i> | 150,372                 | 150,372          | 150,372          | 0   |
| <i>Fund Balance End of Year</i>       | <u>\$100,223</u>        | <u>\$100,223</u> | <u>\$162,687</u> | <u>\$62,464</u>   |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Natureworks Grants Fund*  
*For the Year Ended December 31, 2016*

|                                       | Budgeted Amounts |            |              | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|------------------|------------|--------------|---|
|                                       | Original         | Final      | Actual       |   |
| <b>Revenues</b>                       | \$0              | \$0        | \$0          | \$0   |
| <b>Expenditures</b>                   |                  |            |              |   |
| Current:                              |                  |            |              |   |
| Recreation:                           |                  |            |              |   |
| Natureworks Grant:                    |                  |            |              |   |
| Capital Outlay                        | 949              | 949        | 0            | 949   |
| <i>Net Change in Fund Balance</i>     | (949)            | (949)      | 0            | 949   |
| <i>Fund Balance Beginning of Year</i> | 950              | 950        | 950          | 0   |
| <i>Fund Balance End of Year</i>       | <u>\$1</u>       | <u>\$1</u> | <u>\$950</u> | <u>\$949</u>  |



**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recycling Demo Fund*  
*For the Year Ended December 31, 2016*

|                                       | <u>Budgeted Amounts</u> |                 |                 | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|-------------------------|-----------------|-----------------|---|
|                                       | <u>Original</u>         | <u>Final</u>    | <u>Actual</u>   |   |
| <b>Revenues</b>                       |                         |                 |                 |   |
| Intergovernmental                     | \$5,000                 | \$12,500        | \$29,625        | \$17,125  |
| Interest                              | 31                      | 31              | 138             | 107   |
| <i>Total Revenues</i>                 | 5,031                   | 12,531          | 29,763          | 17,232  |
| <b>Expenditures</b>                   |                         |                 |                 |   |
| Current:                              |                         |                 |                 |   |
| Basic Utility Services:               |                         |                 |                 |   |
| Rubbish Recycling:                    |                         |                 |                 |   |
| Materials and Supplies                | 6,000                   | 6,500           | 6,500           | 0   |
| <i>Net Change in Fund Balance</i>     | (969)                   | 6,031           | 23,263          | 17,232  |
| <i>Fund Balance Beginning of Year</i> | 6,334                   | 6,334           | 6,334           | 0   |
| <i>Fund Balance End of Year</i>       | <u>\$5,365</u>          | <u>\$12,365</u> | <u>\$29,597</u> | <u>\$17,232</u>   |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Tree Planting Grants Fund*  
*For the Year Ended December 31, 2016*

|                                       | Budgeted Amounts |          |           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|------------------|----------|-----------|---|
|                                       | Original         | Final    | Actual    |   |
| <b>Revenues</b>                       |                  |          |           |   |
| Licenses and Permits                  | \$32,000         | \$41,000 | \$20,350  | (\$20,650)  |
| <b>Expenditures</b>                   |                  |          |           |   |
| Current:                              |                  |          |           |   |
| Housing and Community Development:    |                  |          |           |   |
| Tree Planning:                        |                  |          |           |   |
| Salaries and Wages                    | 27,000           | 27,000   | 0         | 27,000  |
| Fringe Benefits                       | 4,590            | 4,590    | 0         | 4,590   |
| Contractual Services                  | 33,720           | 53,267   | 32,787    | 20,480  |
| Materials and Supplies                | 25,000           | 25,000   | 9,446     | 15,554  |
| Other                                 | 500              | 1,500    | 0         | 1,500   |
| <i>Total Expenditures</i>             | 90,810           | 111,357  | 42,233    | 69,124  |
| <i>Net Change in Fund Balance</i>     | (58,810)         | (70,357) | (21,883)  | 48,474  |
| <i>Fund Balance Beginning of Year</i> | 149,067          | 149,067  | 149,067   | 0   |
| Prior Year Encumbrances Appropriated  | 1,720            | 1,720    | 1,720     | 0   |
| <i>Fund Balance End of Year</i>       | \$91,977         | \$80,430 | \$128,904 | \$48,474  |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Law Enforcement Fund*  
*For the Year Ended December 31, 2016*

|                                       | <u>Budgeted Amounts</u> |                 |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|-------------------------|-----------------|------------------|---|
|                                       | <u>Original</u>         | <u>Final</u>    | <u>Actual</u>    |   |
| <b>Revenues</b>                       |                         |                 |                  |   |
| Fines and Forfeitures                 | \$1,500                 | \$4,200         | \$4,513          | \$313   |
| Interest                              | 1,323                   | 1,323           | 1,287            | (36)  |
| <i>Total Revenues</i>                 | 2,823                   | 5,523           | 5,800            | 277   |
| <b>Expenditures</b>                   |                         |                 |                  |   |
| Current:                              |                         |                 |                  |   |
| Public Safety:                        |                         |                 |                  |   |
| Police:                               |                         |                 |                  |   |
| Materials and Supplies                | 50,000                  | 50,000          | 9,190            | 40,810  |
| <i>Net Change in Fund Balance</i>     | (47,177)                | (44,477)        | (3,390)          | 41,087  |
| <i>Fund Balance Beginning of Year</i> | 105,526                 | 105,526         | 105,526          | 0   |
| <i>Fund Balance End of Year</i>       | <u>\$58,349</u>         | <u>\$61,049</u> | <u>\$102,136</u> | <u>\$41,087</u>   |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Law Enforcement Mandatory Drug Fund*  
*For the Year Ended December 31, 2016*

|                                       | Budgeted Amounts |                 |                 | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|------------------|-----------------|-----------------|---|
|                                       | Original         | Final           | Actual          |   |
| <b>Revenues</b>                       |                  |                 |                 |   |
| Fines and Forfeitures                 | \$500            | \$500           | \$0             | (\$500)   |
| Interest                              | 450              | 450             | 500             | 50  |
| <i>Total Revenues</i>                 | 950              | 950             | 500             | (450)   |
| <b>Expenditures</b>                   |                  |                 |                 |   |
| Current:                              |                  |                 |                 |   |
| Public Safety:                        |                  |                 |                 |   |
| Police:                               |                  |                 |                 |   |
| Materials and Supplies                | 25,000           | 25,000          | 1,989           | 23,011  |
| <i>Net Change in Fund Balance</i>     | (24,050)         | (24,050)        | (1,489)         | 22,561  |
| <i>Fund Balance Beginning of Year</i> | 40,646           | 40,646          | 40,646          | 0   |
| <i>Fund Balance End of Year</i>       | <u>\$16,596</u>  | <u>\$16,596</u> | <u>\$39,157</u> | <u>\$22,561</u>   |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Vehicle Immobilization Fund*  
*For the Year Ended December 31, 2016*

|                                       | <u>Budgeted Amounts</u> |                        |                        | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|-------------------------|------------------------|------------------------|---|
|                                       | <u>Original</u>         | <u>Final</u>           | <u>Actual</u>          |   |
| <b>Revenues</b>                       |                         |                        |                        |   |
| Fines and Forfeitures                 | \$1,500                 | \$1,500                | \$1,015                | (\$485)   |
| Interest                              | 500                     | 500                    | 765                    | 265   |
| <i>Total Revenues</i>                 | <u>2,000</u>            | <u>2,000</u>           | <u>1,780</u>           | <u>(220)</u>  |
| <b>Expenditures</b>                   |                         |                        |                        |   |
| Current:                              |                         |                        |                        |   |
| Public Safety:                        |                         |                        |                        |   |
| Police:                               |                         |                        |                        |   |
| Materials and Supplies                | 20,000                  | 20,000                 | 0                      | 20,000  |
| Purchased Services                    | 5,000                   | 5,000                  | 0                      | 5,000   |
| <i>Total Expenditures</i>             | <u>25,000</u>           | <u>25,000</u>          | <u>0</u>               | <u>25,000</u>   |
| <i>Net Change in Fund Balance</i>     | (23,000)                | (23,000)               | 1,780                  | 24,780  |
| <i>Fund Balance Beginning of Year</i> | <u>60,016</u>           | <u>60,016</u>          | <u>60,016</u>          | <u>0</u>  |
| <i>Fund Balance End of Year</i>       | <u><u>\$37,016</u></u>  | <u><u>\$37,016</u></u> | <u><u>\$61,796</u></u> | <u><u>\$24,780</u></u>                                  |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police Pension Fund*  
*For the Year Ended December 31, 2016*

|                                       | <u>Budgeted Amounts</u> |                         |                         | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|-------------------------|-------------------------|-------------------------|---|
|                                       | <u>Original</u>         | <u>Final</u>            | <u>Actual</u>           |   |
| <b>Revenues</b>                       |                         |                         |                         |   |
| Property Taxes                        | \$146,927               | \$156,927               | \$156,927               | \$0   |
| Intergovernmental                     | 20,035                  | 20,035                  | 19,924                  | (111)   |
| <i>Total Revenues</i>                 | <u>166,962</u>          | <u>176,962</u>          | <u>176,851</u>          | <u>(111)</u>  |
| <b>Expenditures</b>                   |                         |                         |                         |   |
| Current:                              |                         |                         |                         |   |
| Public Safety:                        |                         |                         |                         |   |
| Police:                               |                         |                         |                         |   |
| Fringe Benefits                       | 140,000                 | 140,000                 | 140,000                 | 0   |
| Contractual Services                  | 300                     | 300                     | 123                     | 177   |
| <i>Total Expenditures</i>             | <u>140,300</u>          | <u>140,300</u>          | <u>140,123</u>          | <u>177</u>  |
| <i>Net Change in Fund Balance</i>     | 26,662                  | 36,662                  | 36,728                  | 66  |
| <i>Fund Balance Beginning of Year</i> | <u>217,364</u>          | <u>217,364</u>          | <u>217,364</u>          | <u>0</u>  |
| <i>Fund Balance End of Year</i>       | <u><u>\$244,026</u></u> | <u><u>\$254,026</u></u> | <u><u>\$254,092</u></u> | <u><u>\$66</u></u>                                      |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Memorial Fund*  
*For the Year Ended December 31, 2016*

|                                       | <u>Budgeted Amounts</u> |                     |                       | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|-------------------------|---------------------|-----------------------|---|
|                                       | <u>Original</u>         | <u>Final</u>        | <u>Actual</u>         |   |
| <b>Revenues</b>                       | \$0                     | \$0                 | \$0                   | \$0   |
| <b>Expenditures</b>                   |                         |                     |                       |   |
| Current:                              |                         |                     |                       |   |
| General Government:                   |                         |                     |                       |   |
| Legislative and Executive:            |                         |                     |                       |   |
| Memorials:                            |                         |                     |                       |   |
| Purchased Services                    | <u>2,500</u>            | <u>2,500</u>        | <u>1,000</u>          | <u>1,500</u>  |
| <i>Net Change in Fund Balance</i>     | (2,500)                 | (2,500)             | (1,000)               | 1,500   |
| <i>Fund Balance Beginning of Year</i> | <u>2,946</u>            | <u>2,946</u>        | <u>2,946</u>          | <u>0</u>  |
| <i>Fund Balance End of Year</i>       | <u><u>\$446</u></u>     | <u><u>\$446</u></u> | <u><u>\$1,946</u></u> | <u><u>\$1,500</u></u>                                   |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Peace Officer Training Fund*  
*For the Year Ended December 31, 2016*

|                                       | Budgeted Amounts |                | Actual         | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|------------------|----------------|----------------|---|
|                                       | Original         | Final          |                |   |
| <b>Revenues</b>                       |                  |                |                |   |
| Intergovernmental                     | \$2,400          | \$2,400        | \$2,400        | \$0   |
| <b>Expenditures</b>                   |                  |                |                |   |
| Current:                              |                  |                |                |   |
| Public Safety:                        |                  |                |                |   |
| Police:                               |                  |                |                |   |
| Purchased Services                    | 2,400            | 2,400          | 1,750          | 650   |
| <i>Net Change in Fund Balance</i>     | 0                | 0              | 650            | 650   |
| <i>Fund Balance Beginning of Year</i> | 2,400            | 2,400          | 2,400          | 0   |
| <i>Fund Balance End of Year</i>       | <u>\$2,400</u>   | <u>\$2,400</u> | <u>\$3,050</u> | <u>\$650</u>  |



**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Obligation Bond Retirement Fund  
For the Year Ended December 31, 2016*

|  | <u>Budgeted Amounts</u> |                         |                         | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|-------------------------|-------------------------|-------------------------|---|
|  | <u>Original</u>         | <u>Final</u>            | <u>Actual</u>           |   |
| <b>Revenues</b>                              | \$0                     | \$0                     | \$0                     | \$0   |
| <b>Expenditures</b>                          |                         |                         |                         |   |
| Current:                                     |                         |                         |                         |   |
| Debt Service:                                |                         |                         |                         |   |
| Principal Retirement                         | 595,000                 | 595,000                 | 585,000                 | 10,000  |
| Interest and Fiscal Charges                  | 171,215                 | 171,215                 | 132,165                 | 39,050  |
| <i>Total Expenditures</i>                    | <u>766,215</u>          | <u>766,215</u>          | <u>717,165</u>          | <u>49,050</u>   |
| <i>Excess of Revenues Under Expenditures</i> | <u>(766,215)</u>        | <u>(766,215)</u>        | <u>(717,165)</u>        | <u>49,050</u>   |
| <b>Other Financing Sources</b>               |                         |                         |                         |   |
| Premium on Issuance of Notes                 | 0                       | 0                       | 917                     | 917   |
| Transfers In                                 | 725,000                 | 725,000                 | 725,000                 | 0   |
| <i>Total Other Financing Sources</i>         | <u>725,000</u>          | <u>725,000</u>          | <u>725,917</u>          | <u>917</u>  |
| <i>Net Change in Fund Balance</i>            | (41,215)                | (41,215)                | 8,752                   | 49,967  |
| <i>Fund Balance Beginning of Year</i>        | <u>168,450</u>          | <u>168,450</u>          | <u>168,450</u>          | <u>0</u>  |
| <i>Fund Balance End of Year</i>              | <u><u>\$127,235</u></u> | <u><u>\$127,235</u></u> | <u><u>\$177,202</u></u> | <u><u>\$49,967</u></u>                                  |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Issue II Fund*  
*For the Year Ended December 31, 2016*

|  | Budgeted Amounts |           | Actual    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------|-----------|-----------|---|
|  | Original         | Final     |           |   |
| <b>Revenues</b>                              |                  |           |           |   |
| Interest                                     | \$550            | \$5,550   | \$3,111   | (\$2,439)   |
| <b>Expenditures</b>                          |                  |           |           |   |
| Capital Outlay:                              |                  |           |           |   |
| Contractual Services                         | 5,000            | 5,000     | 0         | 5,000   |
| Capital Outlay                               | 200,004          | 200,004   | 4         | 200,000   |
| Total Capital Outlay                         | 205,004          | 205,004   | 4         | 205,000   |
| Debt Service:                                |                  |           |           |   |
| Principal Retirement                         | 59,466           | 59,466    | 59,465    | 1   |
| <i>Total Expenditures</i>                    | 264,470          | 264,470   | 59,469    | 205,001   |
| <i>Excess of Revenues Under Expenditures</i> | (263,920)        | (258,920) | (56,358)  | 202,562   |
| <b>Other Financing Sources</b>               |                  |           |           |   |
| Transfers In                                 | 59,470           | 59,470    | 59,470    | 0   |
| <i>Net Change in Fund Balance</i>            | (204,450)        | (199,450) | 3,112     | 202,562   |
| <i>Fund Balance Beginning of Year</i>        | 213,823          | 213,823   | 213,823   | 0   |
| <i>Fund Balance End of Year</i>              | \$9,373          | \$14,373  | \$216,935 | \$202,562   |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recreation Expansion Fund*  
*For the Year Ended December 31, 2016*

|                                       | Budgeted Amounts |          | Actual   | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|------------------|----------|----------|---|
|                                       | Original         | Final    |          |   |
| <b>Revenues</b>                       |                  |          |          |   |
| Licenses and Permits                  | \$45,000         | \$69,000 | \$76,572 | \$7,572   |
| Interest                              | 640              | 640      | 1,122    | 482   |
| <i>Total Revenues</i>                 | 45,640           | 69,640   | 77,694   | 8,054   |
| <b>Expenditures</b>                   |                  |          |          |   |
| Capital Outlay:                       |                  |          |          |   |
| Materials and Supplies                | 35,324           | 46,422   | 26,902   | 19,520  |
| Capital Outlay                        | 54,368           | 66,510   | 34,853   | 31,657  |
| Other                                 | 176              | 231      | 134      | 97  |
| <i>Total Expenditures</i>             | 89,868           | 113,163  | 61,889   | 51,274  |
| <i>Net Change in Fund Balance</i>     | (44,228)         | (43,523) | 15,805   | 59,328  |
| <i>Fund Balance Beginning of Year</i> | 67,797           | 67,797   | 67,797   | 0   |
| Prior Year Encumbrances Appropriated  | 6,368            | 6,368    | 6,368    | 0   |
| <i>Fund Balance End of Year</i>       | \$29,937         | \$30,642 | \$89,970 | \$59,328  |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recreation Facilities Expansion Fund*  
*For the Year Ended December 31, 2016*

|  | Budgeted Amounts |           |           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------|-----------|-----------|---|
|  | Original         | Final     | Actual    |   |
| <b>Revenues</b>                              | \$0              | \$0       | \$0       | \$0   |
| <b>Expenditures</b>                          |                  |           |           |   |
| Capital Outlay:                              |                  |           |           |   |
| Capital Outlay                               | 158,019          | 158,019   | 9,000     | 149,019   |
| <i>Excess of Revenues Under Expenditures</i> | (158,019)        | (158,019) | (9,000)   | 149,019   |
| <b>Other Financing Sources</b>               |                  |           |           |   |
| Transfers In                                 | 316,038          | 158,019   | 158,019   | 0   |
| <i>Net Change in Fund Balance</i>            | 158,019          | 0         | 149,019   | 149,019   |
| <i>Fund Balance Beginning of Year</i>        | 0                | 0         | 0         | 0   |
| <i>Fund Balance End of Year</i>              | \$158,019        | \$0       | \$149,019 | \$149,019   |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Police Station Building Fund  
For the Year Ended December 31, 2016*

|  | <u>Budgeted Amounts</u> |                        |                         | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|-------------------------|------------------------|-------------------------|---|
|  | <u>Original</u>         | <u>Final</u>           | <u>Actual</u>           |   |
| <b>Revenues</b>                              | \$0                     | \$0                    | \$0                     | \$0   |
| <b>Expenditures</b>                          |                         |                        |                         |   |
| Capital Outlay:                              |                         |                        |                         |   |
| Capital Outlay                               | <u>8,469,026</u>        | <u>696,218</u>         | <u>599,756</u>          | <u>96,462</u>   |
| <i>Excess of Revenues Under Expenditures</i> | (8,469,026)             | (696,218)              | (599,756)               | 96,462  |
| <b>Other Financing Sources</b>               |                         |                        |                         |   |
| Transfers In                                 | <u>8,000,000</u>        | <u>196,500</u>         | <u>196,500</u>          | <u>0</u>  |
| <i>Net Change in Fund Balance</i>            | (469,026)               | (499,718)              | (403,256)               | 96,462  |
| <i>Fund Balance Beginning of Year</i>        | 42,832                  | 42,832                 | 42,832                  | 0   |
| Prior Year Encumbrances Appropriated         | <u>469,026</u>          | <u>469,026</u>         | <u>469,026</u>          | <u>0</u>  |
| <i>Fund Balance End of Year</i>              | <u><u>\$42,832</u></u>  | <u><u>\$12,140</u></u> | <u><u>\$108,602</u></u> | <u><u>\$96,462</u></u>                                  |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public Utility Improvement Fund*  
*For the Year Ended December 31, 2016*

|                                       | <u>Budgeted Amounts</u> |                  |                  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|-------------------------|------------------|------------------|---|
|                                       | <u>Original</u>         | <u>Final</u>     | <u>Actual</u>    |   |
| <b>Revenues</b>                       |                         |                  |                  |   |
| Licenses and Permits                  | \$25,500                | \$33,000         | \$38,110         | \$5,110   |
| Interest                              | 531                     | 531              | 1,053            | 522   |
| <i>Total Revenues</i>                 | 26,031                  | 33,531           | 39,163           | 5,632   |
| <b>Expenditures</b>                   |                         |                  |                  |   |
| Capital Outlay:                       |                         |                  |                  |   |
| Contractual Services                  | 44,500                  | 44,500           | 12,370           | 32,130  |
| <i>Net Change in Fund Balance</i>     | (18,469)                | (10,969)         | 26,793           | 37,762  |
| <i>Fund Balance Beginning of Year</i> | 311,608                 | 311,608          | 311,608          | 0   |
| <i>Fund Balance End of Year</i>       | <u>\$293,139</u>        | <u>\$300,639</u> | <u>\$338,401</u> | <u>\$37,762</u>   |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Ambulance Capital Fund*  
*For the Year Ended December 31, 2016*

|                                       | Budgeted Amounts |           | Actual    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|------------------|-----------|-----------|---|
|                                       | Original         | Final     |           |   |
| <b>Revenues</b>                       |                  |           |           |   |
| Charges for Services                  | \$245,000        | \$287,000 | \$288,210 | \$1,210   |
| Interest                              | 11,000           | 11,000    | 11,517    | 517   |
| <i>Total Revenues</i>                 | 256,000          | 298,000   | 299,727   | 1,727   |
| <b>Expenditures</b>                   |                  |           |           |   |
| Capital Outlay:                       |                  |           |           |   |
| Contractual Services                  | 21,000           | 21,000    | 21,000    | 0   |
| Capital Outlay                        | 309,669          | 309,669   | 146,399   | 163,270   |
| <i>Total Expenditures</i>             | 330,669          | 330,669   | 167,399   | 163,270   |
| <i>Net Change in Fund Balance</i>     | (74,669)         | (32,669)  | 132,328   | 164,997   |
| <i>Fund Balance Beginning of Year</i> | 794,872          | 794,872   | 794,872   | 0   |
| Prior Year Encumbrances Appropriated  | 1,669            | 1,669     | 1,669     | 0   |
| <i>Fund Balance End of Year</i>       | \$721,872        | \$763,872 | \$928,869 | \$164,997   |

**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Self Insurance Fund*  
*For the Year Ended December 31, 2016*

|                                      | Budgeted Amounts          |                           | Actual                    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--------------------------------------|---------------------------|---------------------------|---------------------------|---|
|                                      | Original                  | Final                     |                           |   |
| <b>Revenues</b>                      |                           |                           |                           |   |
| Interest                             | \$19,000                  | \$19,000                  | \$18,430                  | (\$570)   |
| Miscellaneous                        | 99,500                    | 117,500                   | 117,561                   | 61  |
| <i>Total Revenues</i>                | <u>118,500</u>            | <u>136,500</u>            | <u>135,991</u>            | <u>(509)</u>  |
| <b>Expenses</b>                      |                           |                           |                           |   |
| Purchased Services                   | 9,000                     | 9,000                     | 6,441                     | 2,559   |
| Claims                               | 333,000                   | 333,000                   | 10,422                    | 322,578   |
| <i>Total Expenses</i>                | <u>342,000</u>            | <u>342,000</u>            | <u>16,863</u>             | <u>325,137</u>  |
| <i>Net Change in Fund Equity</i>     | (223,500)                 | (205,500)                 | 119,128                   | 324,628   |
| <i>Fund Equity Beginning of Year</i> | <u>1,408,292</u>          | <u>1,408,292</u>          | <u>1,408,292</u>          | <u>0</u>  |
| <i>Fund Equity End of Year</i>       | <u><u>\$1,184,792</u></u> | <u><u>\$1,202,792</u></u> | <u><u>\$1,527,420</u></u> | <u><u>\$324,628</u></u>                                 |



**City of Brecksville, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Cemetery Endowment Fund*  
*For the Year Ended December 31, 2016*

|                                      | Budgeted Amounts |                |                | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--------------------------------------|------------------|----------------|----------------|---|
|                                      | Original         | Final          | Actual         |   |
| <b>Revenues</b>                      |                  |                |                |   |
| Interest                             | \$20             | \$20           | \$39           | \$19  |
| <b>Expenses</b>                      |                  |                |                |   |
| Materials and Supplies               | 80               | 80             | 0              | 80  |
| <i>Net Change in Fund Equity</i>     | (60)             | (60)           | 39             | 99  |
| <i>Fund Equity Beginning of Year</i> | 3,092            | 3,092          | 3,092          | 0   |
| <i>Fund Equity End of Year</i>       | <u>\$3,032</u>   | <u>\$3,032</u> | <u>\$3,131</u> | <u>\$99</u>   |

# Congregate Meal & Adult Development



The City of Brecksville was the lead agency in a group grant project that involved five communities (Brecksville, Broadview Heights, North Royalton, Independence, and Seven Hills). The Community Social Services Program Grant (CSSP) will help provide our older adults and those with disabilities the opportunity to participate in congregate meals and adult programming. Some of the programs include health and wellness programs (including arm chair exercise classes, yoga, balance, and Tai Chi), art activities, intergenerational programs, volunteer opportunities, transportation services, adult education opportunities, health advocacy and counseling, travel programs and congregate meal programs. These programs and activities can help promote positive self-awareness.



## Technology



Health Literacy. According to 2010 United States Census, there are over 14,000 adults that are ages 65 and older in the RIBBS (North Royalton, Independence, Brecksville, Broadview Heights, and Seven Hills) community (United States Census Website, 2016). Our combined community resources will create a regional newsletter that will be distributed to older adults in the five-community region. The plan will also include a healthy-resources app for those older adults who are computer savvy. Technology classes will be held throughout the year to provide older adults the opportunity to learn how to overcome technological hurdles and increase health literacy to become their own health advocates.



## Statistical Section

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

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| <b>Contents</b>  | <b>Pages(s)</b>         |
|--|-------------------------|
| <b><i>Financial Trends</i></b> .....   | <b><i>S2 – S11</i></b>  |
| These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.  |                         |
| <b><i>Revenue Capacity</i></b> .....   | <b><i>S12 – S19</i></b> |
| These schedules contain information to help the reader assess the City's most significant local revenue, the property tax and the municipal income tax.  |                         |
| <b><i>Debt Capacity</i></b> .....  | <b><i>S20 – S23</i></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.                    |                         |
| <b><i>Economic and Demographic Information</i></b> .....   | <b><i>S24 – S25</i></b> |
| These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.   |                         |
| <b><i>Operating Information</i></b> .....  | <b><i>S26 – S31</i></b> |
| These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. |                         |

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

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

|   | 2016                | 2015                | 2014                | 2013                |
|---|---------------------|---------------------|---------------------|---------------------|
| Governmental Activities                           |                     |                     |                     |                     |
| Net Investment in Capital Assets                  | \$73,353,987        | \$69,946,323        | \$74,133,853        | \$72,417,114        |
| Restricted:                                       |                     |                     |                     |                     |
| Capital Projects                                  | 590,944             | 900,027             | 1,420,845           | 329,701             |
| Debt Service                                      | 3,474,178           | 3,973,179           | 4,415,231           | 4,805,954           |
| Community Center                                  | N/A                 | N/A                 | N/A                 | 146,894             |
| Court Computerization                             | 163,287             | 150,372             | 242,043             | 235,719             |
| Fire Department                                   | 226,751             | 148,663             | 177,816             | 238,486             |
| Police Department                                 | 549,496             | 524,703             | 480,237             | 410,660             |
| Road Maintenance                                  | 234,283             | 218,201             | 245,463             | 215,326             |
| Street Construction, Maintenance, and Repair      | 639,465             | 731,322             | 872,497             | 1,015,590           |
| Other Purposes                                    | 172,873             | 176,243             | 159,198             | 37,646              |
| Unrestricted (1)                                  | 3,808,154           | 2,295,237           | 654,223             | 16,694,528          |
| <i>Total Governmental Activities Net Position</i> | <u>\$83,213,418</u> | <u>\$79,064,270</u> | <u>\$82,801,406</u> | <u>\$96,547,618</u> |

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

| 2012                | 2011                | 2010                | 2009                | 2008                | 2007                |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$70,119,261        | \$66,408,438        | \$65,615,699        | \$63,486,515        | \$60,276,377        | \$58,749,092        |
| 232,792             | 3,045,641           | 801,922             | 1,937,585           | 5,036,864           | 5,991,605           |
| 4,901,981           | 5,840,447           | 5,713,451           | 6,445,832           | 4,407,165           | 4,811,900           |
| N/A                 | N/A                 | N/A                 | 361,444             | 538,139             | 282,524             |
| N/A                 | N/A                 | N/A                 | N/A                 | N/A                 | N/A                 |
| 99,629              | 311,661             | 424,696             | 706,135             | 514,548             | 375,265             |
| N/A                 | N/A                 | N/A                 | N/A                 | N/A                 | N/A                 |
| 345,691             | 137,076             | 402,803             | 570,816             | 589,223             | N/A                 |
| 853,116             | 725,291             | 825,033             | 1,170,024           | 927,115             | 876,258             |
| 860,505             | 1,309,947           | 788,783             | 716,987             | 734,022             | 1,296,150           |
| 15,190,625          | 9,915,091           | 10,215,534          | 6,771,495           | 8,367,960           | 8,379,624           |
| <u>\$92,603,600</u> | <u>\$87,693,592</u> | <u>\$84,787,921</u> | <u>\$82,166,833</u> | <u>\$81,391,413</u> | <u>\$80,762,418</u> |

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

|   | 2016               | 2015               | 2014               | 2013               |
|---|--------------------|--------------------|--------------------|--------------------|
| <b>Program Revenues</b>                       |                    |                    |                    |                    |
| <b>Governmental Activities:</b>               |                    |                    |                    |                    |
| Charges for Services:                         |                    |                    |                    |                    |
| General Government:                           |                    |                    |                    |                    |
| Legislative and Executive                     | \$344,701          | \$359,173          | \$354,858          | \$840,125          |
| Judicial System                               | 19,564             | 17,080             | 18,808             | 20,172             |
| Public Safety:                                |                    |                    |                    |                    |
| Police  | 227,804            | 206,834            | 333,532            | 211,069            |
| Fire  | 291,535            | 284,088            | 234,018            | 250,218            |
| Public Health and Social Services             | 49,812             | 46,217             | 44,774             | 39,658             |
| Street Construction, Maintenance, and Repair  | 100,066            | 93,240             | 95,899             | 94,951             |
| Housing and Community Development             | 63,540             | 55,154             | 43,901             | 37,370             |
| Basic Utility Services                        | 171,080            | 130,548            | 117,458            | 106,846            |
| Recreational Activities                       | 1,150,592          | 995,080            | 994,881            | 945,844            |
| Subtotal - Charges for Services               | <u>2,418,694</u>   | <u>2,187,414</u>   | <u>2,238,129</u>   | <u>2,546,253</u>   |
| Operating Grants and Contributions:           |                    |                    |                    |                    |
| General Government:                           |                    |                    |                    |                    |
| Legislative and Executive                     | 3,834              | 5,988              | 200,435            | 10,319             |
| Judicial System                               | 81                 | 115                | 1,737              | 1,327              |
| Public Safety:                                |                    |                    |                    |                    |
| Police  | 27,355             | 32,454             | 29,374             | 32,227             |
| Fire  | 230,305            | 228,841            | 244,241            | 231,789            |
| Public Health and Social Services             | 606                | 941                | 727                | 1,604              |
| Street Construction, Maintenance, and Repair  | 749,205            | 763,645            | 805,157            | 1,067,022          |
| Housing and Community Development             | 525                | 791                | 25,154             | 8,917              |
| Basic Utility Services                        | 30,886             | 5,771              | 6,571              | 8,198              |
| Recreational Activities                       | 10,844             | 4,940              | 14,615             | 6,557              |
| Subtotal - Operating Grants and Contributions | <u>1,053,641</u>   | <u>1,043,486</u>   | <u>1,328,011</u>   | <u>1,367,960</u>   |
| Capital Grants and Contributions:             |                    |                    |                    |                    |
| General Government                            |                    |                    |                    |                    |
| Legislative and Executive                     | 0                  | 0                  | 4,740              | 0                  |
| Basic Utility Services                        | 1,271,409          | 2,194,237          | 1,682,114          | 735,758            |
| Recreational Activities                       | 0                  | 13,500             | 0                  | 0                  |
| Subtotal - Capital Grants and Contributions   | <u>1,271,409</u>   | <u>2,207,737</u>   | <u>1,686,854</u>   | <u>735,758</u>     |
| <i>Total Governmental Program Revenues</i>    | <u>\$4,743,744</u> | <u>\$5,438,637</u> | <u>\$5,252,994</u> | <u>\$4,649,971</u> |

| 2012        | 2011        | 2010        | 2009        | 2008        | 2007        |
|-------------|-------------|-------------|-------------|-------------|-------------|
| \$2,299,783 | \$279,495   | \$286,925   | \$403,381   | \$769,088   | \$513,336   |
| 20,671      | 20,697      | 25,697      | 22,352      | 25,311      | 201,864     |
| 226,459     | 203,272     | 217,057     | 185,652     | 277,326     | 9,085       |
| 279,871     | 242,973     | 240,339     | 794         | 1,340       | 3,255       |
| 43,699      | 28,694      | 56,109      | 6,327       | 7,328       | 7,906       |
| 91,811      | 95,030      | 91,510      | 73,991      | 117,325     | 105,053     |
| 46,690      | 42,223      | 54,910      | 45,320      | 54,992      | 55,745      |
| 237,193     | 98,226      | 125,501     | 107,303     | 124,950     | 116,823     |
| 1,111,284   | 990,728     | 979,197     | 884,283     | 1,012,924   | 910,748     |
| 4,357,461   | 2,001,338   | 2,077,245   | 1,729,403   | 2,390,584   | 1,923,815   |
| 1,536       | 840         | 1,675       | 21,673      | 5,378       | 5,010       |
| 1,911       | 20          | 54          | 35          | 112         | 131         |
| 24,616      | 27,905      | 36,852      | 39,224      | 10,071      | 29,040      |
| 248,914     | 275,546     | 394,314     | 387,424     | 14,629      | 175         |
| 239         | 91          | 345         | 33          | 117         | 114         |
| 735,099     | 750,313     | 792,508     | 794,864     | 697,756     | 668,446     |
| 6,474       | 18,878      | 253         | 189         | 727         | 583         |
| 4,521       | 678         | 3,939       | 4,002       | 5,226       | 3,376       |
| 6,782       | 3,985       | 3,615       | 4,017       | 3,197       | 2,788       |
| 1,030,092   | 1,078,256   | 1,233,555   | 1,251,461   | 737,213     | 709,663     |
| 0           | 0           | 0           | 0           | 0           | 0           |
| 1,302,454   | 279,119     | 1,081,781   | 300,000     | 0           | 0           |
| 0           | 0           | 295,000     | 0           | 0           | 0           |
| 1,302,454   | 279,119     | 1,376,781   | 300,000     | 0           | 0           |
| \$6,690,007 | \$3,358,713 | \$4,687,581 | \$3,280,864 | \$3,127,797 | \$2,633,478 |

(continued)

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

|   | 2016                | 2015                 | 2014                | 2013                |
|---|---------------------|----------------------|---------------------|---------------------|
| <b>Expenses</b>   |                     |                      |                     |                     |
| Governmental Activities:                                  |                     |                      |                     |                     |
| General Government:                                       |                     |                      |                     |                     |
| Legislative and Executive                                 | \$6,569,538         | \$6,025,851          | \$5,586,065         | \$5,483,124         |
| Judicial System   | 139,516             | 222,456              | 129,098             | 97,176              |
| Public Safety:  |                     |                      |                     |                     |
| Police  | 5,028,825           | 4,511,969            | 4,372,780           | 4,630,560           |
| Fire  | 2,761,668           | 2,646,098            | 2,557,376           | 2,305,771           |
| Public Health and Social Services                         | 1,206,467           | 1,608,683            | 992,430             | 1,088,378           |
| Street Construction, Maintenance, and Repair              | 3,860,763           | 3,642,128            | 4,323,479           | 4,652,589           |
| Housing and Community Development                         | 852,380             | 796,624              | 848,261             | 795,200             |
| Basic Utility Services                                    | 2,260,630           | 2,242,264            | 2,402,003           | 2,044,860           |
| Recreational Activities                                   | 2,173,693           | 2,430,087            | 2,137,156           | 2,129,059           |
| Interest and Fiscal Charges                               | 297,563             | 297,843              | 419,654             | 400,314             |
| <i>Total Governmental Activities Expenses</i>             | <u>25,151,043</u>   | <u>24,424,003</u>    | <u>23,768,302</u>   | <u>23,627,031</u>   |
| <b>Net (Expense)/Revenue</b>                              |                     |                      |                     |                     |
| Governmental Activities                                   | <u>(20,407,299)</u> | <u>(18,985,366)</u>  | <u>(18,515,308)</u> | <u>(18,977,060)</u> |
| <b>General Revenues and Other Changes in Net Position</b> |                     |                      |                     |                     |
| Governmental Activities                                   |                     |                      |                     |                     |
| Taxes:  |                     |                      |                     |                     |
| Property Taxes Levied For:                                |                     |                      |                     |                     |
| General Purposes  | 1,791,350           | 1,687,653            | 1,811,854           | 1,806,589           |
| Fire Department   | 1,735,188           | 1,634,162            | 1,755,072           | 1,749,910           |
| Road Maintenance  | 510,360             | 480,721              | 516,198             | 514,678             |
| Police Department   | 153,115             | 144,202              | 154,859             | 154,253             |
| Debt Service  | 0                   | 0                    | 0                   | 0                   |
| Municipal Income Taxes levied for:                        |                     |                      |                     |                     |
| General Purposes  | 16,717,227          | 13,887,608           | 12,129,661          | 13,729,250          |
| Capital Outlay  | 2,540,000           | 2,400,000            | 2,600,000           | 2,400,000           |
| Grants and Entitlements not Restricted to                 |                     |                      |                     |                     |
| Specific Programs   | 434,179             | 592,098              | 462,912             | 1,364,858           |
| Investment Earnings                                       | 159,788             | 144,903              | 74,550              | 81,848              |
| Gain on Sale of Capital Assets                            | 65,078              | 0                    | 0                   | 58,756              |
| Miscellaneous   | 450,162             | 476,450              | 418,473             | 1,060,936           |
| <i>Total Governmental Activities General Revenues</i>     | <u>24,556,447</u>   | <u>21,447,797</u>    | <u>19,923,579</u>   | <u>22,921,078</u>   |
| Special Item  | <u>0</u>            | <u>(6,199,567)</u>   | <u>(2,250,000)</u>  | <u>0</u>            |
| <b>Change in Net Position</b>                             |                     |                      |                     |                     |
| Governmental Activities                                   | <u>\$4,149,148</u>  | <u>(\$3,737,136)</u> | <u>(\$841,729)</u>  | <u>\$3,944,018</u>  |



| 2012         | 2011         | 2010         | 2009         | 2008         | 2007         |
|--------------|--------------|--------------|--------------|--------------|--------------|
| \$5,786,026  | \$5,499,027  | \$5,647,128  | \$6,097,065  | \$6,102,755  | \$5,592,721  |
| 108,293      | 198,239      | 210,129      | 161,505      | 123,977      | 179,656      |
| 4,537,860    | 3,992,061    | 4,240,615    | 4,560,315    | 4,276,131    | 4,148,827    |
| 2,318,180    | 2,314,537    | 2,413,597    | 2,096,299    | 2,241,102    | 2,294,629    |
| 1,092,369    | 1,048,646    | 1,144,253    | 1,195,863    | 126,790      | 154,672      |
| 3,654,599    | 4,059,126    | 4,007,522    | 3,994,538    | 4,499,947    | 4,220,016    |
| 962,912      | 852,056      | 833,662      | 855,329      | 1,177,227    | 1,092,407    |
| 2,133,946    | 1,726,275    | 1,366,953    | 1,704,663    | 2,081,050    | 2,128,748    |
| 2,074,033    | 2,078,502    | 2,001,190    | 1,976,407    | 2,498,487    | 1,940,978    |
| 493,021      | 557,354      | 602,512      | 693,039      | 773,876      | 768,970      |
| 23,161,239   | 22,325,823   | 22,467,561   | 23,335,023   | 23,901,342   | 22,521,624   |
| (16,471,232) | (18,967,110) | (17,779,980) | (20,054,159) | (20,773,545) | (19,888,146) |
| 1,827,272    | 1,814,714    | 1,817,177    | 1,919,648    | 1,803,685    | 2,028,243    |
| 1,770,008    | 1,757,630    | 1,779,370    | 1,859,488    | 1,746,733    | 1,964,679    |
| 520,591      | 517,013      | 523,345      | 546,908      | 513,746      | 577,846      |
| 156,178      | 155,104      | 157,003      | 164,072      | 154,125      | 173,354      |
| 0            | 211          | 17           | 153,754      | 200,360      | 225,361      |
| 12,853,245   | 13,246,409   | 11,932,814   | 11,743,625   | 11,564,512   | 12,386,754   |
| 2,410,000    | 2,280,000    | 2,280,000    | 2,090,000    | 2,264,852    | 2,574,193    |
| 1,217,585    | 1,130,958    | 1,074,764    | 1,355,899    | 1,856,007    | 1,659,652    |
| 130,456      | 306,830      | 320,959      | 505,734      | 913,806      | 1,047,479    |
| 27,112       | 14,939       | 13,730       | 0            | 70,777       | 10,011       |
| 468,793      | 648,973      | 501,889      | 490,451      | 313,937      | 706,426      |
| 21,381,240   | 21,872,781   | 20,401,068   | 20,829,579   | 21,402,540   | 23,353,998   |
| 0            | 0            | 0            | 0            | 0            | 0            |
| \$4,910,008  | \$2,905,671  | \$2,621,088  | \$775,420    | \$628,995    | \$3,465,852  |

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

|   | 2016                | 2015                | 2014                | 2013                |
|---|---------------------|---------------------|---------------------|---------------------|
| <b>General Fund</b>                       |                     |                     |                     |                     |
| Nonspendable                              | \$683,505           | \$589,306           | \$308,324           | \$258,918           |
| Committed                                 | 169,400             | 142,318             | 793,372             | 145,272             |
| Assigned                                  | 2,460,460           | 2,704,811           | 2,067,087           | 559,154             |
| Unassigned                                | 6,516,688           | 5,069,907           | 5,491,224           | 8,722,841           |
| Reserved                                  | N/A                 | N/A                 | N/A                 | N/A                 |
| Unreserved                                | N/A                 | N/A                 | N/A                 | N/A                 |
| <b>Total General Fund</b>                 | <u>9,830,053</u>    | <u>8,506,342</u>    | <u>8,660,007</u>    | <u>9,686,185</u>    |
| <b>All Other Governmental Funds</b>       |                     |                     |                     |                     |
| Nonspendable                              | 105,103             | 107,137             | 133,664             | 129,133             |
| Restricted                                | 2,193,631           | 2,147,017           | 2,201,974           | 2,618,061           |
| Committed                                 | 3,636,653           | 3,573,849           | 2,561,420           | 2,877,955           |
| Assigned                                  | 713,255             | 713,353             | 556,085             | 729,938             |
| Unassigned (Deficit)                      | (1,087,163)         | (1,455,542)         | 0                   | 0                   |
| Reserved                                  | N/A                 | N/A                 | N/A                 | N/A                 |
| Unreserved, Undesignated, Reported in:    |                     |                     |                     |                     |
| Special Revenue funds                     | N/A                 | N/A                 | N/A                 | N/A                 |
| Debt Service funds                        | N/A                 | N/A                 | N/A                 | N/A                 |
| Capital Projects funds                    | N/A                 | N/A                 | N/A                 | N/A                 |
| <b>Total All Other Governmental Funds</b> | <u>5,561,479</u>    | <u>5,085,814</u>    | <u>5,453,143</u>    | <u>6,355,087</u>    |
| <b>Total Governmental Funds</b>           | <u>\$15,391,532</u> | <u>\$13,592,156</u> | <u>\$14,113,150</u> | <u>\$16,041,272</u> |

Note: During 2010, the City implemented GASB 54.

| 2012         | 2011         | 2010         | 2009         | 2008         | 2007         |
|--------------|--------------|--------------|--------------|--------------|--------------|
| \$307,263    | \$297,402    | \$263,507    | \$237,981    | N/A          | N/A          |
| 114,187      | 776,399      | 776,399      | 0            | N/A          | N/A          |
| 544,608      | 312,269      | 312,269      | 495,999      | N/A          | N/A          |
| 8,383,941    | 7,210,298    | 5,768,584    | 5,545,608    | N/A          | N/A          |
| N/A          | N/A          | N/A          | N/A          | \$286,045    | \$446,930    |
| N/A          | N/A          | N/A          | N/A          | 7,849,898    | 6,213,938    |
| 9,349,999    | 8,596,368    | 7,120,759    | 6,279,588    | 8,135,943    | 6,660,868    |
| 136,440      | 125,942      | 129,154      | 135,439      | N/A          | N/A          |
| 2,202,655    | 2,402,674    | 3,294,029    | 3,440,021    | N/A          | N/A          |
| 2,070,730    | 2,188,145    | 1,719,966    | 1,312,186    | N/A          | N/A          |
| 742,995      | 769,587      | 764,875      | 758,237      | N/A          | N/A          |
| 0            | (836,211)    | (828,692)    | (921,057)    | N/A          | N/A          |
| N/A          | N/A          | N/A          | N/A          | 863,642      | 4,134,754    |
| N/A          | N/A          | N/A          | N/A          | 2,868,361    | 1,958,225    |
| N/A          | N/A          | N/A          | N/A          | 575,497      | 809,373      |
| N/A          | N/A          | N/A          | N/A          | 1,131,583    | 1,793,269    |
| 5,152,820    | 4,650,137    | 5,079,332    | 4,724,826    | 5,439,083    | 8,695,621    |
| \$14,502,819 | \$13,246,505 | \$12,200,091 | \$11,004,414 | \$13,575,026 | \$15,356,489 |

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

|   | 2016               | 2015               | 2014                 | 2013               |
|---|--------------------|--------------------|----------------------|--------------------|
| <b>Revenues</b>   |                    |                    |                      |                    |
| Taxes (1)   | \$22,820,621       | \$19,698,588       | \$20,648,817         | \$19,389,630       |
| Charges for Services                                    | 1,439,170          | 1,279,220          | 1,272,274            | 1,278,936          |
| Licenses and Permits                                    | 479,977            | 441,223            | 342,268              | 309,326            |
| Fines and Forfeitures                                   | 261,776            | 253,729            | 368,109              | 299,141            |
| Intergovernmental                                       | 2,737,344          | 4,106,032          | 3,138,374            | 4,035,155          |
| Special Assessments                                     | 499,052            | 459,522            | 510,313              | 949,306            |
| Interest  | 141,358            | 130,922            | 64,798               | 75,100             |
| Donations   | 21,036             | 20,482             | 208,943              | 6,759              |
| Rentals   | 172,849            | 137,112            | 190,031              | 67,596             |
| Miscellaneous   | 332,601            | 357,138            | 321,424              | 958,110            |
| <i>Total Revenues</i>                                   | <u>28,905,784</u>  | <u>26,883,968</u>  | <u>27,065,351</u>    | <u>27,369,059</u>  |
| <b>Expenditures</b>                                     |                    |                    |                      |                    |
| Current:  |                    |                    |                      |                    |
| General Government:                                     |                    |                    |                      |                    |
| Legislative and Executive                               | 6,253,951          | 5,941,020          | 5,658,375            | 5,704,562          |
| Judicial System   | 131,893            | 220,781            | 123,991              | 93,327             |
| Public Safety:  |                    |                    |                      |                    |
| Police  | 4,544,489          | 4,210,229          | 4,285,136            | 4,638,749          |
| Fire  | 2,405,316          | 2,375,886          | 2,379,842            | 2,195,067          |
| Public Health and Social Services                       | 987,931            | 949,909            | 857,569              | 886,624            |
| Street Construction, Maintenance, and Repair            | 3,192,590          | 3,214,009          | 3,225,278            | 3,670,149          |
| Housing and Community Development                       | 894,594            | 812,040            | 808,555              | 795,612            |
| Basic Utility Services                                  | 2,048,023          | 1,911,114          | 1,809,942            | 1,759,741          |
| Recreational Activities                                 | 1,786,943          | 1,756,475          | 1,869,032            | 1,848,435          |
| Capital Outlay  | 3,588,452          | 4,634,472          | 4,297,901            | 3,124,437          |
| Debt Service:   |                    |                    |                      |                    |
| Principal Retirement                                    | 1,069,465          | 1,035,335          | 1,005,335            | 963,884            |
| Interest and Fiscal Charges                             | 282,739            | 286,576            | 422,517              | 394,976            |
| Bond Issuance Costs                                     | 0                  | 35,000             | 0                    | 0                  |
| <i>Total Expenditures</i>                               | <u>27,186,386</u>  | <u>27,382,846</u>  | <u>26,743,473</u>    | <u>26,075,563</u>  |
| <i>Excess of Revenues Over<br/>(Under) Expenditures</i> | <u>1,719,398</u>   | <u>(498,878)</u>   | <u>321,878</u>       | <u>1,293,496</u>   |
| <b>Other Financing Sources (Uses)</b>                   |                    |                    |                      |                    |
| Sale of Capital Assets                                  | 14,900             | 0                  | 0                    | 18,236             |
| Gain on Sale of Capital Assets                          | 65,078             | 0                  | 0                    | 0                  |
| Refunding Bonds Issued                                  | 0                  | 2,640,000          | 0                    | 0                  |
| Special Assessment Bonds Issued                         | 0                  | 0                  | 0                    | 0                  |
| Premium on Issuance of Debt                             | 0                  | 0                  | 0                    | 0                  |
| OPWC Loan Issued  | 0                  | 0                  | 0                    | 226,721            |
| Payment to Refunded Bond Escrow Agent                   | 0                  | (2,662,116)        | 0                    | 0                  |
| Transfers In  | 2,468,989          | 2,272,467          | 2,232,116            | 3,189,271          |
| Transfers Out   | (2,468,989)        | (2,272,467)        | (2,232,116)          | (3,189,271)        |
| <i>Total Other Financing Sources (Uses)</i>             | <u>79,978</u>      | <u>(22,116)</u>    | <u>0</u>             | <u>244,957</u>     |
| Special Item  | 0                  | 0                  | (2,250,000)          | 0                  |
| <i>Net Change in Fund Balances</i>                      | <u>\$1,799,376</u> | <u>(\$520,994)</u> | <u>(\$1,928,122)</u> | <u>\$1,538,453</u> |
| Debt Service as a Percentage of Noncapital Expenditures | 6.1%               | 6.2%               | 6.7%                 | 6.4%               |

(1) Includes All Taxes

| 2012         | 2011         | 2010         | 2009          | 2008          | 2007         |
|--------------|--------------|--------------|---------------|---------------|--------------|
| \$19,442,490 | \$19,254,109 | \$18,730,301 | \$17,441,398  | \$20,355,101  | \$19,556,957 |
| 1,317,669    | 1,210,862    | 1,177,776    | 905,024       | 1,006,940     | 928,599      |
| 564,218      | 430,730      | 525,806      | 362,044       | 387,068       | 370,401      |
| 266,067      | 254,848      | 308,416      | 279,459       | 338,338       | 281,554      |
| 3,183,232    | 2,516,919    | 3,179,603    | 2,946,251     | 2,612,165     | 2,394,732    |
| 488,399      | 324,876      | 324,741      | 428,519       | 620,735       | 624,415      |
| 120,244      | 295,858      | 307,103      | 485,075       | 894,042       | 1,028,720    |
| 7,895        | 6,218        | 8,138        | 7,477         | 16,756        | 14,475       |
| 66,677       | 84,040       | 44,935       | 46,261        | 218,333       | 119,234      |
| 450,563      | 632,139      | 485,427      | 469,189       | 313,740       | 705,695      |
| 25,907,454   | 25,010,599   | 25,092,246   | 23,370,697    | 26,763,218    | 26,024,782   |
| 5,646,837    | 5,515,740    | 5,541,484    | 5,819,602     | 5,941,778     | 5,464,710    |
| 109,800      | 203,415      | 208,078      | 165,677       | 122,934       | 188,321      |
| 4,570,485    | 4,046,058    | 4,299,205    | 4,467,546     | 4,217,591     | 4,063,261    |
| 2,267,257    | 2,244,514    | 2,390,618    | 2,107,045     | 2,106,263     | 2,139,383    |
| 880,908      | 861,325      | 842,538      | 910,160       | 129,648       | 137,731      |
| 2,872,254    | 3,125,788    | 3,460,310    | 2,966,943     | 3,439,482     | 3,166,873    |
| 863,860      | 887,874      | 813,415      | 900,852       | 846,644       | 836,660      |
| 1,949,493    | 1,593,784    | 1,432,297    | 2,256,844     | 1,925,652     | 1,913,731    |
| 1,803,188    | 1,772,171    | 1,846,298    | 1,862,876     | 1,598,784     | 1,677,602    |
| 3,981,464    | 2,007,069    | 1,332,610    | 2,535,718     | 5,577,837     | 3,742,989    |
| 1,278,884    | 1,178,884    | 1,138,884    | 1,270,884     | 1,933,884     | 1,338,884    |
| 463,528      | 560,548      | 604,565      | 694,576       | 779,233       | 764,362      |
| 118,151      | 0            | 0            | 0             | 0             | 0            |
| 26,806,109   | 23,997,170   | 23,910,302   | 25,958,723    | 28,619,730    | 25,434,507   |
| (898,655)    | 1,013,429    | 1,181,944    | (2,588,026)   | (1,856,512)   | 590,275      |
| 30,406       | 32,985       | 13,733       | 17,414        | 75,049        | 35,038       |
| 0            | 0            | 0            | 0             | 0             | 0            |
| 3,580,000    | 0            | 0            | 0             | 0             | 0            |
| 2,005,000    | 0            | 0            | 0             | 0             | 0            |
| 136,940      | 0            | 0            | 0             | 0             | 0            |
| 2,308        | 0            | 0            | 0             | 0             | 0            |
| (3,599,685)  | 0            | 0            | 0             | 0             | 0            |
| 2,277,477    | 2,042,634    | 2,447,956    | 2,231,175     | 3,798,793     | 5,601,367    |
| (2,277,477)  | (2,042,634)  | (2,447,956)  | (2,231,175)   | (3,798,793)   | (5,601,367)  |
| 2,154,969    | 32,985       | 13,733       | 17,414        | 75,049        | 35,038       |
| 0            | 0            | 0            | 0             | 0             | 0            |
| \$1,256,314  | \$1,046,414  | \$1,195,677  | (\$2,570,612) | (\$1,781,463) | \$625,313    |
| 7.9%         | 8.4%         | 8.5%         | 9.0%          | 11.9%         | 9.9%         |

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

| Collection Year | Real Property                |                             |                        | Tangible Personal Property |                        |
|-----------------|------------------------------|-----------------------------|------------------------|----------------------------|------------------------|
|                 | Assessed Value               |                             | Estimated Actual Value | Public Utility             |                        |
|                 | Residential/<br>Agricultural | Commercial<br>Industrial/PU |                        | Assessed Value             | Estimated Actual Value |
| 2016            | \$476,728,340                | \$100,946,970               | \$1,650,500,886        | \$20,463,690               | \$23,254,193           |
| 2015            | 472,551,960                  | 100,539,620                 | 1,637,404,514          | 19,790,100                 | 22,488,750             |
| 2014            | 453,626,110                  | 124,402,550                 | 1,651,510,457          | 19,695,230                 | 22,380,943             |
| 2013            | 453,604,210                  | 123,043,670                 | 1,647,565,371          | 18,850,720                 | 21,421,273             |
| 2012            | 469,788,160                  | 110,239,930                 | 1,657,223,114          | 17,092,360                 | 19,423,136             |
| 2011            | 470,033,220                  | 107,690,260                 | 1,650,638,514          | 16,066,350                 | 18,257,216             |
| 2010            | 468,585,650                  | 107,226,880                 | 1,645,178,657          | 15,680,600                 | 17,818,864             |
| 2009            | 487,768,500                  | 104,494,650                 | 1,692,180,429          | 15,167,690                 | 17,236,011             |
| 2008            | 486,131,280                  | 106,177,280                 | 1,692,310,171          | 14,924,650                 | 16,959,830             |
| 2007            | 481,735,920                  | 115,062,150                 | 1,705,137,343          | 19,525,150                 | 22,187,670             |

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

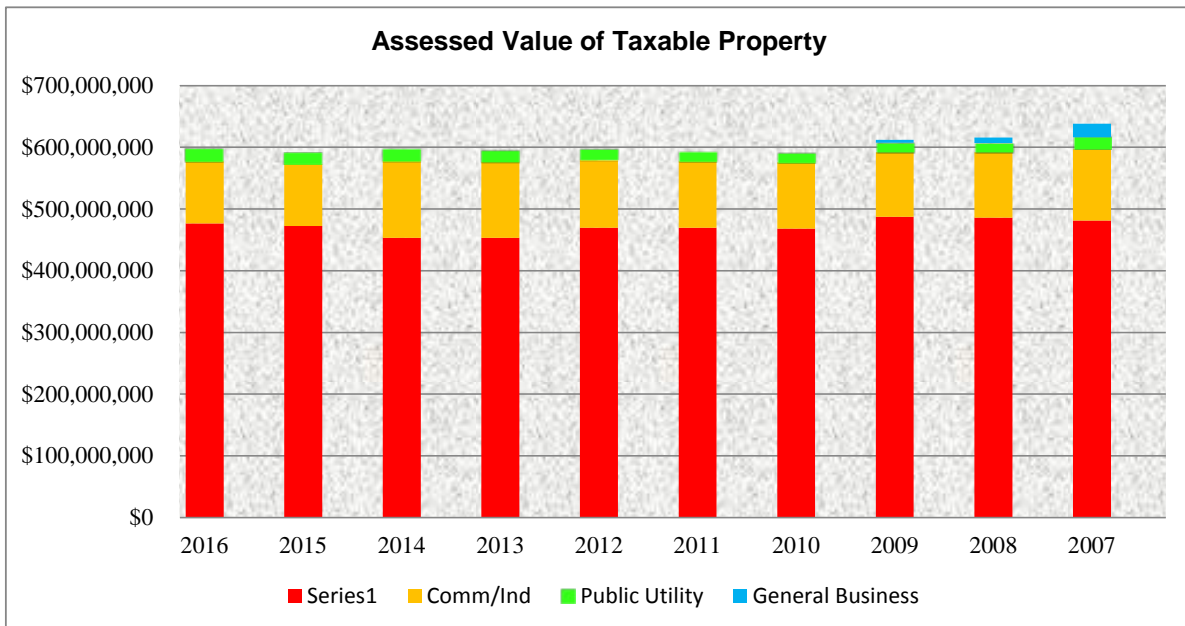
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property tax has been phased out, and during the phase out period, all general business tangible personal property was assessed at 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies, at 5 percent for 2010. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers, (except telephone companies whose last year to pay tangible personal property tax was 2010).

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

Source: Cuyahoga County, Ohio; County Fiscal Officer

Tangible Personal Property

| General Business |                        | Total          |                        | Ratio  | Tax Rate |
|------------------|------------------------|----------------|------------------------|--------|----------|
| Assessed Value   | Estimated Actual Value | Assessed Value | Estimated Actual Value |        |          |
| \$0              | \$0                    | \$598,139,000  | \$1,673,755,079        | 35.74% | \$8.21   |
| 0                | 0                      | 592,881,680    | 1,659,893,264          | 35.72  | 8.21     |
| 0                | 0                      | 597,723,890    | 1,673,891,400          | 35.71  | 8.21     |
| 0                | 0                      | 595,498,600    | 1,668,986,644          | 35.68  | 8.21     |
| 0                | 0                      | 597,120,450    | 1,676,646,251          | 35.61  | 8.21     |
| 0                | 0                      | 593,789,830    | 1,668,895,730          | 35.58  | 8.21     |
| 0                | 0                      | 591,493,130    | 1,662,997,521          | 35.57  | 8.21     |
| 4,678,850        | 74,861,600             | 612,109,690    | 1,784,278,040          | 34.31  | 8.50     |
| 8,871,057        | 141,936,912            | 616,104,267    | 1,851,206,913          | 33.28  | 8.60     |
| 22,088,288       | 176,706,304            | 638,411,508    | 1,904,031,317          | 33.53  | 8.60     |



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

|                               | 2016                   | 2015                   | 2014                   | 2013                   |
|-------------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Unvoted Millage</b>        |                        |                        |                        |                        |
| Operating                     | \$3.5100               | \$3.5100               | \$3.5100               | \$3.5100               |
| Police Pension                | 0.3000                 | 0.3000                 | 0.3000                 | 0.3000                 |
| <i>Total Unvoted Millage</i>  | <u>3.8100</u>          | <u>3.8100</u>          | <u>3.8100</u>          | <u>3.8100</u>          |
| <b>Charter Millage</b>        |                        |                        |                        |                        |
| 1982 Charter/Fire             | 3.4000                 | 3.4000                 | 3.4000                 | 3.4000                 |
| 1987 Charter/Road Improvement | 1.0000                 | 1.0000                 | 1.0000                 | 1.0000                 |
| <i>Total Charter Millage</i>  | <u>4.4000</u>          | <u>4.4000</u>          | <u>4.4000</u>          | <u>4.4000</u>          |
| <b>Voted Millage</b>          |                        |                        |                        |                        |
| Library                       | 0.0000                 | 0.0000                 | 0.0000                 | 0.0000                 |
| <b>Total Millage</b>          | <u><u>\$8.2100</u></u> | <u><u>\$8.2100</u></u> | <u><u>\$8.2100</u></u> | <u><u>\$8.2100</u></u> |

**Overlapping Rates by Taxing District**

|   |           |           |           |           |
|---|-----------|-----------|-----------|-----------|
| <b>Brecksville-Broadview Heights City School District</b> |           |           |           |           |
| Residential/Agricultural Real                             | \$38.9210 | \$38.9563 | \$39.9725 | \$40.1206 |
| Commerical/Industrial and Public Utility Real             | 46.2177   | 46.9105   | 43.8622   | 43.2930   |
| General Business and Public Utility Personal              | 77.0000   | 77.0000   | 77.0000   | 77.2000   |
| <b>Cuyahoga Valley Career Center</b>                      |           |           |           |           |
| Residential/Agricultural Real                             | 2.0000    | 2.0000    | 2.0000    | 2.0000    |
| Commerical/Industrial and Public Utility Real             | 2.0000    | 2.0000    | 2.0000    | 2.0000    |
| General Business and Public Utility Personal              | 2.0000    | 2.0000    | 2.0000    | 2.0000    |
| <b>Cuyahoga County Commissioner</b>                       |           |           |           |           |
| Residential/Agricultural Real                             | 13.8800   | 14.0500   | 14.0500   | 14.0500   |
| Commerical/Industrial and Public Utility Real             | 14.0124   | 13.8698   | 14.0195   | 13.9495   |
| General Business and Public Utility Personal              | 14.0500   | 14.0500   | 14.0500   | 14.0500   |
| <b>Special Taxing Districts (1)</b>                       |           |           |           |           |
| Residential/Agricultural Real                             | 9.2408    | 9.2368    | 9.3643    | 8.4639    |
| Commerical/Industrial and Public Utility Real             | 9.3438    | 9.3676    | 9.3401    | 8.3843    |
| General Business and Public Utility Personal              | 9.3800    | 9.3800    | 9.3800    | 8.4800    |

Source: Cuyahoga County Fiscal Officer

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

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

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

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

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



| 2012     | 2011     | 2010     | 2009     | 2008     | 2007     |
|----------|----------|----------|----------|----------|----------|
| \$3.5100 | \$3.5100 | \$3.5100 | \$3.5100 | \$3.5100 | \$3.5100 |
| 0.3000   | 0.3000   | 0.3000   | 0.3000   | 0.3000   | 0.3000   |
| 3.8100   | 3.8100   | 3.8100   | 3.8100   | 3.8100   | 3.8100   |
| 3.4000   | 3.4000   | 3.4000   | 3.4000   | 3.4000   | 3.4000   |
| 1.0000   | 1.0000   | 1.0000   | 1.0000   | 1.0000   | 1.0000   |
| 4.4000   | 4.4000   | 4.4000   | 4.4000   | 4.4000   | 4.4000   |
| 0.0000   | 0.0000   | 0.0000   | 0.2900   | 0.3900   | 0.3900   |
| \$8.2100 | \$8.2100 | \$8.2100 | \$8.5000 | \$8.6000 | \$8.6000 |

|           |           |           |           |           |           |
|-----------|-----------|-----------|-----------|-----------|-----------|
| \$40.0657 | \$39.1912 | \$39.1175 | \$37.2338 | \$37.1756 | \$39.9809 |
| 43.4617   | 42.8357   | 42.8641   | 43.4071   | 43.1759   | 46.3679   |
| 77.2000   | 77.2000   | 77.2000   | 77.1000   | 77.1000   | 77.4000   |

|        |        |        |        |        |        |
|--------|--------|--------|--------|--------|--------|
| 2.0000 | 2.0000 | 2.0000 | 2.0000 | 2.0000 | 2.0000 |
| 2.0000 | 2.0000 | 2.0000 | 2.0000 | 2.0000 | 2.0000 |
| 2.0000 | 2.0000 | 2.0000 | 2.0000 | 2.0000 | 2.0000 |

|         |         |         |         |         |         |
|---------|---------|---------|---------|---------|---------|
| 13.2200 | 13.1182 | 13.1866 | 12.6607 | 11.8688 | 11.7227 |
| 12.9968 | 12.7845 | 12.8413 | 12.8153 | 12.4535 | 12.5880 |
| 13.2200 | 13.2200 | 13.3200 | 13.3200 | 13.4200 | 13.5200 |

|        |        |        |        |        |        |
|--------|--------|--------|--------|--------|--------|
| 7.5635 | 7.5041 | 7.3870 | 6.6597 | 5.9676 | 6.2900 |
| 7.4621 | 7.3648 | 7.3450 | 6.8911 | 6.2519 | 6.5596 |
| 7.5800 | 7.5800 | 7.5800 | 7.2800 | 6.7800 | 6.7800 |

**City of Brecksville, Ohio**  
*Principal Real Property Taxpayers*  
 2016 and 2007

| Taxpayer                                | 2016                                   |   |
|---|--|---|
|   | Real Property<br>Assessed<br>Valuation | Percentage of<br>Real Property<br>Assessed<br>Valuation |
| Cleveland Electric Illuminating Company | \$16,455,320                           | 2.85 %  |
| Grand Bay of Brecksville                | 6,148,640                              | 1.06  |
| Holar Properties, LLC                   | 5,717,250                              | 0.99  |
| PDM Group, Incorporated                 | 4,917,500                              | 0.85  |
| Ohio Bell Telephone Company             | 4,126,510                              | 0.71  |
| Creekview Commons, LLC                  | 3,513,200                              | 0.61  |
| Treeline, Incorporated                  | 3,458,240                              | 0.60  |
| Gateway Association                     | 3,086,550                              | 0.53  |
| MS Brecksville L.P.                     | 2,975,000                              | 0.51  |
| Curtiss-Write Flow                      | 2,611,570                              | 0.45  |
| <b>Total</b>                            | <b>\$53,009,780</b>                    | <b>9.18 %</b>   |

Total Real Property Assessed Valuation \$577,675,310

| Taxpayer                                | 2007                                   |   |
|---|--|---|
|   | Real Property<br>Assessed<br>Valuation | Percentage of<br>Real Property<br>Assessed<br>Valuation |
| Cleveland Electric Illuminating Company | \$13,189,089                           | 2.21 %  |
| Ohio Bell Telephone Company             | 8,906,460                              | 1.49  |
| PDM Group, Incorporated                 | 7,334,740                              | 1.23  |
| Grand Bay of Brecksville                | 6,747,895                              | 1.13  |
| Gateway Association                     | 6,516,475                              | 1.09  |
| Cleveland Cuyahoga                      | 6,413,225                              | 1.07  |
| R.C Investors                           | 4,917,885                              | 0.82  |
| Creekview Commons, LLC                  | 3,961,615                              | 0.66  |
| Treeline, Incorporated                  | 3,859,975                              | 0.65  |
| CEI                                     | 3,144,050                              | 0.54  |
| <b>Total</b>                            | <b>\$64,991,409</b>                    | <b>10.89 %</b>  |

Total Real Property Assessed Valuation \$596,798,070

Source: Cuyahoga County Fiscal Officer

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

| Year | Total Tax Levy | Current Tax Collections | Percent of Current Tax Collections To Tax Levy | Delinquent Tax Collections | Total Tax Collections (1) | Percent of Total Tax Collections To Tax Levy | Accumulated Outstanding Delinquent Taxes | Percentage of Delinquent Taxes to Total Tax Levy |
|------|----------------|-------------------------|--|----------------------------|---------------------------|--|--|--|
| 2016 | \$4,990,947    | \$4,756,871             | 95.31%   | \$82,375                   | \$4,839,246               | 96.96%                                       | \$194,442                                | 3.90%  |
| 2015 | 5,165,687      | 4,523,952               | 87.58  | 87,656                     | 4,611,608                 | 89.27  | 298,803                                  | 5.78   |
| 2014 | 5,219,426      | 4,532,551               | 86.84  | 91,162                     | 4,623,713                 | 88.59  | 433,570                                  | 8.31   |
| 2013 | 4,910,392      | 4,547,214               | 92.60  | 119,432                    | 4,666,646                 | 95.04  | 301,993                                  | 6.15   |
| 2012 | 4,905,724      | 4,736,054               | 96.54  | 122,347                    | 4,858,401                 | 99.04  | 212,193                                  | 4.33   |
| 2011 | 4,884,659      | 4,714,666               | 96.52  | 143,718                    | 4,858,384                 | 99.46  | 205,553                                  | 4.21   |
| 2010 | 4,864,431      | 4,702,865               | 96.68  | 146,148                    | 4,849,013                 | 99.68  | 229,099                                  | 4.71   |
| 2009 | 5,179,840      | 5,013,860               | 96.80  | 113,222                    | 5,127,082                 | 98.98  | 263,979                                  | 5.10   |
| 2008 | 5,343,912      | 5,052,543               | 94.55  | 123,527                    | 5,176,070                 | 96.86  | 225,651                                  | 4.22   |
| 2007 | 5,471,368      | 5,218,601               | 95.38  | 122,322                    | 5,340,923                 | 97.62  | 246,600                                  | 4.51   |

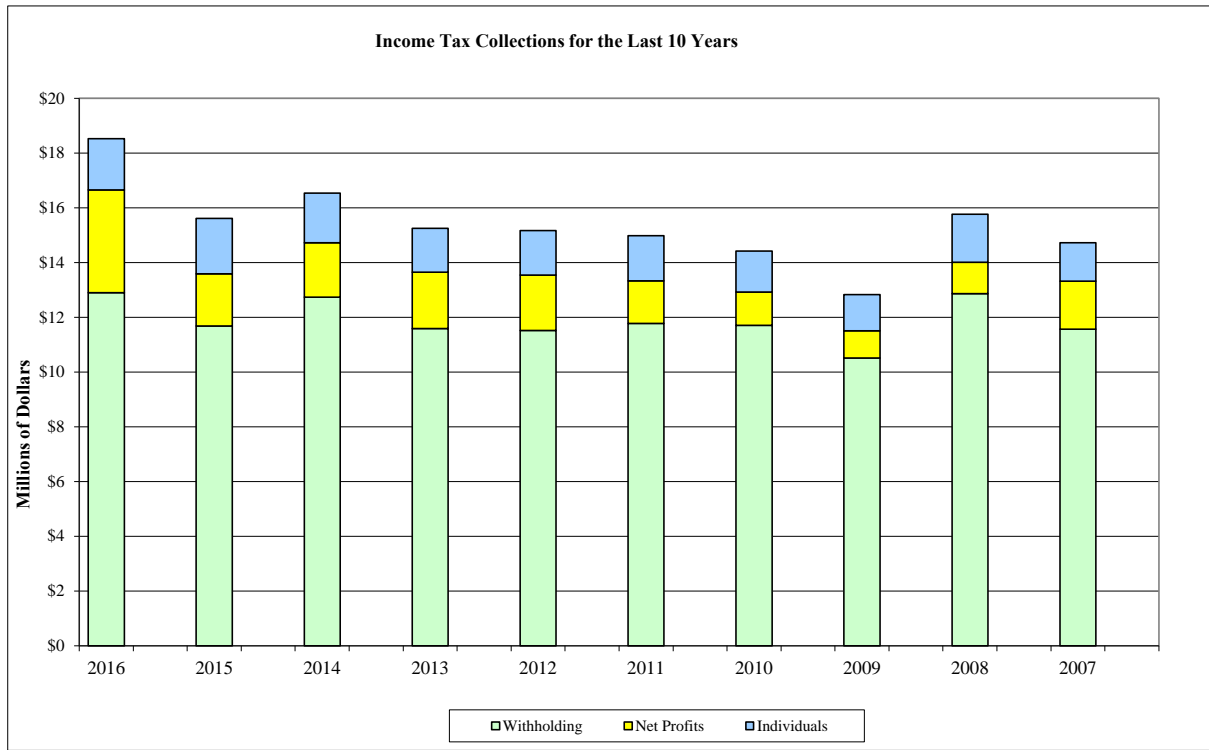
Source: Cuyahoga County, Ohio; County Fiscal Officer

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

Note: We are aware of the requirement to report delinquent tax collections by levy year rather than by collection year. However, the County is unable to provide delinquent collections by levy year. We are looking at options to improve this presentation.

**City of Brecksville, Ohio**  
*Income Tax Revenue Base and Collections*  
 (Modified Accrual Basis)  
 Last Ten Years

| Tax Year | Tax Rate | Total Tax Collected | Taxes from Withholding | Percentage of Taxes from Withholding | Taxes From Net Profits | Percentage of Taxes from Net Profits | Taxes From Individuals | Percentage of Taxes from Individuals |
|----------|----------|---------------------|------------------------|--------------------------------------|------------------------|--------------------------------------|------------------------|--------------------------------------|
| 2016     | 2.00%    | \$18,526,247        | \$12,901,679           | 69.64%                               | \$3,755,270            | 20.27%                               | \$1,869,298            | 10.09%                               |
| 2015     | 2.00     | 15,617,083          | 11,683,140             | 74.81                                | 1,909,969              | 12.23                                | 2,023,974              | 12.96                                |
| 2014     | 2.00     | 16,542,412          | 12,737,657             | 77.00                                | 1,985,089              | 12.00                                | 1,819,665              | 11.00                                |
| 2013     | 2.00     | 15,253,849          | 11,591,400             | 75.99                                | 2,059,270              | 13.50                                | 1,603,179              | 10.51                                |
| 2012     | 2.00     | 15,175,081          | 11,514,851             | 75.88                                | 2,030,426              | 13.38                                | 1,629,804              | 10.74                                |
| 2011     | 2.00     | 14,978,641          | 11,779,203             | 78.64                                | 1,554,783              | 10.38                                | 1,644,655              | 10.98                                |
| 2010     | 2.00     | 14,425,759          | 11,705,203             | 81.14                                | 1,220,691              | 8.46                                 | 1,499,864              | 10.40                                |
| 2009     | 2.00     | 12,835,856          | 10,516,417             | 81.93                                | 990,928                | 7.72                                 | 1,328,511              | 10.35                                |
| 2008     | 2.00     | 15,763,909          | 12,869,655             | 81.64                                | 1,141,307              | 7.24                                 | 1,752,947              | 11.12                                |
| 2007     | 2.00     | 14,724,747          | 11,570,706             | 78.58                                | 1,753,717              | 11.91                                | 1,400,323              | 9.51                                 |



**City of Brecksville, Ohio**  
*Income Tax Filers by Income Level*  
*Tax Years 2015 and 2007*

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Tax Year 2015 (1)(2)

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| Income Range   | Number of Filers | Percent of Filers | Taxable Income (2)   | Percent of Taxable Income |
|----------------|------------------|-------------------|----------------------|---------------------------|
| Over \$100,000 | 1,934            | 37.69 %           | \$482,217,110        | 80.62 %                   |
| 75,001-100,000 | 476              | 9.28              | 41,664,799           | 6.97                      |
| 50,001-75,000  | 559              | 10.89             | 34,905,853           | 5.84                      |
| 25,001-50,000  | 696              | 13.56             | 25,781,007           | 4.31                      |
| Under 25,000   | 1,466            | 28.57             | 13,596,488           | 2.27                      |
| Total          | <u>5,131</u>     | <u>100.00 %</u>   | <u>\$598,165,257</u> | <u>100.00 %</u>           |

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Tax Year 2007 (2)

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| Income Range   | Number of Filers | Percent of Filers | Taxable Income       | Percent of Taxable Income |
|----------------|------------------|-------------------|----------------------|---------------------------|
| Over \$100,000 | 1,736            | 33.49 %           | \$388,469,341        | 75.74 %                   |
| 75,001-100,000 | 530              | 10.23             | 46,032,454           | 8.97                      |
| 50,001-75,000  | 612              | 11.81             | 38,117,719           | 7.43                      |
| 25,001-50,000  | 718              | 13.85             | 26,676,794           | 5.20                      |
| Under 25,000   | 1,587            | 30.62             | 13,621,862           | 2.66                      |
| Total          | <u>5,183</u>     | <u>100.00 %</u>   | <u>\$512,918,170</u> | <u>100.00 %</u>           |

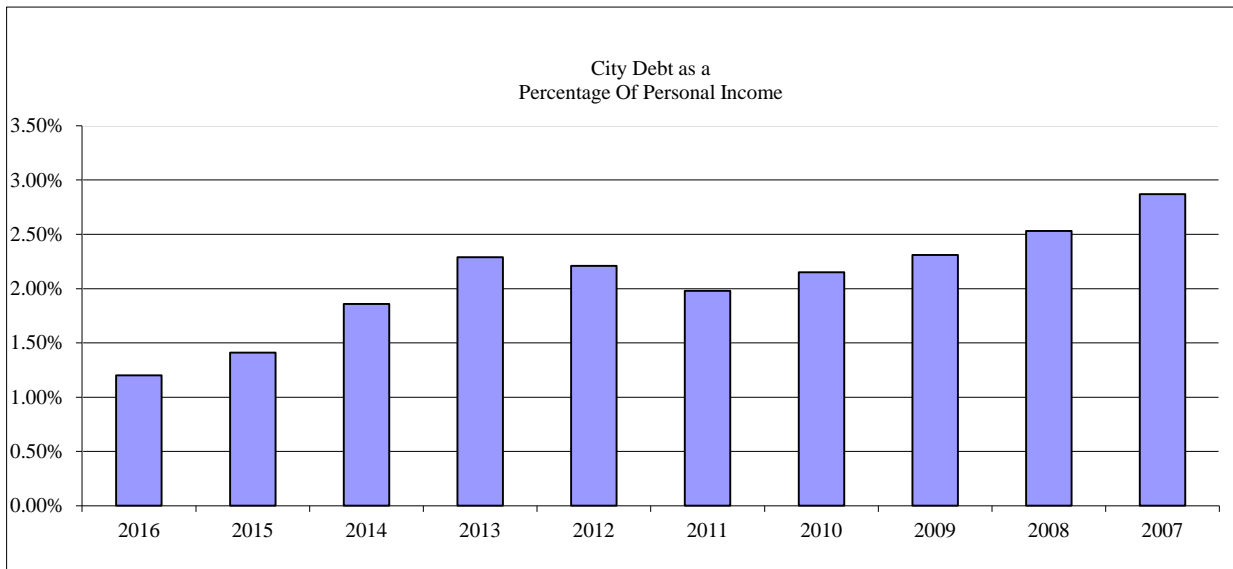
Source: Regional Income Tax Agency Data

(1) Information for 2016 was not available

(2) Taxable income of residents of the City

**City of Brecksville, Ohio**  
*Ratios of Outstanding Debt to  
 Total Personal Income and Debt Per Capita  
 Last Ten Years*

| Year | General<br>Obligation<br>Bonds | Special<br>Assessment<br>Bonds | OPWC<br>Loans | Total       | Total<br>Personal<br>Income (1) | Percentage<br>Of Personal<br>Income | Population (2) | Total Debt<br>Per<br>Capita |
|------|--------------------------------|--------------------------------|---------------|-------------|---------------------------------|-------------------------------------|----------------|-----------------------------|
| 2016 | \$5,067,679                    | \$2,907,837                    | \$424,885     | \$8,400,401 | \$702,293,760                   | 1.20 %                              | 13,440         | \$625                       |
| 2015 | 5,660,919                      | 3,336,643                      | 484,350       | 9,481,912   | 670,513,930                     | 1.41                                | 13,543         | 700                         |
| 2014 | 6,235,960                      | 3,751,884                      | 549,685       | 10,537,529  | 566,818,000                     | 1.86                                | 13,568         | 777                         |
| 2013 | 6,788,673                      | 4,160,821                      | 615,020       | 11,564,514  | 504,512,000                     | 2.29                                | 13,554         | 853                         |
| 2012 | 7,321,387                      | 4,559,758                      | 442,183       | 12,323,328  | 557,914,651                     | 2.21                                | 13,656         | 902                         |
| 2011 | 7,856,490                      | 2,851,828                      | 493,759       | 11,202,077  | 565,836,360                     | 1.98                                | 13,656         | 820                         |
| 2010 | 8,672,310                      | 3,166,959                      | 547,643       | 12,386,912  | 576,706,536                     | 2.15                                | 13,656         | 907                         |
| 2009 | 9,465,056                      | 3,467,090                      | 601,527       | 13,533,673  | 585,948,239                     | 2.31                                | 13,875         | 975                         |
| 2008 | 10,402,802                     | 3,754,221                      | 655,411       | 14,812,434  | 585,948,239                     | 2.53                                | 13,806         | 1,073                       |
| 2007 | 11,875,548                     | 4,169,352                      | 709,295       | 16,754,195  | 583,783,744                     | 2.87                                | 13,806         | 1,214                       |



(1) Brecksville Finance Department estimates 2007-2016;  
 U.S. Census Bureau

(2) Estimates 2007-2016; U.S. Census Bureau

**City of Brecksville, Ohio**  
*Ratio of General Obligation Bonded Debt to Estimated True  
Value of Taxable Property and Bonded Debt Per Capita  
Last Ten Years*

| Year | General<br>Obligation<br>Bonds (1) | Estimated True<br>Value of<br>Taxable<br>Property | Ratio of<br>Bonded Debt to<br>Estimated True<br>Value of Taxable<br>Property | Bonded<br>Debt per<br>Capita |
|------|------------------------------------|---|--|------------------------------|
| 2016 | \$5,067,679                        | \$1,673,755,079                                   | 0.30%  | \$377                        |
| 2015 | 5,660,919                          | 1,659,893,264                                     | 0.34   | 418                          |
| 2014 | 6,235,960                          | 1,673,891,400                                     | 0.37   | 460                          |
| 2013 | 6,788,673                          | 1,668,986,644                                     | 0.41   | 497                          |
| 2012 | 7,321,387                          | 1,676,646,251                                     | 0.44   | 536                          |
| 2011 | 7,856,490                          | 1,668,895,730                                     | 0.47   | 575                          |
| 2010 | 8,672,310                          | 1,662,997,521                                     | 0.52   | 635                          |
| 2009 | 9,465,056                          | 1,784,278,040                                     | 0.53   | 682                          |
| 2008 | 10,402,802                         | 1,851,206,913                                     | 0.56   | 753                          |
| 2007 | 11,875,548                         | 1,904,031,317                                     | 0.62   | 860                          |

(1) Although the general obligation bond retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

**City of Brecksville**  
*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
December 31, 2016*

|  | Debt<br>Attributable to<br>Governmental<br>Activities | Percentage<br>Applicable<br>to City (1) | Amount of<br>Direct and<br>Overlapping<br>Debt |
|--|---|---|--|
| Direct Debt:   |   |   |  |
| City of Brecksville  |   |   |  |
| General Obligation Bonds   | \$5,067,679   | 100.00%                                 | \$5,067,679                                    |
| Special Assessment Bonds   | 2,907,837   | 100.00                                  | 2,907,837                                      |
| OPWC Loans   | 424,885   | 100.00                                  | 424,885  |
|  | <u>8,400,401</u>                                      |   | <u>8,400,401</u>                               |
| Total Direct Debt  |   |   |  |
| Overlapping Debt:  |   |   |  |
| Payable from Property Taxes:   |   |   |  |
| Cuyahoga County Bonds  | 242,795,758   | 2.15                                    | 5,220,109                                      |
| Regional Transit Authority Bonds                                     | 139,107,969   | 2.15                                    | 2,990,821                                      |
| Brecksville-Broadview Heights City<br>School District Bonds          | 11,252,386  | 59.18                                   | 6,659,162                                      |
| Payable from Other Sources:  |   |   |  |
| Cuyahoga County Revenue Bonds  | 597,515,568   | 2.15                                    | 12,846,585                                     |
| Cuyahoga County Loans  | 2,404,204   | 2.15                                    | 51,690   |
| Cuyahoga County Capital Leases                                       | 378,556,966   | 2.15                                    | 8,138,975                                      |
| Brecksville-Broadview Heights City<br>School District Notes          | 2,147,169   | 59.18                                   | 1,270,695                                      |
| Brecksville-Broadview Heights City<br>School District Capital Leases | 39,729  | 59.18                                   | 23,512   |
|  | <u>1,373,819,749</u>                                  |   | <u>37,201,548</u>                              |
| Total Overlapping Debt   |   |   |  |
| Total Direct and Overlapping Debt                                    |   |   |  |
|  | <u>\$1,382,220,150</u>                                |   | <u>\$45,601,949</u>                            |

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

(1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations used were for the 2016 collection year.



**City of Brecksville, Ohio**  
*Legal Debt Margin Information*  
*Last Ten Years*  
*(amounts expressed in thousands)*

|  | 2016            | 2015            | 2014            | 2013            | 2012            | 2011            | 2010            | 2009            | 2008            | 2007            |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Overall Debt Limitation (10.5% of Assessed Valuation)                | \$62,805        | \$62,253        | \$62,761        | \$62,527        | \$62,698        | \$62,348        | \$62,107        | \$64,272        | \$64,691        | \$67,033        |
| Net Debt Within 10.5% Limitations                                    | 7,185           | 7,433           | 7,977           | 6,537           | 7,050           | 7,637           | 8,438           | 9,384           | 10,536          | 11,553          |
| Overall Legal Debt Margin Within 10.5% Limitations                   | <u>\$55,620</u> | <u>\$54,820</u> | <u>\$54,784</u> | <u>\$55,990</u> | <u>\$55,648</u> | <u>\$54,711</u> | <u>\$53,669</u> | <u>\$54,888</u> | <u>\$54,155</u> | <u>\$55,480</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 11.44%          | 11.94%          | 12.71%          | 10.45%          | 11.24%          | 12.25%          | 13.59%          | 14.60%          | 16.29%          | 17.23%          |
| Unvoted Debt Limitation (5.5% of Assessed Valuation)                 | \$32,898        | \$32,609        | \$32,875        | \$32,752        | \$32,842        | \$32,658        | \$32,532        | \$33,666        | \$33,886        | \$35,113        |
| Net Debt Within 5.5% Limitations                                     | 7,185           | 7,433           | 7,977           | 6,537           | 7,050           | 7,637           | 8,438           | 9,384           | 10,536          | 11,553          |
| Unvoted Legal Debt Margin Within 5.5% Limitations                    | <u>\$25,713</u> | <u>\$25,176</u> | <u>\$24,898</u> | <u>\$26,215</u> | <u>\$25,792</u> | <u>\$25,021</u> | <u>\$24,094</u> | <u>\$24,282</u> | <u>\$23,350</u> | <u>\$23,560</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 21.84%          | 22.79%          | 24.26%          | 19.96%          | 21.47%          | 23.38%          | 25.94%          | 27.87%          | 31.09%          | 32.90%          |

**Legal Debt Margin Calculation for 2016**

|  | Overall Margin<br>Within 10.5% | Unvoted Margin<br>Within 5.5% |
|--|--------------------------------|-------------------------------|
| Assessed property value                                    | <u>\$598,139,000</u>           | <u>\$598,139,000</u>          |
| Overall Debt Limitation (percentage of assessed valuation) | \$62,804,595                   | \$32,897,645                  |
| Gross Indebtedness   | 10,319,885                     | 10,319,885                    |
| Less: Special Assessment Bonds                             | (2,885,000)                    | (2,885,000)                   |
| OPWC Loans   | (424,885)                      | (424,885)                     |
| General Obligation Bond Retirement Fund Balance            | <u>174,517</u>                 | <u>174,517</u>                |
| Net Debt Within Limitations                                | <u>\$7,184,517</u>             | <u>\$7,184,517</u>            |
| Legal Debt Margin Within Limitations                       | <u>\$55,620,078</u>            | <u>\$25,713,128</u>           |

Note: Under State of Ohio finance law, the City of Brecksville's outstanding general obligation debt should not exceed 10.5 percent of total assessed property value. In addition, the outstanding general obligation debt net of voted debt should not exceed 5.5 percent of total assessed property value. By law, the general obligation debt subject to the limitation is offset by amounts set aside for repaying general obligation bonds.

**City of Brecksville, Ohio**  
*Demographic and Economic Statistics*  
*Last Ten Years*

| Year | Population (1) | Total Personal<br>Income (2) | Median<br>Family<br>Income (1) | Per<br>Capita<br>Income (1) | Unemployment Rate (3) |                  | City<br>Square<br>Miles (4) |
|------|----------------|------------------------------|--------------------------------|-----------------------------|-----------------------|------------------|-----------------------------|
|      |                |                              |                                |                             | Cuyahoga<br>County    | State of<br>Ohio |                             |
| 2016 | 13,440         | \$702,293,760                | \$100,589                      | \$52,254                    | 5.3%                  | 4.9%             | 19.57                       |
| 2015 | 13,543         | 670,513,930                  | 93,409                         | 49,510                      | 4.0                   | 4.8              | 19.57                       |
| 2014 | 13,568         | 566,818,000                  | 95,470                         | 41,776                      | 5.3                   | 4.7              | 19.57                       |
| 2013 | 13,554         | 504,512,000                  | 111,667                        | 37,222                      | 7.5                   | 7.4              | 19.57                       |
| 2012 | 13,656         | 557,914,651                  | 91,432                         | 40,855                      | 6.6                   | 6.8              | 19.57                       |
| 2011 | 13,656         | 565,836,360                  | 92,088                         | 41,435                      | 7.1                   | 8.6              | 19.57                       |
| 2010 | 13,656         | 576,706,536                  | 96,038                         | 42,231                      | 8.6                   | 10.1             | 19.54                       |
| 2009 | 13,875         | 585,948,239                  | 97,415                         | 42,231                      | 9.0                   | 10.2             | 19.54                       |
| 2008 | 13,806         | 585,948,239                  | 97,415                         | 42,442                      | 7.1                   | 6.5              | 19.54                       |
| 2007 | 13,806         | 583,783,744                  | 97,055                         | 42,285                      | 6.1                   | 5.6              | 19.54                       |

(1) Estimates 2007-2016; U.S. Census Bureau

(2) Brecksville Finance Department estimates 2007-2016;  
U.S. Census Bureau.

(3) Ohio Bureau of Employment Services; U.S. Department of Labor, Bureau of  
Labor Statistics; Unemployment rate for the City is unavailable.

(4) City Records

**City of Brecksville, Ohio**  
*Principal Employers*  
*Current Year and Nine Years Ago*

| <b>2016</b>  |                        |               |                                     |
|--|------------------------|---------------|-------------------------------------|
| Employer   | Nature of Activity     | Employees     | Percentage of Total City Employment |
| PNC Bank NA  | Banking Services       | 1,252         | 8.88 %                              |
| Lubrizol Corporation                               | Chemical Technology    | 948           | 6.72                                |
| AT&T/ Ohio Bell                                    | Communication Services | 771           | 5.47                                |
| House of LaRose                                    | Beverage Distribution  | 473           | 3.35                                |
| Brecksville-Broadview Heights City School District | Public Education       | 362           | 2.57                                |
| NVR/ Ryan Homes                                    | Construction           | 355           | 2.52                                |
| Crosscounty Mortgage, Incorporated                 | Mortgage Services      | 329           | 2.33                                |
| Curtiss-Wright Flow Control                        | Manufacturing          | 312           | 2.21                                |
| First Energy/ Illuminating Company                 | Electric Utility       | 225           | 1.59                                |
| City of Brecksville                                | Municipal Government   | 203           | 1.44                                |
| Total  |                        | <u>5,230</u>  | <u>37.07 %</u>                      |
| Total Employment within the City                   |                        | <u>14,107</u> |                                     |

| <b>2007</b>  |                        |               |                                     |
|--|------------------------|---------------|-------------------------------------|
| Employer   | Nature of Activity     | Employees     | Percentage of Total City Employment |
| Department of Veteran Affairs                      | Medical Center         | 1,400         | 10.07 %                             |
| AT&T/ Ohio Bell                                    | Communication Services | 1,331         | 9.57                                |
| National City Corporation                          | Banking Services       | 824           | 5.93                                |
| Lubrizol Corporation                               | Chemical Technology    | 725           | 5.21                                |
| Brecksville-Broadview Heights City School District | Public Education       | 517           | 3.72                                |
| House of LaRose                                    | Beverage Distribution  | 279           | 2.01                                |
| City of Brecksville                                | Municipal Government   | 226           | 1.63                                |
| Curtiss-Wright Flow Control                        | Manufacturing          | 218           | 1.57                                |
| First Energy/ Illuminating Company                 | Electric Utility       | 193           | 1.39                                |
| Cuyahoga Valley Joint Vocational School District   | Vocational Education   | 136           | 0.97                                |
| Total  |                        | <u>5,849</u>  | <u>42.07 %</u>                      |
| Total Employment within the City                   |                        | <u>13,904</u> |                                     |

Source: Regional Income Tax Agency and a survey conducted by the City.

**City of Brecksville, Ohio**  
*Full-Time Equivalent City Government Employees by Function/Program*  
*Last Ten Years*

| Function/Program   | 2016         | 2015         | 2014         | 2013         | 2012         | 2011         | 2010         | 2009         | 2008         | 2007         |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>General Government</b>                                  |              |              |              |              |              |              |              |              |              |              |
| Council  | 4.5          | 4.5          | 4.5          | 4.5          | 4.5          | 4.5          | 4.5          | 4.5          | 4.5          | 4.5          |
| Mayor  | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          |
| Finance  | 4.0          | 4.0          | 4.0          | 3.5          | 3.5          | 3.5          | 3.5          | 3.5          | 4.0          | 4.0          |
| Income Tax   | N/A          | N/A          | 0.5          | 0.5          | 0.5          | 0.5          | 0.5          | 0.5          | 0.5          | 0.5          |
| Purchasing   | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.5          | 3.0          | 3.0          |
| Legal  | 1.5          | 1.5          | 1.5          | 1.5          | 1.5          | 1.5          | 1.5          | 1.5          | 1.5          | 1.5          |
| Mayor's Court  | 1.5          | 1.5          | 1.5          | 1.5          | 1.5          | 1.5          | 2.0          | 2.0          | 2.0          | 2.0          |
| Technology   | 3.0          | 3.0          | 3.0          | 3.0          | 3.0          | 3.5          | 3.5          | 3.5          | 3.5          | 3.0          |
| Engineering  | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 2.0          | 2.0          |
| Administrative Support                                     | 2.0          | 2.0          | 1.5          | 1.5          | 1.5          | 1.5          | 1.5          | 1.0          | 1.0          | 1.0          |
| <b>Public Safety</b>                                       |              |              |              |              |              |              |              |              |              |              |
| Police   | 41.5         | 41.5         | 42.5         | 41.5         | 44.5         | 43.5         | 41.0         | 43.0         | 44.5         | 43.5         |
| Fire   | 26.0         | 28.5         | 27.0         | 28.0         | 27.5         | 25.5         | 27.0         | 26.5         | 27.0         | 28.0         |
| <b>Recreational Activities</b>                             |              |              |              |              |              |              |              |              |              |              |
| Community Center   | 49.0         | 34.5         | 36.5         | 37.5         | 42.5         | 44.0         | 45.0         | 47.0         | 47.0         | 48.5         |
| Senior/Community Services                                  | 4.5          | 5.0          | 5.5          | 5.0          | 5.5          | 5.5          | 5.5          | 5.5          | 5.5          | 6.0          |
| <b>Street Construction, Maintenance and Repair Service</b> |              |              |              |              |              |              |              |              |              |              |
| Service  | 43.0         | 46.0         | 44.0         | 46.0         | 46.0         | 48.0         | 43.5         | 47.0         | 48.0         | 48.0         |
| <b>Housing and Community Development</b>                   |              |              |              |              |              |              |              |              |              |              |
| Building Inspection  | 6.5          | 7.0          | 6.5          | 6.0          | 6.0          | 5.5          | 6.5          | 6.0          | 7.0          | 8.5          |
| <b>Basic Utility Services</b>                              |              |              |              |              |              |              |              |              |              |              |
| Housekeeping   | 10.5         | 11.0         | 11.5         | 11.5         | 12.0         | 12.0         | 11.5         | 12.0         | 13.5         | 13.5         |
| <b>Totals:</b>   | <u>202.5</u> | <u>195.0</u> | <u>195.0</u> | <u>196.5</u> | <u>205.0</u> | <u>205.5</u> | <u>202.0</u> | <u>209.0</u> | <u>216.5</u> | <u>219.5</u> |

**Method:** Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee as of December 31.

Source: Finance Department

**City of Brecksville, Ohio**  
*Capital Assets Statistics by Function/Program*  
*Last Ten Years*

| Function/Program                                   | 2016   | 2015   | 2014   | 2013   | 2012   | 2011   | 2010   | 2009   | 2008   | 2007   |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>General Government</b>                          |        |        |        |        |        |        |        |        |        |        |
| Building Department Vehicles                       | 4      | 5      | 5      | 4      | 5      | 5      | 5      | 6      | 6      | 6      |
| Other Department Vehicles                          | 4      | 4      | 4      | 5      | 4      | 3      | 4      | 5      | 5      | 5      |
| <b>Police</b>                                      |        |        |        |        |        |        |        |        |        |        |
| Stations   | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      |
| Square Footage of Building                         | 6,577  | 6,577  | 6,577  | 6,577  | 6,577  | 6,577  | 6,577  | 6,577  | 6,577  | 6,577  |
| Vehicles   | 22     | 22     | 22     | 22     | 22     | 22     | 23     | 23     | 22     | 22     |
| <b>Fire</b>  |        |        |        |        |        |        |        |        |        |        |
| Stations   | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      |
| Square Footage of Building                         | 17,674 | 17,674 | 17,674 | 17,674 | 17,674 | 17,674 | 17,674 | 17,674 | 17,674 | 17,674 |
| Vehicles   | 13     | 15     | 14     | 14     | 14     | 15     | 14     | 13     | 12     | 12     |
| <b>Street Construction, Maintenance and Repair</b> |        |        |        |        |        |        |        |        |        |        |
| Streets (lane miles)                               | 189    | 189    | 189    | 189    | 189    | 189    | 189    | 189    | 189    | 189    |
| Urban Forestry Vehicles                            | 3      | 3      | 3      | 3      | 3      | 3      | 3      | 3      | 3      | 3      |
| Other Public Services Vehicles                     | 64     | 62     | 58     | 59     | 57     | 54     | 54     | 53     | 54     | 54     |
| <b>Recreational Activities</b>                     |        |        |        |        |        |        |        |        |        |        |
| Recreation Center                                  | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      |
| Recreation Center Square Footage                   | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 |
| Number of Parks                                    | 3      | 3      | 3      | 3      | 3      | 3      | 3      | 3      | 3      | 3      |
| Number of Baseball Diamonds                        | 10     | 10     | 10     | 10     | 10     | 10     | 10     | 10     | 10     | 10     |
| Number of Playgrounds                              | 8      | 8      | 8      | 8      | 8      | 8      | 8      | 8      | 8      | 8      |
| Number of Tennis Courts                            | 3      | 3      | 3      | 3      | 3      | 3      | 3      | 3      | 3      | 3      |
| Number of Full Sized Soccer Fields                 | 3      | 3      | 3      | 3      | 3      | 3      | 3      | 2      | 2      | 2      |
| Vehicles   | 4      | 4      | 4      | 4      | 4      | 4      | 3      | 3      | 3      | 3      |
| <b>Housing and Community Development</b>           |        |        |        |        |        |        |        |        |        |        |
| Human Services Center Square Footage               | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 |
| Vehicles   | 5      | 5      | 5      | 5      | 6      | 6      | 5      | 5      | 6      | 6      |

Source: Finance Department

**City of Brecksville, Ohio**  
*Operating Indicators by Function/Program*  
*Last Ten Years*

| Function/Program                            | 2016     | 2015     | 2014     | 2013     |
|---|----------|----------|----------|----------|
| <b>Police:</b>                              |          |          |          |          |
| Police Expenditures (in thousands)          | \$4,218  | \$4,030  | \$4,065  | \$3,916  |
| Total Arrests                               | 2,716    | 2,382    | 2,534    | 3,308    |
| Part One Offenses                           | 79       | 72       | 78       | 74       |
| OVI Arrests                                 | 45       | 36       | 36       | 50       |
| Prisoners                                   | 555      | 541      | 593      | 857      |
| Motor Vehicle Accidents                     | 243      | 191      | 188      | 152      |
| Calls for Service                           | 13,515   | 12,643   | 12,646   | 14,349   |
| Incidents per Citizen                       | 1.0056   | 0.9260   | 0.9260   | 1.0510   |
| Cost per Citizen                            | \$313.84 | \$295.11 | \$297.67 | \$286.76 |
| <b>Fire:</b>                                |          |          |          |          |
| Fire Expenditures (in thousands)            | \$2,432  | \$2,453  | \$2,385  | \$2,355  |
| Emergency Responses                         | 1,623    | 1,471    | 1,398    | 1,246    |
| Fire Safety Inspections                     | 132      | 484      | 381      | 337      |
| Fire Protection Systems Inspected           | 47       | 44       | 46       | 78       |
| Building Fire Protection Plans Reviewed     | 16       | 9        | 6        | 3        |
| Percentage of Business Inspected            | 25%      | 44%      | 37%      | 33%      |
| Number of Community Programs                | 190      | 184      | 188      | 172      |
| Emergency Responses per Citizen             | 0.1208   | 0.1077   | 0.1024   | 0.0912   |
| Cost per Citizen                            | \$180.95 | \$179.63 | \$174.65 | \$172.42 |
| Street Lights Expenditures (in thousands)   | \$106    | \$109    | \$108    | \$129    |
| Cost per Acre of Streetlights               | \$8.48   | \$8.72   | \$8.64   | \$10.28  |
| <b>Public Health Services:</b>              |          |          |          |          |
| Health Department (in thousands)            | \$54     | \$54     | \$54     | \$52     |
| Health Cost per Citizen                     | \$4.02   | \$3.95   | \$3.95   | \$3.84   |
| <b>Recreational Activities:</b>             |          |          |          |          |
| Blossom Hill (in thousands)                 | \$264    | \$285    | \$261    | \$279    |
| Community Center (in thousands)             | 1,845    | 1,811    | 1,931    | 2,054    |
| Total Leisure Service Cost (in thousands)   | \$2,109  | \$2,096  | \$2,192  | \$2,333  |
| Cost per Citizen                            | \$156.92 | \$153.49 | \$160.52 | \$170.89 |
| Community Center Square Feet                | 65,000   | 65,000   | 65,000   | 65,000   |
| Square Feet per Citizen                     | 4.84     | 4.76     | 4.76     | 4.76     |
| Total Recreational Revenue (in thousands)   | \$1,110  | \$933    | \$1,032  | \$977    |
| Community Center Members                    | 5,669    | 5,814    | 5,979    | 6,200    |
| Total Participations                        | 172,277  | 171,917  | 173,042  | 173,308  |
| Fitness Class Participations                | 18,833   | 18,602   | 16,534   | 22,603   |
| Participations per Citizen                  | 12.82    | 12.59    | 12.67    | 12.69    |
| Cost per Participation                      | \$10.71  | \$10.53  | \$11.16  | \$11.85  |
| Revenue per Participation                   | \$6.44   | \$5.43   | \$5.96   | \$5.64   |
| <b>Housing and Community Development:</b>   |          |          |          |          |
| Human Services (in thousands)               | \$844    | \$805    | \$863    | \$838    |
| Cost per Citizen                            | \$63.00  | \$59.00  | \$63.00  | \$61.00  |
| Human Services Square Feet                  | 29,000   | 29,000   | 29,000   | 29,000   |
| Square Feet per Citizen                     | 21.48    | 27.08    | 19.89    | 23.37    |
| Total Human Services Revenue (in thousands) | \$116    | \$87     | \$93     | \$88     |
| Human Services Members                      | 1,350    | 1,071    | 1,458    | 1,241    |
| Total Participations                        | 31,719   | 42,202   | 51,168   | 50,961   |
| Participations per Citizen                  | 2.36     | 3.09     | 3.75     | 3.73     |
| Cost per Participation                      | \$625.19 | \$751.63 | \$591.91 | \$675.33 |

| 2012     | 2011     | 2010     | 2009     | 2008     | 2007     |
|----------|----------|----------|----------|----------|----------|
| \$3,956  | \$3,645  | \$3,716  | \$3,516  | \$3,350  | \$3,428  |
| 3,009    | 3,036    | 3,658    | 3,181    | 3,542    | 3,526    |
| 96       | 85       | 80       | 85       | 83       | 67       |
| 47       | 56       | 47       | 39       | 64       | 55       |
| 931      | 901      | 908      | 1,258    | 1,235    | 1,086    |
| 206      | 204      | 215      | 256      | 293      | 303      |
| 13,708   | 15,174   | 14,701   | 14,302   | 16,603   | 15,669   |
| 1,0040   | 1,1110   | 1,0770   | 1,0308   | 1,2030   | 1,1349   |
| \$289.69 | \$266.92 | \$272.08 | \$253.41 | \$242.67 | \$248.32 |
| \$2,244  | \$2,304  | \$2,438  | \$2,159  | \$2,067  | \$2,194  |
| 1,318    | 1,395    | 1,351    | 1,346    | 1,399    | 1,313    |
| 308      | 284      | 404      | 249      | 410      | 276      |
| 42       | 59       | 35       | 49       | 58       | 47       |
| 5        | 3        | 2        | 3        | 9        | 7        |
| 31%      | 30%      | 36%      | 25%      | 39%      | 44%      |
| 140      | 143      | 197      | 181      | 245      | 15       |
| 0.0965   | 0.1022   | 0.0989   | 0.0975   | 0.1013   | 0.0951   |
| \$164.31 | \$168.72 | \$178.53 | \$155.60 | \$149.72 | \$158.91 |
| \$116    | \$101    | \$108    | \$98     | \$86     | \$85     |
| \$9.26   | \$8.08   | \$8.61   | \$7.60   | \$6.88   | \$6.81   |
| \$52     | \$50     | \$50     | \$50     | \$48     | \$48     |
| \$3.84   | \$3.62   | \$3.62   | \$3.57   | \$3.49   | \$3.49   |
| \$223    | \$254    | \$253    | \$305    | \$271    | \$280    |
| 1,808    | 1,762    | 1,843    | 1,791    | 1,610    | 1,609    |
| \$2,031  | \$2,016  | \$2,096  | \$2,096  | \$1,881  | \$1,889  |
| \$148.75 | \$147.61 | \$153.48 | \$151.03 | \$136.26 | \$136.85 |
| 65,000   | 65,000   | 65,000   | 65,000   | 65,000   | 65,000   |
| 4.76     | 4.76     | 4.76     | 4.68     | 4.71     | 4.71     |
| \$1,157  | \$1,008  | \$972    | \$894    | \$1,039  | \$928    |
| 6,242    | 6,693    | 6,479    | 6,606    | 6,798    | 7,440    |
| 192,970  | 171,646  | 169,171  | 199,102  | 218,209  | 171,266  |
| 23,521   | 20,754   | 21,584   | 21,624   | 24,107   | 21,779   |
| 14.13    | 12.57    | 12.39    | 14.35    | 15.81    | 12.40    |
| \$9.37   | \$10.27  | \$10.89  | \$10.53  | \$7.38   | \$9.40   |
| \$5.99   | \$5.87   | \$5.74   | \$4.49   | \$4.76   | \$5.42   |
| \$707    | \$696    | \$676    | \$720    | \$701    | \$659    |
| \$52.00  | \$51.00  | \$50.00  | \$51.89  | \$51.00  | \$48.00  |
| 29,000   | 29,000   | 29,000   | 29,000   | 29,000   | 29,000   |
| 15.65    | 24.21    | 25.55    | 26.34    | 31.80    | 31.80    |
| \$89     | \$81     | \$81     | \$81     | \$76     | \$52     |
| 1,853    | 1,198    | 1,135    | 1,101    | 714      | 912      |
| 42,942   | 38,553   | 37,663   | 46,272   | 36,946   | 32,542   |
| 3.14     | 2.82     | 2.76     | 3.33     | 2.68     | 2.36     |
| \$381.33 | \$580.88 | \$595.59 | \$653.95 | \$982.18 | \$722.15 |

(continued)

**City of Brecksville, Ohio**  
*Operating Indicators by Function/Program (continued)*  
*Last Ten Years*

| Function/Program                                    | 2016     | 2015     | 2014     | 2013     |
|---|----------|----------|----------|----------|
| <b>Housing and Community Development:</b>           |          |          |          |          |
| Planning and Zoning (in thousands)                  | \$7      | \$4      | \$7      | \$6      |
| Housing and Building Inspection (in thousands)      | \$528    | \$518    | \$471    | \$462    |
| Cost per Citizen                                    | \$40.00  | \$38.00  | \$35.00  | \$34.00  |
| Building Permits - Residential                      | 859      | 761      | 742      | 826      |
| Dollar Value of Permits (in thousands)              | \$22,412 | \$17,387 | \$12,356 | \$4,307  |
| Building Permits - Commercial                       | 202      | 183      | 167      | 213      |
| Dollar Value of Permits (in thousands)              | \$8,932  | \$7,826  | \$12,140 | \$12,250 |
| Engineering (in thousands)                          | \$104    | \$135    | \$138    | \$187    |
| Engineering Reviews                                 |          |          |          |          |
| New Topo Reviews                                    | 28       | 31       | 8        | 6        |
| Revised Topo Reviews                                | 30       | 36       | 14       | 13       |
| Retaining Wall Reviews                              | 8        | 3        | 2        | 12       |
| Plat Reviews  | 8        | 3        | 2        | 6        |
| Other Reviews                                       | 90       | 73       | 56       | 43       |
| Builder Grades                                      | 31       | 25       | 12       | 9        |
| Landscaping Grades                                  | 9        | 8        | 6        | 5        |
| Total All Reviews                                   | 204      | 179      | 100      | 94       |
| Number of Trees Planted                             | 323      | 211      | 134      | 163      |
| Number of Trees Removed                             | 240      | 124      | 757      | 98       |
| Cemetery Internments                                | 61       | 31       | 45       | 64       |
| Grave Purchases/Interment Payments (in thousands)   | \$24     | \$16     | \$19     | \$38     |
| <b>Street Construction, Maintenance and Repair:</b> |          |          |          |          |
| Street Maintenance (in thousands)                   | \$1,074  | \$1,048  | \$923    | \$1,182  |
| Snow and Ice Removal (in thousands)                 | \$149    | \$191    | \$240    | \$169    |
| Road Maintenance (man hours)                        | 65,673   | 65,460   | 66,311   | 65,248   |
| Streets (lane miles)                                | 191      | 189      | 189      | 189      |
| Cost per mile of street                             | \$6.40   | \$6.56   | \$6.15   | \$7.15   |
| Feet of street per capita                           | 75.04    | 73.08    | 73.08    | 73.08    |
| Asphalt Usage (in tons)                             | 6,755    | 8,062    | 12,481   | 9,926    |
| Asphalt Cost per ton                                | \$54.75  | \$55.00  | \$55.00  | \$60.75  |
| Salt Usage (in tons)                                | 8,553    | 10,950   | 11,745   | 10,270   |
| Concrete Used (in cubic yards)                      | 5,140    | 6,888    | 10,934   | 6,151    |
| Brush/Grass/Yard Waste Collected (in cubic yard)    | 1,375    | 1,403    | 2,657    | 1,478    |
| Leaves Collected (in cubic yards)                   | 9,050    | 8,221    | 8,440    | 7,222    |
| <b>General Government:</b>                          |          |          |          |          |
| Law (in thousands)                                  | \$256    | \$252    | \$251    | \$231    |
| Cost per budget dollar                              | \$0.0061 | \$0.0079 | \$0.0083 | \$0.0072 |
| Finance (in thousands)                              | \$411    | \$393    | \$352    | \$339    |
| Cost per budget dollar                              | \$0.0097 | \$0.0123 | \$0.0112 | \$0.0105 |
| Purchasing (in thousands)                           | \$196    | \$195    | \$177    | \$175    |
| Cost per employee                                   | \$967.90 | \$835.12 | \$758.03 | \$747.46 |
| Lands and Buildings (in thousands)                  | \$1,187  | \$1,090  | \$818    | \$742    |
| Cost per citizen                                    | \$88.32  | \$79.82  | \$59.90  | \$54.35  |
| Mayor's Office (in thousands)                       | \$257    | \$249    | \$237    | \$235    |
| Council (in thousands)                              | \$260    | \$258    | \$249    | \$249    |

Source: Finance Department



| 2012     | 2011     | 2010     | 2009       | 2008     | 2007     |
|----------|----------|----------|------------|----------|----------|
| \$5      | \$5      | \$5      | \$4        | \$13     | \$8      |
| \$454    | \$479    | \$505    | \$521      | \$471    | \$492    |
| \$34.00  | \$35.00  | \$37.00  | \$37.84    | \$35.00  | \$36.00  |
| 853      | 845      | 895      | 882        | 742      | 1,077    |
| \$9,648  | \$3,236  | \$3,654  | \$5,596    | \$7,450  | \$7,609  |
| 208      | 244      | 207      | 137        | 205      | 126      |
| \$10,818 | \$4,081  | \$21,592 | \$3,954    | \$7,075  | \$23,762 |
| \$339    | \$339    | \$241    | \$256      | \$178    | \$152    |
| 7        | 5        | 5        | 11         | 11       | 15       |
| 9        | 8        | 8        | 13         | 23       | 28       |
| 7        | 5        | 39       | 15         | 9        | 32       |
| 4        | 3        | 6        | 16         | 9        | 3        |
| 51       | 55       | 13       | 43         | 41       | 38       |
| 6        | 5        | 9        | 15         | 17       | 66       |
| 3        | 2        | 4        | 11         | 7        | 20       |
| 87       | 83       | 84       | 124        | 117      | 202      |
| 92       | 175      | 168      | 146        | 110      | 168      |
| 157      | 196      | 190      | 197        | 135      | 103      |
| 54       | 48       | 43       | 41         | 46       | 60       |
| \$43     | \$33     | \$27     | \$30       | \$24     | \$40     |
| \$1,070  | \$1,185  | \$892    | \$1,033    | \$1,155  | \$1,112  |
| \$97     | \$157    | \$220    | \$175      | \$208    | \$175    |
| 63,944   | 66,200   | 65,600   | 70,776     | 70,776   | 66,405   |
| 189      | 189      | 189      | 189        | 189      | 189      |
| \$6.18   | \$7.10   | \$5.88   | \$7.21     | \$7.21   | \$6.81   |
| 73.08    | 73.08    | 73.08    | 72.28      | 72.28    | 72.28    |
| 5,576    | 7,650    | 5,415    | 7,237      | 2,307    | 2,119    |
| \$60.75  | \$68.30  | \$68.50  | \$56.81    | \$55.74  | \$60.68  |
| 4,920    | 7,650    | 6,863    | 8,625      | 9,090    | 9,875    |
| 5,239    | 44,438   | 3,945    | 1,941      | 1,941    | 1,172    |
| 1,743    | 3,094    | 2,354    | 2,409      | 2,729    | 2,120    |
| 7,710    | 6,333    | 6,411    | 7,722      | 5,926    | 6,953    |
| \$304    | \$248    | \$247    | \$219      | \$222    | \$241    |
| \$0.0077 | \$0.0071 | \$0.0069 | \$0.0054   | \$0.0052 | \$0.0058 |
| \$319    | \$308    | \$325    | \$342      | \$299    | \$292    |
| \$0.0080 | \$0.0088 | \$0.0090 | \$0.0085   | \$0.0071 | \$0.0070 |
| \$168    | \$165    | \$169    | \$227      | \$201    | \$198    |
| \$720.77 | \$706.21 | \$724.63 | \$1,027.15 | \$861.07 | \$847.97 |
| \$651    | \$563    | \$602    | \$785      | \$767    | \$769    |
| \$47.65  | \$41.23  | \$44.06  | \$56.58    | \$55.57  | \$55.70  |
| \$234    | \$233    | \$218    | \$217      | \$231    | \$206    |
| \$250    | \$248    | \$238    | \$234      | \$229    | \$230    |

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# Dave Yost • Auditor of State

CITY OF BRECKSVILLE

CUYAHOGA COUNTY

## CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
JUNE 6, 2017