



Dave Yost • Auditor of State

**CITY OF BRUNSWICK
MEDINA COUNTY**

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Dave Yost • Auditor of State

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

City of Brunswick
Medina County
4095 Center Road
Brunswick, Ohio 44212

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brunswick, Medina 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 31, 2017.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

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

Dave Yost
Auditor of State
Columbus, Ohio

May 31, 2017

Comprehensive Annual Financial Report

for the year ended December 31, 2016



City of Brunswick, Ohio

4095 Center Road

Brunswick, OH 44212

www.brunswick.oh.us

330-225-9144



City of Brunswick, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2016

Issued by:

City of Brunswick
Department of Finance

Todd R. Fischer
Finance Director

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Introductory Section

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City of Brunswick, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2016
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MAYOR
RON FALCONI

CITY OF BRUNSWICK

COUNCIL
MICHAEL J. ABELLA, JR
ANTHONY P. CAPRETTA
NICHOLAS HANEK
PATRICIA HANEK
ALEX V. JOHNSON
BRIAN K. OUSLEY
JOSEPH SALZGEBER

ACTING CITY MANAGER
CARL S. DEFOREST

May 31, 2017

Members of Council and
Citizens of Brunswick:

We are pleased to submit the City of Brunswick's 2016 Comprehensive Annual Financial Report. This report enables the City to comply with Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a Generally Accepted Accounting Principles (GAAP) basis, and Ohio Revised Code Section 117.38 which requires the cities reporting on a GAAP basis to file an annual report with the Auditor of State within 150 days of fiscal year end.

Management is responsible for the completeness and accuracy 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 Brunswick 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 Auditor of State of Ohio performed these services for the year ending 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.

The City of Brunswick is located in north-east Ohio, within the boundaries of Medina County, and is 12.92 square miles in area. The City is fortunate to have I-71 as a major artery running north and south through its eastern half with an intersection at State Route 303. Additionally, the City is within 30 miles of the City of Cleveland and Akron and only 12 miles from Cleveland Hopkins International Airport.

With the adoption of the Charter in 1975, the City changed from a part-time Mayor-Council form of government to a Council-Manager form of government. As required by the City's Charter, every five years a commission is appointed by the Mayor to conduct a comprehensive review of the Charter and recommend any necessary amendments to Council. Amendments are then presented to the voters of the City for consideration at the November general election. The voters previously approved several changes to the Charter in November of 2015 and the next Charter review year is scheduled for 2020.

The City elects a part-time Mayor whose responsibilities include ceremonial and judicial functions. Council consists of seven elected members, four ward and three at-large, who engage a City Manager as the chief administrative officer of the City. The City Manager is responsible for hiring directors, subject to confirmation by



4095 CENTER ROAD - BRUNSWICK, OHIO 44212

CITY HALL PHONE: (330) 225-9144 - FAX: (330) 273-8023 - POLICE & FIRE PHONE: (330) 225-9111 - FAX: (330) 225-6002

<http://www.brunswick.oh.us>

Council, for: Law, Finance, Public Service, Parks and Recreation, Public Safety and Community and Economic Development. The City Manager is also responsible for hiring other department and division heads such as: Police Chief, Fire Chief, Clerk of Courts, Information and Public Communications Manager and Administrative Services Manager.

The City provides full-time police, fire and emergency medical services protection, full-time street and storm water maintenance, full-time park improvement and maintenance, full-time building permitting and code enforcement, weekly refuse collection through a contract with a private hauler as well as general administration services for all of its stakeholders. During 2016, the City also operated a fixed route transit service managed by Medina County Public Transit. However on December 29, 2016, the City of Brunswick and Medina County executed an agreement to merge various transit services for future years beginning on January 1, 2017. The Medina County Public Transit, a public transit system, has assumed the management and operation of the transit systems and the City of Brunswick will no longer operate the transit services. Beginning in 2017, the money in the Brunswick Transit Alternative (BTA) fund will be used for the City of Brunswick's annual contribution of \$45,000 annually to the County transit system for any applicable route 251 Greater Cleveland Regional Transit Authority (GCRTA) flyer services not previously funded. Beginning in 2018, the City has also agreed to subsidize 50 percent of the transit fares of non-disabled veterans who ride the Medina County public transit system. The money in the BTA fund will be used for transit related obligations. Even though the City may no longer directly operate a transit system in 2017, the City has numerous transit related agreements in place and will still have transit financial obligations and commitments moving forward.

Water and sanitary sewer services are provided by the Cleveland Water Department and Medina County Sanitary Sewer Department, respectively. The private sector provides other major utilities for the City.

Brunswick operates a Mayor's Court under the provisions of the Ohio Revised Code. The Court hears traffic and first to fourth degree misdemeanor charges. In the case of a "not guilty" plea, the cases are transferred to the Medina Municipal Court.

The City is very proud of its parks which include over 300 acres of park land aimed at improving the quality of life for Brunswick residents and businesses. The City offers 23 parks which include community parks, neighborhood parks and additional open spaces. The City's community parks are intended to serve the needs of the entire public without specific concentration on location. The City's neighborhood parks focus on the needs of specific neighborhoods, generally within one mile. The "open space" parks that are undeveloped by design offer a natural park without any constructed park apparatuses. Some of these parks also exist in order to protect specific areas from future construction, such as wetlands.

The City of Brunswick also operates a Community Recreation and Fitness Center serving residents as a fitness center, community event center, recreational program center, senior citizen center, and social center for public use. The Community Recreation and Fitness Center offers a full range of recreational and social activities for people of all ages and abilities. Members have full use of the facility for open recreation and fitness opportunities. The City offers discounted membership and programming rates to Brunswick residents and other residents that reside within the School District boundaries (which extend, in part, into surrounding township areas). However, membership is not required to enroll in programs or attend meetings and social events. The Community Recreation and Fitness Center offers a Community Concert Series hosting concerts and plays for people of all ages as well as a variety of community wide programs at no additional charge to the residents.

Local Economy

Brunswick's local economy and related tax revenues have been improving over the last several years. According to the Ohio Department of Job and Family Services civilian labor force estimates, the City of Brunswick's unemployment rate equaled 4.2 percent in December 2016. The City's December 2016 unemployment rate was

less than the unemployment rates of both Medina County and the State of Ohio. Seven years ago, the City's unemployment rate was 7.9 percent.

The City's income tax base is made up of a good mix between business taxes and residential taxes. The biggest contributing group for income tax collections in 2016 was the business withholdings at 49.57 percent. This is important since it marks the eleventh straight year where the withholding percentage was greater than the residential percentage. This is attributed to the emphasis on economic development growth and retention along with an increased credit rate since 2010. The City's expanding withholding and net profit tax bases relative to the residential community is reflected in the Income Tax Revenue Base and Collections statistical section. The remaining portion of the City income tax revenue is made up of residential taxes at 41.88 percent and business net-profit taxes at 8.55 percent.

The City of Brunswick continues to be fortunate to have a diverse business tax base that is not reliant on any one business or business sector. This diversity also proved to be a huge positive for the City during the economic downturn. The City did not experience the significant decline in business income tax revenues that other communities experienced. The Brunswick business tax base is made up of many small to medium size companies that have a wide range of products and services. The continued healthy growth in income tax revenue over the last several years is attributable to this diversified and growing tax base along with an increased renewable tax rate.

The County Auditor has also recently notified the City that property values for the upcoming 2017 collection year will be valued at approximately seven and half percent higher than those valued in 2016. Home sales in the City have picked up substantially during 2016 and into the first part of 2017. All of these are great signs that the City of Brunswick is recovering quite nicely from the economic downturn of years ago.

Please see the statistical section of this report for further detailed information with regard to income and property tax collections. Being that these two sources of income are of the largest received by the City, it will be important to continue to monitor these amounts and determine the impact, if any, of the ongoing economic condition.

Long-Term Financial Planning and Focus

Since 2010, the City has reduced or controlled its operational costs; revamped its budgeting procedures; funded previously unfunded decisions; restored and improved the City's fiscal infrastructure and emergency cash reserves; instituted a new departmental and City-wide capital set aside programs; reduced the reliance on debt and eliminated the need to use income tax revenues to retire existing debt obligations; improved upon various road and storm water infrastructure and explored various other alternative revenue sources. The outcome of this renewed focus has paid off immensely and has changed the financial behavior and decision making of the City. These changes and renewed focus have also allowed the City to move forward financially in a planned and systematic fashion. The City has achieved tremendous financial improvements over the past seven years compared to the preceding seven year period. While the City has been able to achieve these astonishing financial successes, the City still faces many challenges and hurdles, including but not limited to, lower staffing levels than desired in several departments, rising wages and benefit costs, and roads and storm water infrastructure aging beyond available financial resources.

On November 6, 2012, the voters approved the continuation of the 0.5 percent income tax levy to maintain staffing levels for the safety forces of the City of Brunswick for the period of January 1, 2014 through December 31, 2017. This specific levy currently generates an estimated \$4,643,000 annually and is an integral part of providing the current staffing levels of the Police and Fire divisions.

The City continued its focus to balance the City's operational budget and 2016 marked the seventh straight year in which revenues exceeded expenditures. This sound financial practice has allowed the City to begin to address some much needed capital improvements, including some larger road improvements. Council has formally set aside \$2,715,000 of these savings for the future North Carpenter Road improvements and in 2017 appropriated an additional \$1,853,000 for the continuation and reconstruction of a portion of Grafton Road and \$926,000 for the reconstruction of Skyview Drive. These projects are possible as a result of strong financial management, recent sales of land parcels and surplus operating margins over the past several years.

This year marked the second collection year of the 1.2 mill ten year property tax road levy. The annual property tax collections are generally around \$800,000 annually. The collections are earmarked for neighborhood road improvement projects. Any leftover property tax collections not spent in 2016, have already been planned and appropriated to be spent in 2017 on additional neighborhood road repairs. The City plans to continue the neighborhood road improvement program for the life of the levy.

The City has elected to keep nine previously vacated positions unfilled resulting in approximately \$600,000 in annual operational cost savings from non-safety departments. These positions have remained vacant since the economic downturn. A portion of these cost savings have been used to set aside local monies for road and capital improvements while the other portion was used to fund a portion of police and fire operations not otherwise covered by the two safety specific levies approved by the voters. The City must continue to control costs and/or increase revenues to continue its road improvement program for the City's major roads and provide additional operational subsidies needed to maintain police and fire staffing levels.

The City has a fund balance reserve policy and has restored general fund cash reserves to reasonable levels. The policy requires financial plans to be compiled and submitted to restore emergency cash reserves if the fund balance would ever fall below a certain level. The policy also requires any excess amounts over stated maximum levels to be used for one time expenditures or other purposes as identified by the policy. The general fund is treated as the emergency reserve fund for all City funds. The reserve balances were established based on the expenditure levels of all City governmental funds and conservative approach to budgeting. The reserve policy should be reviewed periodically and amended accordingly when there are significant changes in revenues, expenditures or methodology or approach to budgeting. The general fund is available for any governmental purpose and as a result, establishing the reserve in the general fund provides Council with the most flexibility to handle various situations that may arise with financial commitments of any fund. To this point, any amounts over and above the fund balance reserve threshold since the policy was implemented have either been expended or set aside for road projects, building improvements and/or purchase of capital equipment or vehicles.

Several needed infrastructure improvements have also been completed. The majority of these projects were thought to be impossible with the City's financial situation just seven years ago. These improvement projects are now a reality due to the City's improving relationships with other governmental entities, the decision to revamp its financial practices and policies and the last seven years of financial achievements. Some of the completed infrastructure improvements made to the City's main road thoroughfares over the past several years include resurfacing of Pearl, Center, and Boston roads and the reconstruction of portions on Grafton and Hadcock roads. The City is in the process of completing additional road improvements to the City's major thoroughfares with a reconstructed slip ramp off of I-71 onto Center Road and the fifth and final phase of the Hadcock Road. In 2017, the City plans to initiate the Grafton Phase IV and Skyview Drive Reconstruction Projects. Financial set asides in the amount of \$2,715,000 have also already been legislatively designated for future North Carpenter Road improvements. The City is waiting for outside federal and State financial resources to complete the project. The City is hopeful that construction on North Carpenter Road will begin in 2018. The City has also informally set aside local funding for the resurfacing of Sleepy Hollow Road which is expected to be funded through mostly federal sources and is estimated for 2021. The City also completed several storm water projects during the same time period and is planning other projects in the future provided available funding is in place.

The City continued its overall debt reduction program for the seventh straight year. The City currently has no short term notes outstanding as of December 31, 2016. This was the second straight year that the City no longer dedicated any income tax revenues to retire debt obligations. The City has been successful in obtaining alternative revenue sources to retire its debt obligations freeing up income tax revenues for other purposes, including road and other capital improvements.

Largest Revenue Source

The City's largest revenue source is taxes. Taxes are made up of income and property taxes.

Income Taxes:

Based on Council priorities and legal requirements, the City of Brunswick passed Ordinance Number 95-15 that determined the allocation of net municipal income tax receipts. The allocation of income taxes received during calendar year of 2016, net of collection expenses was: 49.25 percent to the police fund; 26.50 percent to the fire fund, 9.75 percent to the general fund; 7.50 percent to the street repair and maintenance fund; 3.50 percent to the parks fund; 2.50 percent to the capital improvement fund, and 1.00 percent to the Brunswick Transit Alternative fund. The amount distributed to the police, fire, street repair and maintenance, parks and the Brunswick Transit Alternative funds during the calendar year 2016 were limited to these maximum cash basis amounts of \$6,750,000, \$3,800,000, \$1,125,000, \$520,000 and \$145,000, respectively. Any amounts in excess of these maximum amounts for these funds were retained in the general fund to maximize and allow for additional financial flexibility during these financial times. Council could elect to transfer or advance any excess income taxes retained in the general fund over and above these established maximums.

Effective for the period of January 1, 2010 through December 31, 2017, the City of Brunswick voters have approved a renewable 0.50 percent income tax increase for the purpose of maintaining staffing levels for the City's safety forces. Council, sensitive to the economic climate, passed legislation that implemented a 0.25 percent increase to the credit given to those residents who pay municipal income taxes to another community (usually a community where they work) to help minimize the financial impact to the residents of the community. This increase moved the credit to a full 1.0 percent after the passage of this 0.5 percent tax initiative. If the initiative would not have been successful, the credit would have remained unchanged at three quarters of one percent. The 0.50 percent safety levy generated approximately \$4,642,000 of the total income tax revenues in 2016. The 0.50 percent four year safety levy expires on December 31, 2017. In January 2017, City Council passed a Resolution to present the electors with a replacement levy. On May 2, 2017, the electorate approved a 0.65 percent income tax levy for a five-year period commencing on January 1, 2018 and ending December 31, 2022, to replace the existing 0.5 percent levy expiring on December 31, 2017. The purpose of the new levy is to maintain staffing levels for the Safety Forces of the City. This levy shall be in addition to the City's 1 percent and 0.35 percent levies on income that are in effect for a continuing period of time.

Property Taxes:

The City has an Ordinance, based on the City Charter, accepting and certifying the property tax rates. The property tax rates for collection year 2016 were 3.8 mills in total, with 2.3 mills allocated to the general fund for general operations, 0.3 mills allocated to the City's police pension expenses and 1.2 voted mills for neighborhood road improvements.

Major Capital Improvement Projects

North Carpenter Road Improvement Project(s): In 2005, the City put this project on hold as a result of funding concerns and until the plans could be reviewed and expanded to include a section of the road that was previously omitted. In the meantime, the City has addressed, or began addressing, other sections of North Carpenter Road that required more immediate attention such as the Center Road intersection, the Plum Creek and Healy Creek

culvert sections, and the section of North Carpenter Road that was originally omitted from the larger project. These sections or improvements were made possible through grants or zero percent interest loans from the Ohio Public Works Commission as well as a small amount of local funds. The remainder of the originally designed North Carpenter Road Improvement project would expand the remaining major intersections along North Carpenter Road, at Grafton Road and at Boston Road, to three lanes. In addition, the construction plan would include an upgrade to a full concrete roadway, curbs and gutters, storm sewers and sidewalks. In 2016, the project design and plan was reviewed. Currently, the securing of State and Federal funding is the only remaining piece for this project to be initiated. The legislatively approved local set-asides available for this project are currently \$2,715,000.

Center Road Resurfacing Project: The estimated length of this resurfacing project is 3.76 miles and was initiated in the fall of 2015. The project removed two inches of existing asphalt, completed pavement repairs where needed, excavated poor subgrade where needed, installed ADA compliant curb ramps at all intersections, limited removal and replacement of deteriorated sidewalk, curb and driveways, limited storm sewer manhole and catch basin reconstruction and finally, asphalt resurfacing. Total project costs were estimated at \$1,772,453 with \$1,665,754 capitalized in construction in progress as of December 31, 2016. The City secured an Ohio Public Works Commission Grant in the amount of \$513,972 for the local share and \$1,258,481 in Ohio Department of Transportation and Federal Highway Administration funding for this project. This project is led by the State of Ohio and is expected to be finalized in 2017.

Grafton Road Reconstruction – Phase III Improvement Project: The project length is 2,345 feet (60 feet west of Lakewood Avenue to 200 feet West of North Carpenter). The project was initiated in 2015 with the removal and replacement of all concrete pavements, designated curb inlets, drive aprons and deteriorated sidewalks within the project area. Total project costs are estimated at \$1,150,563. The City received an Ohio Public Works Commission Grant in the amount of \$547,283 and plans to use up to a maximum of \$603,280 in other dedicated local funds to complete this project. The project is expected to be completed in 2017 and \$858,910 has been included in construction in progress as of December 31, 2016.

Hadcock Road Reconstruction – Phase V Improvement Project: This project was initiated in the second half of 2016. The project length is 2,500 feet (from south of Miller Drive for approximately 2,500 feet south). The project will complete the last and remaining unimproved section of Hadcock Road. The project will include the removal and replacement of all concrete pavements, designated curb inlets, drive aprons and deteriorated sidewalks within the project area. Total project costs are estimated at \$1,168,907. The City received a \$599,000 Ohio Public Works Grant with the remainder of the funding to come from local income tax dollars transferred into the Road Improvement Fund. The project is expected to be completed in 2017 and \$971,219 has been included in construction in progress as of December 31, 2016.

Skyview Drive Reconstruction: The project length is 2,115 feet from Pearl Road to Woodhollow Drive. The project will include new curbs, underdrains, aprons to first joints, and sidewalks. Total project costs are estimated at \$926,000. The project has been appropriated in the Road Improvement Fund and engineering work has been initiated in early 2017.

Grafton Road Reconstruction – Phase IV Improvement Project: The project length is 4,375 feet (360 feet west of Hadcock Road to Pearl Road). Engineering on the project was initiated in early 2017 and includes the removal and replacement of all concrete pavements, designated curb inlets, drive aprons and deteriorated sidewalks within the project area. Total project costs are estimated at \$1,853,000. The City has applied for an Ohio Public Works Commission Grant in the amount of \$610,000 and plans to use other dedicated local funds from the Road Improvement Fund to complete this project.

Neighborhood Road Levy Improvement Program: The City completed its second year of its ten-year 1.2 mill road improvement levy in 2016. The levy generates approximately \$800,000 annually. The levy proceeds allow for a consistent annual program and are used exclusively in the City neighborhoods for road improvements. This program has been appropriated and will continue in 2017.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to a governmental unit that publishes an easily readable and efficiently organized Comprehensive Annual Financial Report which conforms to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting and its award represents a significant accomplishment by a government and its management. GFOA awarded a Certificate of Achievement to the City of Brunswick for its CAFR for the year ended December 31, 2015. A copy of this certificate is contained within this report. This is the 33rd award the City has received.

A Certificate of Achievement is valid for a period of one year. The City of Brunswick believes the 2016 Comprehensive Annual Financial Report conforms to the Certificate of Achievement Program requirements and standards, and has submitted it to the GFOA for consideration.

The employees of the City of Brunswick are dedicated to serve its citizens. The preparation of a report of this scope depends upon the dedication of many employees, but especially the employees in the Department of Finance who have worked on various parts of this project. The City also appreciates the dedication of the Local Government Services Section of the Auditor of State's Office for their assistance and guidance in the preparation of this report.

We would like to thank Brunswick City Council, whose leadership and encouragement made the preparation of this report possible.

We would also like to take this opportunity to thank the residents, businesses and taxpayers of the City of Brunswick for entrusting us with the administration of their local government.

Respectfully submitted,



Carl S. DeForest
Acting City Manager



Todd R. Fischer
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Brunswick
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

City of Brunswick, Ohio

City Officials
December 31, 2016

Mayor

Ron Falconi

Council Members

Patricia Hanek..... Michael J. Abella, Jr.
Anthony P. Capretta..... Joseph Salzgerber
Nicholas Hanek..... Alex V. Johnson
Brian K. Ousley

Acting City Manager/Safety Director

Carl S. DeForest

Finance Director and Tax Administrator

Todd R. Fischer

Parks and Recreation Director

John Piepsny

Law Director

Kenneth J. Fisher

Community & Economic Development Director

Grant R. Aungst

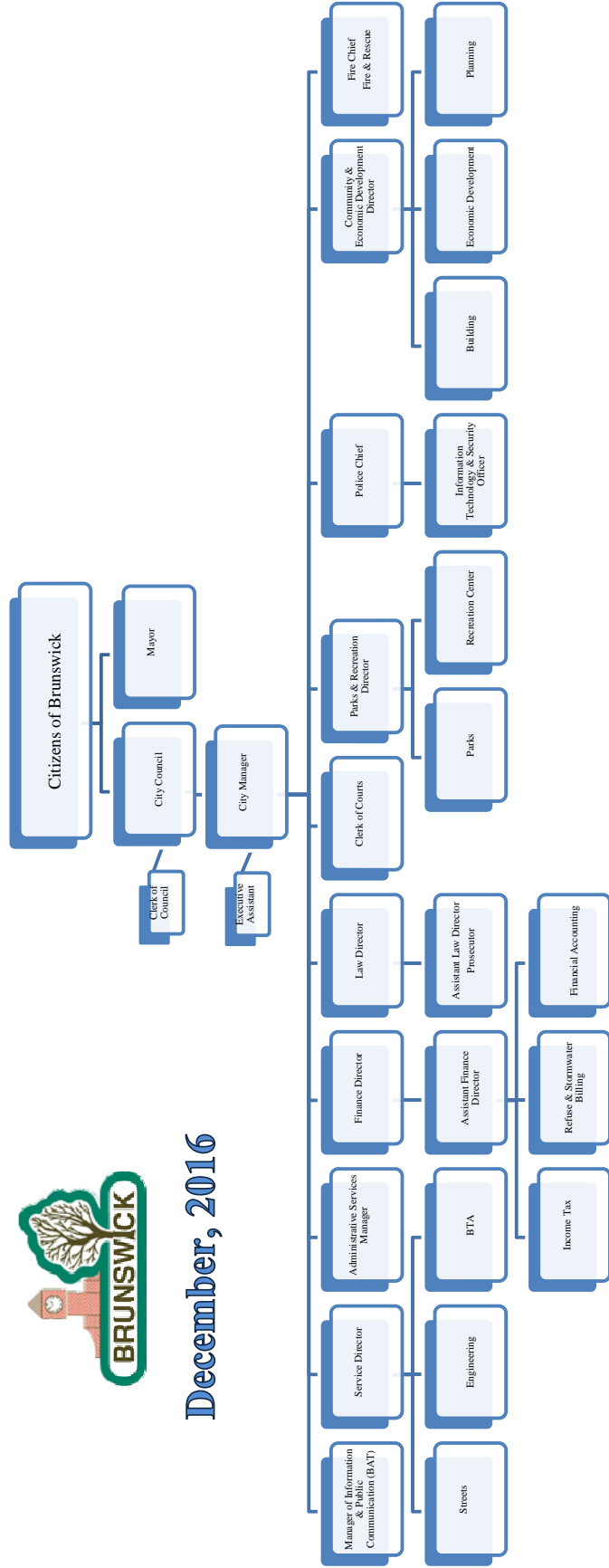
Service Director

Paul E. Barnett

City of Brunswick Organizational Chart



December, 2016



Financial Section

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

City of Brunswick
Medina County
4095 Center Road
Brunswick, Ohio 44212

To the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brunswick, Medina 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 preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

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

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2017, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

Dave Yost
Auditor of State
Columbus, Ohio

May 31, 2017

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

The management's discussion and analysis of the City of Brunswick's (the City) 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 and the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights:

- The City has continued improving roads and infrastructure. In 2016, the City completed and capitalized the Hadcock Road Phase IV and Boston Road improvement projects. The Center Road resurfacing, Grafton Phase III reconstruction and the Hadcock Road Phase V reconstruction projects have been initiated but reported as construction in progress since they were not yet completed as of the balance sheet date. Formalized financial plans to set aside funds for the future improvement of North Carpenter and the Grafton Phase IV Road reconstruction project were made. City Council has passed various Resolutions 80-12, 126-12, 98-13, 16-14 and 108-14 over the past few years to formally set aside a total of \$2,715,000 for the anticipated future North Carpenter Road improvements. The \$2,715,000 set aside amount represents the latest estimated City's local share of the federal North Carpenter Road Improvement project. The set aside local funds were the result of multi-year savings generated through an early retirement incentive program, other non-safety salary attritions/reductions, reallocation of video service provider fees for road improvements, redesigned financial policies to provide more flexibility and available cash reserves for capital improvements, and other miscellaneous budget savings achieved over the last several years. The City is awaiting grant funding information and decisions on the Federal and/or State portions before a construction schedule can be developed. City Council also passed Ordinance Numbers 91-16 and 14-17 transferring a total of \$2,702,396 to the road improvement fund, for future road projects, including the planned 2017 Skyview Drive and Grafton Phase IV reconstruction improvements.
- 2016 was the second year of property tax collections on the City's 1.2 mill ten year tax levy for neighborhood road improvements and repairs. The levy was passed by the electors on May 6, 2014, and is expected to generate approximately \$800,000 annually from 2015-2024. Pursuant to City Council Resolution 3-14, one hundred percent of the annual road levy proceeds will be utilized on publicly dedicated residential streets. In 2016, the City expended levy funds only on neighborhood road repair programs pursuant to Council's directive and purpose of the levy.
- The City has been successful in identifying and obtaining alternative funding sources and therefore, no longer utilizes income tax revenues to retire general bond obligations. The City currently uses intergovernmental monies, special assessment collections and storm water fees to retire these general debt obligations. Any income tax revenues that once were used to retire general obligation bond retirement debt in the past have since been legislatively redistributed to the City's street repair and maintenance, capital improvement and general funds.
- The City complies with GASB 68 and GASB 71, which establish standards for measuring and recognizing pension liabilities, deferred outflows/inflows of resources and expense/expenditure. The implementation of these GASB statements resulted in a significant change to the financial statements presentation of the City. The City's opinion is that the GASB 68 and GASB 71 liabilities reported on these financial statements should be presented and reported directly on the State Pension Board's financial statements and, not on the City's financial statements. The establishment of the pension rates, the amount of retirement benefits distributed and the actuarial assumptions lie with the State Pension Boards and State Legislators and not directly with the City of Brunswick, Ohio.

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Using This Comprehensive Annual Financial Report (CAFR)

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

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

Reporting the City of Brunswick as a Whole

Statement of Net Position and Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did the City 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. The basis of this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid. These two statements report the City's net position and the changes in that position. The changes in net position are 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 will also need to be evaluated.

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

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

Reporting the City of Brunswick's Most Significant Funds

Fund Financial Statements

The presentation of the City's major funds begins on page 13. 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 stakeholders. However, these fund financial statements focus on the City's most significant funds. In the

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case of the City of Brunswick, the major funds are the general, fire department, street repair and maintenance, police, road improvement, refuse and stormwater.

Governmental Funds

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

Proprietary Funds

The proprietary funds (refuse and stormwater funds) operate as enterprise funds using the same basis of accounting as a business-type activity; therefore, these statements will essentially match the information provided in the statements for the City as a whole. For comparison purposes, 2016 was the fifth year the stormwater fee was billed and collected.

The City as a Whole

The Statement of Net Position looks at the City as a whole. Table 1 provides a summary of the City's net position for 2016 compared to 2015.

Table 1 - Net Position

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Assets						
Current and Other Assets	\$53,752,891	\$46,998,851	\$3,954,981	\$3,315,222	\$57,707,872	\$50,314,073
Capital Assets, Net	41,207,568	40,615,879	4,846,802	4,768,926	46,054,370	45,384,805
<i>Total Assets</i>	<u>94,960,459</u>	<u>87,614,730</u>	<u>8,801,783</u>	<u>8,084,148</u>	<u>103,762,242</u>	<u>95,698,878</u>
Deferred Outflows of Resources						
Pension	6,209,865	2,361,761	45,200	14,577	6,255,065	2,376,338
Liabilities						
Current and Other Liabilities	1,649,419	1,432,055	47,743	92,570	1,697,162	1,524,625
Long-Term Liabilities:						
Due Within One Year	271,084	269,582	287,566	278,067	558,650	547,649
Due in More than One Year:						
Net Pension Liability	22,144,852	16,944,513	118,117	82,447	22,262,969	17,026,960
Other Amounts	2,463,151	2,697,846	4,387,514	4,679,758	6,850,665	7,377,604
<i>Total Liabilities</i>	<u>\$26,528,506</u>	<u>\$21,343,996</u>	<u>\$4,840,940</u>	<u>\$5,132,842</u>	<u>\$31,369,446</u>	<u>\$26,476,838</u>

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Table 1 - Net Position (continued)

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Deferred Inflows of Resources						
Property Taxes	\$2,429,256	\$2,283,711	\$0	\$0	\$2,429,256	\$2,283,711
Pension	164,234	70,973	2,414	1,448	166,648	72,421
<i>Total Deferred Inflows of Resources</i>	<u>2,593,490</u>	<u>2,354,684</u>	<u>2,414</u>	<u>1,448</u>	<u>2,595,904</u>	<u>2,356,132</u>
Net Position						
Net Investment in Capital Assets	38,414,803	38,220,217	251,591	(103,981)	38,666,394	38,116,236
Restricted:						
Capital Projects	11,925,995	8,082,688	0	0	11,925,995	8,082,688
Debt Service	2,026,752	2,161,113	0	0	2,026,752	2,161,113
Other Purposes	19,299,984	17,086,396	0	0	19,299,984	17,086,396
Unrestricted	380,794	727,397	3,752,038	3,068,416	4,132,832	3,795,813
<i>Total Net Position</i>	<u>\$72,048,328</u>	<u>\$66,277,811</u>	<u>\$4,003,629</u>	<u>\$2,964,435</u>	<u>\$76,051,957</u>	<u>\$69,242,246</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. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the

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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.

Total assets for the governmental and business-type activities increased in 2016 from 2015 and are mainly attributable to four reasons. The first reason is the City continued its effort to increase cash reserves to set aside money for the improvement of major City roads and capital improvements. Second reason was the steady improvement in the local economy coupled with a more aggressive and timely improved income tax collections and compliance efforts. Third reason was utility revenue collections improved year over year and operating costs decreased for both of the City's business type activities. The fourth reason was an increase in net capital assets mainly due to the initiation or completion of a few infrastructure improvement projects. The City's governmental activities' and business type activities' deferred outflows of resources increased as a result of the pension portion reported under GASB 68.

The total liabilities for the governmental activities increased in 2016 from 2015. The largest portion of the increase reported in both governmental and business type activities was due to the increase in net pension liability calculated in accordance with GASB 68. Excluding the net pension liability, long-term liabilities due in more than one year decreased year over year in both the governmental and business type activities. The City has made a conscious effort to control and reduce its liabilities whenever possible. The City did not issue any new debt obligations in 2016 and retired all annual debt obligations in both the governmental and business type activities' categories. These efforts have improved the financial health of the City and will allow for the City to have a greater flexibility to address infrastructure needs under a more sustainable and developed financial plan.

Net position for both the governmental and business-type activities increased. As previously mentioned, the main reasons for the increase related to the increase of cash set asides for future major City road and capital improvements; the continued improvement of the local economy; capitalization of assets and reduction of long-term debt. The increased net position of the City and its governmental and business-type activities were offset due to the net pension liability required under GASB 68.

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

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Table 2 - Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
<i>Program Revenues:</i>						
Charges for Services and Operating Assessments	\$3,993,787	\$3,906,078	\$3,671,317	\$3,500,341	\$7,665,104	\$7,406,419
Operating Grants, Contributions and Interest	2,482,201	2,223,309	0	0	2,482,201	2,223,309
Capital Grants and Contributions	1,040,286	2,722,985	0	0	1,040,286	2,722,985
Total Program Revenues	7,516,274	8,852,372	3,671,317	3,500,341	11,187,591	12,352,713
<i>General Revenues:</i>						
Property Taxes	2,374,487	2,322,611	0	0	2,374,487	2,322,611
Income Tax	17,170,123	15,989,176	0	0	17,170,123	15,989,176
Grants and Entitlements	790,103	857,709	0	0	790,103	857,709
Gain on Sale of Capital Assets	0	2,624	0	0	0	2,624
Gain on Sale of Assets Held for Resale	959,128	0	0	0	959,128	0
Unrestricted Donations	1,225	2,490	0	0	1,225	2,490
Interest	117,217	97,890	0	0	117,217	97,890
Other	82,216	77,348	0	0	82,216	77,348
Total General Revenues	21,494,499	19,349,848	0	0	21,494,499	19,349,848
Total Revenues	29,010,773	28,202,220	3,671,317	3,500,341	32,682,090	31,702,561
<i>Program Expenses:</i>						
General Government	3,288,745	3,097,211	0	0	3,288,745	3,097,211
Security of Persons and Property	12,451,461	11,354,162	0	0	12,451,461	11,354,162
Transportation	4,242,557	3,853,473	0	0	4,242,557	3,853,473
Community Environment	1,345,553	1,353,859	0	0	1,345,553	1,353,859
Public Health Services	29,151	29,116	0	0	29,151	29,116
Leisure Time Activities	1,797,202	1,751,750	0	0	1,797,202	1,751,750
Refuse	0	0	2,110,905	2,209,565	2,110,905	2,209,565
Stormwater	0	0	521,218	581,867	521,218	581,867
Interest and Fiscal Charges	85,587	92,839	0	0	85,587	92,839
Total Program Expenses	23,240,256	21,532,410	2,632,123	2,791,432	25,872,379	24,323,842
Change in Net Position	5,770,517	6,669,810	1,039,194	708,909	6,809,711	7,378,719
Net Position Beginning of Year	66,277,811	59,608,001	2,964,435	2,255,526	69,242,246	61,863,527
Net Position End of Year	\$72,048,328	\$66,277,811	\$4,003,629	\$2,964,435	\$76,051,957	\$69,242,246

The overall financial strength and the net position of the City improved in 2016 from 2015 for reasons previously stated.

Program and general revenues were comparable year over year, with the exception of the following categories: capital grants and contributions; income tax; gain on sale of assets held for resale; and business-type activities charges for services and assessments. The significant reduction in capital grants and contribution revenue year over year was mainly as a result of recognition of \$1,266,000 in intergovernmental revenues received for two specific road improvement projects, reimbursements received on ten new defibrillators to provide medical services and valuation of confiscated land received by the City in 2015. The increase in the income tax general revenue category was due to the steady improvement in the local economy coupled with a more aggressive and timely improved income tax collections and compliance efforts. All income tax revenue categories received from individuals, payroll withholdings from local businesses and business net profits all increased over 2015. The recorded gain on sale of assets held for resale in 2016 was due to the City selling 8.66 acres at Brunswick Lake for the development of senior housing and a hotel on the site. The sale was made pursuant to the fourth and final amendment to the purchase and sale agreement which

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was originally authorized by Council Ordinance Number 66-13. The City did not sell any land parcels available for resale in 2015. The security of persons and property expenses also increased significantly from the prior year. The increase was mainly made up of expense recognition associated with GASB 68 and the City's share of the unfunded pension liability of the City's safety forces. Excluding the expenses associated with GASB 68, the City's expenses in the security persons and property category would have been similar or comparable to the small changes presented in the other expense categories presented from the prior year. Transportation expenses increased due to more non-capitalized road repairs and maintenance expenses and the replacement of a full-time administrative assistant in the Service Department in 2016. The full-time administrative assistant position was previously eliminated during the economic downturn and was replaced to handle service related issues. The charges for services and assessment revenue in the business type activities increased in 2016 as a result of recognition and change in measured receivables. The expenses in the business-type activity categories declined as a result of lower fuel and disposal costs, retirement of debt obligations and no new debt issued in 2016.

Governmental Activities

Several revenue sources fund the City's governmental activities with the City's income tax being the largest contribution by a large margin. On April 8, 1968, the income tax rate of one percent was established by City Ordinance No. 6-68. The Income Tax Ordinance was amended on July 24, 1995 requiring proposed tax rate changes be submitted to the electors of the City for approval or rejection. On November 7, 1995 the electors approved the proposed .35 percent increase for the purpose of expanding the City's safety forces. On May 5, 2009, the electors approved the proposed 0.5 percent income tax rate increase for police and fire operational expenses, with a corresponding increase of 0.25 percent to the income tax credit rate approved by City Council. The 0.5 percent income tax rate increase was effective for a four year period from January 1, 2010 through December 31, 2013. A renewal of the 0.5 percent income tax rate increase was passed by voters on November 6, 2012 which is effective for an additional four year period from January 1, 2014 through December 31, 2017. In summary, the City's current income tax rate is 1.85 percent with a maximum of a 1.00 percent credit for income taxes paid to another municipality.

The City's local economy has continued to improve. The City is committed to a strong economic development program which in turn increases income tax revenues to support many essential services and infrastructure improvements. The local businesses, whether industrial or commercial, large or small, provide the City with a diverse income tax base. This diverse make-up and sizes of the City businesses allowed the City to fare much better than many other communities during the most recent economic downturn. During 2016, the City's income tax receipts, on a cash basis, were distributed to the following funds by City Council approved Ordinance Number 95-15: police fund 49.25 percent, up to a maximum of \$6,750,000; fire fund 26.50 percent, up to a maximum of \$3,800,000; the general fund 9.75 percent; street repair and maintenance fund 7.50 percent, up to a maximum of \$1,125,000; parks fund 3.50 percent, up to a maximum of \$520,000; capital improvement fund 2.50 percent; and Brunswick transit alternative fund 1.00 percent, up to a maximum of \$145,000. Income tax receipts that exceed the established maximums in any one fund were retained in the general fund. Annually, income tax allocations, levy requirements, fund balance reserves, priorities and needs of the City are evaluated prior to the income tax allocations being approved by Council.

Charges for services represents revenues from the Mayor's Court, video service provider, building permits, park development, recreation center, emergency rescue, transit, and rental fees along with special assessments. Operating and capital grants and contributions are represented mainly of revenues received from other governments for a specific purpose. General revenues from property taxes and local government funds are also significant revenue generators but have been under some pressure due to lower property values and State budget cuts. The City will continue to monitor its sources of revenue very closely for any changes or fluctuations.

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Security of persons and property represents the highest program expense for the City by a large margin. This expense category is made up of all of the expenses and related activities of the City's Police and Fire departments. Both departments operated within their operating budgets. The Police Department consists of a full-time police chief who oversees full-time and part-time police officers and communication specialists. The Police Department is funded primarily from revenues generated through the City's income tax, a 0.3 mill inside millage property tax and fines and forfeitures. The Fire Department operates as a full-time fire department and is funded with income tax and rescue billing collections. The department employs full-time and part-time firefighters/EMT personnel and is headed by a full-time chief. The goal of these two departments is to provide the best possible safety services to our community.

Transportation expense is the second highest governmental activities program expense for the City. Transportation expenses include depreciation, labor, benefits, maintenance and repairs to the city roads and infrastructure as well as operational costs for the Brunswick Transit Alternative (BTA). The City paid for these activities primarily from the City's new 1.2 mill property tax road levy proceeds, a portion of the City's income tax proceeds, and intergovernmental monies, including but not limited to, those received from the Greater Cleveland Regional Transit Authority, motor vehicle license, permissive and gasoline taxes. In assessing roads and potential future infrastructure projects, the City has always applied for State Issue II and federal grant monies when applicable as well as searching for joint projects with surrounding communities and the County. The City also currently employs thirteen full-time City street laborers, a Street Superintendent, and a Service Director in the Service Department. The street laborers were reduced from fifteen to twelve in 2010 as a result of the economic downturn. Due to an improved financial picture, improving economy and increased workloads, the City increased the number of street laborers from twelve to thirteen during 2014. The City also restored a full-time administrative assistant position in 2016 that was also previously eliminated during the economic downturn.

The City also operated its own public transit system during 2016. The City contracted with Medina County Public Transit, (MCPT), to be the transport provider for the City. MCPT's relationship with the City was to operate, maintain and manage the transit system within the agreed upon guidelines set forth in the contract. A large portion of capital and operating expenses needed to run a public transit system were reimbursable through the Greater Cleveland Regional Transit Authority (GCRTA). The City also has a contract with the Northeast Ohio Areawide Coordinating Agency (NOACA) to assist the City in achieving its goal of improving the transportation system and quality of life for the citizens of Northeast Ohio and the City of Brunswick. The City was typically reimbursed 65 percent of the net transit operation expenses, 90 percent of NOACA contractual service expenses and between 80 and 100 percent for capital expenses. On December 29, 2016, the City of Brunswick and Medina County executed an agreement to merge various transit services beginning January 1, 2017. The Medina County Public Transit, a public transit system, has assumed the management and operation of the transit systems. As of January 1, 2017 the City of Brunswick will no longer operate the transit services but will contribute to and have some transit related expenses moving forward, but at lesser amounts. The City has agreed to contribute \$45,000 annually to the Medina County Public Transit System beginning in 2017 and has also agreed to subsidize 50 percent of the transit fares of non-disabled veterans who ride the Medina County public transit system beginning in 2018.

The third highest governmental activities program expense for the City is general government. This classification covers all general activities of the City, including but not limited to, Council, Mayor, information technology, administration, finance, income tax, law, Mayor's Court, civil service and building repairs and maintenance expenditures.

The fourth highest governmental activities program expense for the City is leisure time activities. This classification includes the operation of the City's recreation center as well the maintenance of the City's parks.

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The fifth highest governmental activities program expense for the City is community environment. This classification includes the City's engineering, building, economic development, and cable TV departments. It also includes various grant programs, including the Army Corp of Engineers Water Quality and Drainage Improvement Program. The community environment expense category dropped from the fourth largest governmental activities program expense for the past two years as a result of federal funding cuts and consolidation to the community housing improvement grant programs.

Interest and fiscal charges and public health services make up the remaining governmental activities program expenses.

The business-type activity expenses are made up of refuse and stormwater. The refuse expenses represent the costs associated with billing and collecting trash for all of the residents in the City. The City does not bill nor collect refuse for commercial properties. Codified Ordinance Section 1060 stipulates the rules and regulations regarding refuse collection. The purpose of the stormwater expenses are to comprehensively address the stormwater management needs of the City through facilities and programs designed to protect property and water resources; by controlling the level of pollutants in stormwater runoff; and the quality and rate of stormwater received and conveyed by structural and natural stormwater drainage systems of all types. Codified Ordinance Section 1050 stipulates the rules and regulations for the stormwater management utility.

The City's Funds

The City of Brunswick uses fund accounting as mandated by governmental legal requirements. The importance of accounting and reporting using this method is to demonstrate compliance with these finance related requirements.

Governmental Funds

Information about the City's governmental funds begins with the balance sheet. These funds are accounted for by using the modified accrual basis of accounting.

The most significant funds are the general, fire department, street repair and maintenance, police and road improvement funds.

The City's cash equivalents and end of the year fund balances for all funds presented on the Statement of Revenues, Expenditures and Changes in Fund Balances increased from the prior year as a result of the City's financial plan to obtain cash set asides for future capital purchases relating to infrastructure, building and capital improvements and equipment, machinery and vehicles. During the downturn of the economy the City's fund balance reserves were severely depleted and have been restored to more comfortable levels. The City's current 2017 budget plans include using some fund balance reserves to reconstruct two roads and continue its capital replacement program throughout the City. During 2016, the City executed its plan by improving various roads and expending dedicated monies out of the road improvement fund. The City also transferred a significant amount of available general fund monies into the road improvement fund during 2016 and in the beginning of 2017. These transfers were allowable per the City's fund balance reserve policy and will allow the City to continue its current financial plan and road improvement set aside program. The City's general fund cash and cash equivalents increased from the prior year by approximately \$1.7 million with a similar increase in the assigned fund balance. A large majority of these additional funds were assigned and transferred out of the general fund in February 2017 by City Council Ordinance Number 14-17 for future capital and road improvements.

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The City's six collective bargaining agreements include negotiated wage increases, between 1.75 percent and 2.22 percent from the previous year. All six bargaining agreements expired as of December 31, 2016 and the City is in negotiations with all six bargaining units for the fiscal years 2017 through 2019.

The general fund also included a large decrease of \$1,207,343 in a receivable loan to other funds and \$1,151,181 in nonspendable fund balance. The decrease was a direct result of sale of land parcels in the Brunswick Lake area and repayment of a large portion of an outstanding advance to the general fund from the Brunswick lake construction fund. The \$245,172 principal amount of the revenue notes represent previous contributions made by the City of Brunswick pursuant to the contribution agreement with Medina County for the Medina County fiber network project. The revenue notes principal and interest amounts due are payable solely from any payments received by Medina County from the Medina County Port Authority. The revenue notes bear an annual interest rate of 5.42 percent.

Income tax revenues over and above the income tax ceiling maximums established on all other funds were recorded in the general fund helping improve the general fund's ending fund balance and flexibility to address needed capital improvements. As previously mentioned, Council transferred out approximately \$1.7 million out of the general fund's assigned fund balance in February 2017 to the road and permanent improvement funds, for future capital purchases and road improvement projects. Furthermore, during 2016, Council also transferred other additional and available monies by Ordinance to the road improvement fund increasing the available cash and cash equivalents. The transfer to these funds will allow the City to continue on with their multi-year financial plan and complete some much needed road infrastructure improvement projects and replace some much needed capital items.

The City's road improvement fund reflects property tax revenues for the second year in a row as a result of a 1.2 mill ten year tax levy passed by the electors on May 6, 2014. The road levy proceeds are used for the general construction, reconstruction, resurfacing and repair of streets, roads and bridges in the City. Pursuant to City Council Resolution 3-14, one hundred percent of the annual road levy proceeds will be utilized on publicly dedicated residential streets. The road improvement fund is obligated to repay the general fund \$1,199,000 in outstanding advances. The outstanding advances relate to the temporary funding of the OPWC Hadcock phase V reconstruction improvement project and upcoming 2017 residential road levy projects. In addition, \$2,715,000 of the road improvement fund's fund reserves has been specifically and legislatively set aside for the future improvement on North Carpenter Road.

The revenues and expenditures of the police and fire funds remained stable from the previous year. The police and fire divisions maintained staffing levels pursuant to the City's four year renewable safety levy. The police and fire funds are funded mainly with income tax dollars received on two specific safety income tax levies and from the City's 1968 general income tax levy. The total municipal income tax revenues generated are capped at a maximum amount ordained by City Council. All income taxes generated by the two safety specific income tax levies are received and reported in the police and fire department funds as required.

The street repair and maintenance fund reflects an increase in materials and supplies inventory from the prior year as a result of a warmer winter season and inventory levels that exceeded the space of the City's two salt barns. The City utilized a temporary storage area and also worked out a cooperative agreement with the Ohio Department of Transportation to store the excess salt for a temporary time period. Revenues and expenditures in the street repair and maintenance fund remained stable from the previous year.

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For the other governmental funds, the liabilities decreased as a result of the City repaying a large portion of the outstanding advances from the previous year. The City also had a reported gain on the sale of land parcels in the amount of \$959,128 and a large amount of transfers into the permanent improvement fund in 2016.

Business-Type Fund

The City has two business-type activities, the refuse and stormwater funds. The refuse fund accounts for the garbage collection services and billing costs. Both the refuse and stormwater funds had a small increase in revenues and a small decrease in operating expenses which generated larger operating incomes in 2016.

The refuse fund generated increased revenue collections on new homes and had lower expenses relating to fuel, disposal and recycle costs. Since the refuse costs remained low throughout 2016, the City maintained its temporarily reduced billable rate to the residents throughout the remainder of 2016. The City originally reduced its billable rate to the residents in April of 2015 and again with a smaller decrease in January 2016 with no changes in the billable rate since January 2016. Costs and related refuse rates are variable based on fluctuations in fuel costs or costs relating to waste disposal and recycling costs. These costs are monitored monthly and analyzed to determine if further changes in the billable rate are necessary or should be recommended to Council. The City does not bill or collect on refuse accounts for commercial buildings, apartments, most condos, etc.

2016 was the fifth year for the City's stormwater management fee. The fee and related stormwater expenses are accounted for in the stormwater fund. The City expended less in 2016 on stormwater maintenance, repairs and studies than in 2015. The City has elected to retain additional reserves to otherwise complete bigger stormwater projects in a future year.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio and local laws and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. Since January 1, 2010, both the City's general and police funds have been the most significant funds in the City. The City constantly monitors the estimated revenues and appropriations and performs detailed quarterly reviews of each estimated revenue and appropriation accounts. During the course of 2016, the City amended the overall budget four times during the year as a result of these reviews and discussions with the various departments. The two most significant budgeted changes in the general fund's estimated receipts or other financing sources were the licenses, permits and fees revenue and advances in. The \$1,702,222 increase in advances occurred once the City sold land at Brunswick Lake and completed the United States Army Corp Section 594 grant used for stormwater improvement projects. The land sale agreement and the grant were in existence for several years and were not originally anticipated to occur when the original 2016 budget was prepared and adopted by Council. Once it became apparent that both the land would be sold and the grant would be completed during 2016, City Council amended the budget and returned the previous advances associated with those activities. The licenses, permits and fees decrease from the original to the final budget was due to less site deposits received than originally anticipated. The most significant change in appropriations from the original to the final budget in the general fund came in the transfer outs. Once the City advanced in funds into the general fund from the land sale and the completion of the United States Army Corp Section 594 grant, City Council then amended the budget and transferred out funds to the road and permanent improvement funds for future capital improvement projects.

Income tax revenues over and above the income tax ceiling maximums established on all other funds were recorded in the general fund helping improve the general fund's ending fund balance and flexibility to address needed capital improvements. The positive variance in income tax revenues represents the actual amounts in

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excess of the income tax dollars received over our expectations for the established fund ceilings. The City also remained conservative and spent less than that originally anticipated in all of its general fund expenditure categories. The excess funds received from income taxes and savings from cost control measures were subsequently transferred out to the road and permanent improvement funds in 2017 for future capital improvements. The designed financial structure and corresponding results have proven to be very successful and as projects are completed will be quite noticeable in the community.

Some of the other significant budget amendments for the other presented funds worth noting came in the fire department, street repair and maintenance and police funds. The original budgeted revenues in these categories were very conservative. The amendments were needed when it became evident that actual receipts would come in higher than originally anticipated.

Recommendations and requests for budget changes are referred to the Finance Committee and/or Committee-of-the-Whole for review. After review, they are forwarded to a Council work session for presentation before going to the formal Council Meeting for ordinance enactment. The legal level of control is to each office, department, and division, and, within each, the amount appropriated for personal services and other. Intradepartmental budget changes that modify line items within the established legal level of control are allowed without requiring Council's authorization.

Capital Assets and Debt Administration

Capital Assets

Table 3
Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$5,518,544	\$5,491,293	\$0	\$0	\$5,518,544	\$5,491,293
Construction in Progress	4,271,791	5,427,675	145,356	14,337	4,417,147	5,442,012
Land Improvements	611,954	177,004	0	0	611,954	177,004
Buildings and Improvements	6,144,754	6,389,333	0	0	6,144,754	6,389,333
Machinery, Equipment and Vehicles	3,027,414	2,727,482	173,193	111,834	3,200,607	2,839,316
Furniture and Fixtures	71,028	80,106	0	0	71,028	80,106
Infrastructure						
Roads	10,118,445	9,628,209	0	0	10,118,445	9,628,209
Sidewalks	721,692	605,377	0	0	721,692	605,377
Storm Sewers	9,310,963	8,674,587	3,187,904	3,265,182	12,498,867	11,939,769
Bridges	129,835	136,431	0	0	129,835	136,431
Dam	305,907	313,957	922,819	947,102	1,228,726	1,261,059
Culverts	975,241	964,425	417,530	430,471	1,392,771	1,394,896
Totals	<u>\$41,207,568</u>	<u>\$40,615,879</u>	<u>\$4,846,802</u>	<u>\$4,768,926</u>	<u>\$46,054,370</u>	<u>\$45,384,805</u>

The most significant changes in capital assets are in the areas of: 1) construction in progress; 2) machinery, equipment and vehicles; 3) roads; and 4) storm sewers. During 2016, the City completed the Hadcock Road Phase IV and Boston Road improvement projects, the United States Army Corp Section 594 grant storm sewer improvement projects, and several other projects. Once these projects were completed, the capitalized

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amounts were deleted from the construction in progress category and then added to the respective asset categories. The land improvements, roads, sidewalks and storm sewers categories all increased and the construction in progress category decreased as a result of the completed projects. The machinery, equipment and vehicle category also increased as a result of the purchase of a new ambulance, three new buses, and several other replacement vehicles for other departments. The replacement of the vehicles is a sign that the City Administration's goal of restoring its capital asset program and capital funding has been working. The City's departmental capital asset program was virtually halted during the economic downturn and the City has since recovered. For additional information see Note 12 to the basic financial statements.

The Administration continues to seek grants for infrastructure projects, state and/or federal grant entitlements and stimulus and various other small grants serving a variety of purposes. In 2016, the City received federal grants for these purposes as awarded by the United States Department of Defense, United States Department of Homeland Security, United States Department of Justice and the United States Department of Transportation. The City had reported intergovernmental Issue II state grant revenues for our Hadcock Road phase IV reconstruction and Center Road resurfacing improvements. It is through these grants and entitlements, along with our capital replacement programs, bonds and transfers that we are able to improve upon our capital assets.

Debt

Table 4 summarizes bonds, notes and loans outstanding.

Table 4
Outstanding Debt at Year End

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
General Obligation Bonds	\$1,189,742	\$1,250,455	\$4,361,592	\$4,624,632	\$5,551,334	\$5,875,087
Special Assessment Bonds	866,311	996,473	0	0	866,311	996,473
OPWC Loans	230,189	240,652	310,875	330,788	541,064	571,440
Totals	<u>\$2,286,242</u>	<u>\$2,487,580</u>	<u>\$4,672,467</u>	<u>\$4,955,420</u>	<u>\$6,958,709</u>	<u>\$7,443,000</u>

2016 was the fifth year of the City's stormwater management fee and related programs. All storm water fees collected are utilized for expenses relating to stormwater improvements and maintenance, including debt obligations.

The general obligation bonds outstanding in governmental activities are composed of a capital improvement bond for the City-wide traffic signalization project. These bonds are paid with monies received from Motor Vehicle License taxes from the state highway fund. The general obligation bonds outstanding in business-type activities are composed of capital improvement bonds for storm sewer and storm water infrastructure. These bonds are paid with monies received from stormwater fees.

The special assessment bonds consist of Grafton Road improvements, South Industrial Parkway improvements, Laurel Road improvements, and the portion of costs associated with the improvements to the dam and dredging of the Brunswick Lake. Principal and interest for these bonds are paid from the collection of special assessments from the benefited property owners.

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The outstanding Ohio Public Works Commission loans represent interest free loans obtained to finance the Fireside Twin Storm, Highland Drive and El Dorado storm sewer projects and Hadcock Road Phase II project. The loans associated with storm sewer projects will be repaid with stormwater fees and the loan associated with road improvements will be paid for with municipal income tax, intergovernmental monies associated with gas and motor vehicle taxes, and/or general fund transfer monies.

For information on the City's debt limitation (voted and unvoted) and additional information on the City's debt see the statistical section and Note 13 to the basic financial statements.

Current Financial Related Activities

The City is ideally situated on Interstate 71, approximately twenty-five minutes from Cleveland, Ohio and approximately fifteen minutes from Cleveland Hopkins International Airport. Interstate 71 is intersected by State Route 303 and provides a perfect separation for industrial development east of Interstate 71 and commercial and residential development west of Interstate 71. The City enjoys two industrial parks on the east side of Interstate 71.

Brunswick's local economy has improved over the last couple of years and continues to outperform most other cities in Ohio. According to the Ohio Department of Job and Family Services civilian labor force estimates, the City of Brunswick's unemployment rate equaled 4.2 percent in December 2016. The City's December 2016 unemployment rate was less than the unemployment rates of both Medina County and the State of Ohio. Seven years ago, the City's unemployment rate was 7.9 percent.

The City of Brunswick has committed itself to financial excellence and has a history of doing just that. The City has received the Government Finance Officers Award Certificate of Achievement for Excellence since 1982 (with the exception of 1986).

In the last eleven years, the City of Brunswick has also received nine State Auditor Awards for our outstanding commitment to the highest standards of financial reporting. This recognition award is given to a select percent of governments in the State of Ohio for not only meeting the strict standards established by the United States Government Finance Officers Association, but also for building sound internal accounting controls that provide for the safeguarding, reliability and accountability of financial records and City assets.

These awards would not have been possible without the hard work of the Finance Committee, Finance Department staff, City Administration, and the Local Government Services Section of the Auditor of State's office. It is a great honor for the City of Brunswick to be able to place itself in the top tier of all governments in the State of Ohio and we look forward to maintaining excellence in financial reporting and internal accounting controls in the years to come.

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 show the City's accountability for all money it receives, spends or invests.

If you have any questions about this report or need financial information contact the Director of Finance, Todd Fischer, 4095 Center Road Brunswick, Ohio 44212, telephone (330) 225-9144 or the website at www.brunswick.oh.us.

City of Brunswick, Ohio
Statement of Net Position
December 31, 2016

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$36,835,399	\$3,305,522	\$40,140,921
Cash and Cash Equivalents:			
In Segregated Accounts	2,550	0	2,550
With Fiscal Agents	220,149	0	220,149
Investments	4,313	0	4,313
Accounts Receivable	312,095	647,566	959,661
Accrued Interest Receivable	74,644	0	74,644
Intergovernmental Receivable	2,140,054	0	2,140,054
Materials and Supplies Inventory	437,908	0	437,908
Prepays	230,285	1,893	232,178
Income Taxes Receivable	9,310,282	0	9,310,282
Property Tax Receivable	2,517,295	0	2,517,295
Special Assessments Receivable	866,408	0	866,408
Notes Receivable	355,171	0	355,171
Assets Held for Resale	446,338	0	446,338
Nondepreciable Capital Assets	9,790,335	145,356	9,935,691
Depreciable Capital Assets, Net	31,417,233	4,701,446	36,118,679
<i>Total Assets</i>	<u>94,960,459</u>	<u>8,801,783</u>	<u>103,762,242</u>
Deferred Outflows of Resources			
Pension	6,209,865	45,200	6,255,065
Liabilities			
Accounts Payable	174,741	3,290	178,031
Contracts Payable	373,097	23,450	396,547
Accrued Wages	748,295	5,047	753,342
Retainage Payable	219,502	0	219,502
Vacation Benefits Payable	126,080	2,143	128,223
Matured Interest Payable	647	0	647
Accrued Interest Payable	7,057	13,813	20,870
Long-Term Liabilities:			
Due Within One Year	271,084	287,566	558,650
Due in More Than One Year			
Net Pension Liability (See Note 14)	22,144,852	118,117	22,262,969
Other Amounts	2,463,151	4,387,514	6,850,665
<i>Total Liabilities</i>	<u>26,528,506</u>	<u>4,840,940</u>	<u>31,369,446</u>
Deferred Inflows of Resources			
Property Taxes	2,429,256	0	2,429,256
Pension	164,234	2,414	166,648
<i>Total Deferred Inflows of Resources</i>	<u>2,593,490</u>	<u>2,414</u>	<u>2,595,904</u>
Net Position			
Net Investment in Capital Assets	38,414,803	251,591	38,666,394
Restricted for:			
Capital Projects	11,925,995	0	11,925,995
Debt Service	2,026,752	0	2,026,752
Police	8,231,605	0	8,231,605
Fire	4,906,612	0	4,906,612
Transportation	5,234,927	0	5,234,927
Community Improvement	7,864	0	7,864
Other Purposes	918,976	0	918,976
Unrestricted	380,794	3,752,038	4,132,832
<i>Total Net Position</i>	<u>\$72,048,328</u>	<u>\$4,003,629</u>	<u>\$76,051,957</u>

See accompanying notes to the basic financial statements

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

	Program Revenues			
	Expenses	Charges for Services and Operating Assessments	Operating Grants, Contributions and Interest	Capital Grants and Contributions
Governmental Activities				
General Government	\$3,288,745	\$1,034,429	\$0	\$69,990
Security of Persons and Property	12,451,461	1,155,762	183,258	0
Transportation	4,242,557	36,643	2,298,943	923,542
Community Environment	1,345,553	574,062	0	46,754
Public Health Services	29,151	1,988	0	0
Leisure Time Activities	1,797,202	1,190,903	0	0
Interest and Fiscal Charges	85,587	0	0	0
<i>Total Governmental Activities</i>	<u>23,240,256</u>	<u>3,993,787</u>	<u>2,482,201</u>	<u>1,040,286</u>
Business-Type Activities				
Refuse	2,110,905	2,444,327	0	0
Stormwater	521,218	1,226,990	0	0
<i>Total Business-Type Activities</i>	<u>2,632,123</u>	<u>3,671,317</u>	<u>0</u>	<u>0</u>
<i>Totals</i>	<u>\$25,872,379</u>	<u>\$7,665,104</u>	<u>\$2,482,201</u>	<u>\$1,040,286</u>

General Revenues

Property Taxes Levied for:

- General Purposes
- Police
- Road Improvement

Income Taxes Levied for:

- General Purposes
- Capital Projects
- Fire
- Street Repair and Maintenance
- Police
- Brunswick Transit Alternative
- Parks

Grants and Entitlements not Restricted
to Specific Programs

Gain on Sale of Assets Held for Resale

Unrestricted Donations

Interest

Other

Total General Revenues

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
(\$2,184,326)	\$0	(\$2,184,326)
(11,112,441)	0	(11,112,441)
(983,429)	0	(983,429)
(724,737)	0	(724,737)
(27,163)	0	(27,163)
(606,299)	0	(606,299)
(85,587)	0	(85,587)
<u>(15,723,982)</u>	<u>0</u>	<u>(15,723,982)</u>
0	333,422	333,422
<u>0</u>	<u>705,772</u>	<u>705,772</u>
0	1,039,194	1,039,194
<u>(15,723,982)</u>	<u>1,039,194</u>	<u>(14,684,788)</u>
1,391,805	0	1,391,805
181,537	0	181,537
801,145	0	801,145
3,994,243	0	3,994,243
416,033	0	416,033
3,926,792	0	3,926,792
1,160,884	0	1,160,884
6,985,640	0	6,985,640
149,785	0	149,785
536,746	0	536,746
790,103	0	790,103
959,128	0	959,128
1,225	0	1,225
117,217	0	117,217
82,216	0	82,216
<u>21,494,499</u>	<u>0</u>	<u>21,494,499</u>
5,770,517	1,039,194	6,809,711
<u>66,277,811</u>	<u>2,964,435</u>	<u>69,242,246</u>
<u>\$72,048,328</u>	<u>\$4,003,629</u>	<u>\$76,051,957</u>

City of Brunswick, Ohio

Balance Sheet

Governmental Funds

December 31, 2016

	<u>General</u>	<u>Fire Department</u>	<u>Street Repair and Maintenance</u>	<u>Police</u>	<u>Road Improvement</u>
Assets					
Equity in Pooled Cash and Cash Equivalents	\$10,405,745	\$2,575,734	\$3,062,287	\$4,116,782	\$9,377,134
Cash and Cash Equivalents:					
in Segregated Accounts	2,550	0	0	0	0
With Fiscal Agents	0	0	0	0	0
Investments	0	0	0	0	0
Receivables:					
Income Taxes	884,477	2,467,225	698,271	4,585,313	0
Property Taxes	1,510,953	0	0	197,039	809,303
Accounts	187,704	124,391	0	0	0
Interfund	1,382,852	0	0	0	0
Loans to Other Funds	203,943	0	0	0	0
Intergovernmental	412,518	2,110	770,640	26,163	862,635
Accrued Interest	74,644	0	0	0	0
Notes	245,172	0	0	0	0
Special Assessments	0	0	0	0	0
Materials and Supplies Inventory	0	1,208	408,747	4,773	0
Prepays	46,619	51,503	22,280	93,896	0
Assets Held for Resale	0	0	0	0	0
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	39,427	0	0	0	0
Equity in Pooled Cash and Cash Equivalents with Fiscal Agents	0	0	0	0	219,502
Total Assets	<u>\$15,396,604</u>	<u>\$5,222,171</u>	<u>\$4,962,225</u>	<u>\$9,023,966</u>	<u>\$11,268,574</u>
Liabilities					
Accounts Payable	\$70,137	\$9,188	\$13,443	\$31,521	\$0
Contracts Payable	0	0	0	0	373,097
Accrued Wages	137,222	180,353	66,540	329,898	0
Retainage Payable	0	0	0	0	219,502
Interfund Payable	0	0	0	0	1,199,000
Loans from Other Funds	0	0	0	0	0
Matured Interest Payable	0	0	0	0	0
Total Liabilities	<u>207,359</u>	<u>189,541</u>	<u>79,983</u>	<u>361,419</u>	<u>1,791,599</u>
Deferred Inflows of Resources					
Property Taxes	1,456,571	0	0	189,946	782,739
Unavailable Revenue	1,494,378	2,217,602	1,269,480	4,076,349	405,717
Total Deferred Inflows of Resources	<u>2,950,949</u>	<u>2,217,602</u>	<u>1,269,480</u>	<u>4,266,295</u>	<u>1,188,456</u>
Fund Balances					
Nonspendable	289,989	52,711	431,027	98,669	0
Restricted	0	2,762,317	3,181,735	4,297,583	8,284,624
Committed	32,868	0	0	0	0
Assigned	5,770,089	0	0	0	3,895
Unassigned (Deficit)	6,145,350	0	0	0	0
Total Fund Balances	<u>12,238,296</u>	<u>2,815,028</u>	<u>3,612,762</u>	<u>4,396,252</u>	<u>8,288,519</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$15,396,604</u>	<u>\$5,222,171</u>	<u>\$4,962,225</u>	<u>\$9,023,966</u>	<u>\$11,268,574</u>

See accompanying notes to the basic financial statements

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

Other Governmental Funds	Total Governmental Funds		
		Total Governmental Fund Balances	\$38,824,026
		<i>Amounts reported for governmental activities in the statement of net position are different because</i>	
\$7,258,290	\$36,795,972	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	41,207,568
0	2,550	Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.	
647	647	Delinquent Property Taxes	88,039
4,313	4,313	Income Tax	8,234,966
674,996	9,310,282	Special Assessments	866,408
0	2,517,295	Grants and Entitlements	1,502,616
0	312,095	Charges for Services	222,736
0	1,382,852	Interest	<u>68,562</u>
0	203,943		
65,988	2,140,054	Total	10,983,327
0	74,644		
109,999	355,171	In the statement of activities interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(7,057)
866,408	866,408		
23,180	437,908	Vacation benefits payable is a contractually required benefit not expected to be paid with expendable available financial resources and therefore not reported in the funds.	(126,080)
15,987	230,285		
446,338	446,338	The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.	
0	39,427	Deferred Outflows - Pension	6,209,865
0	219,502	Deferred Inflows - Pension	(164,234)
\$9,466,146	\$55,339,686	Net Pension Liability	<u>(22,144,852)</u>
\$50,452	\$174,741		
0	373,097	Total	(16,099,221)
34,282	748,295	Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
0	219,502	General Obligation Bonds	(1,189,742)
183,852	1,382,852	Special Assessment Bonds	(866,311)
203,943	203,943	OPWC Loan	(230,189)
647	647	Compensated Absences	<u>(447,993)</u>
473,176	3,103,077		
0	2,429,256	Total	<u>(2,734,235)</u>
1,519,801	10,983,327	<i>Net Position of Governmental Activities</i>	<u><u>\$72,048,328</u></u>
1,519,801	13,412,583		
39,167	911,563		
4,835,538	23,361,797		
1,881,033	1,913,901		
718,676	6,492,660		
(1,245)	6,144,105		
7,473,169	38,824,026		
\$9,466,146	\$55,339,686		

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

	General	Fire Department	Street Repair and Maintenance	Police	Road Improvement
Revenues					
Property Taxes	\$1,368,926	\$0	\$0	\$178,553	\$791,018
Municipal Income Tax	3,962,858	3,785,532	1,120,906	6,723,111	0
Charges for Services	80,953	533,939	1,497	109,056	0
Special Assessments	0	0	0	0	0
Licenses, Permits and Fees	1,394,955	0	2,537	0	0
Fines and Forfeitures	81,519	0	0	474,807	0
Intergovernmental	798,549	5,781	1,538,310	75,413	773,874
Contributions and Donations	1,225	0	0	0	0
Interest	80,482	0	0	0	0
Other	17,761	24,113	2,502	4,245	0
<i>Total Revenues</i>	<u>7,787,228</u>	<u>4,349,365</u>	<u>2,665,752</u>	<u>7,565,185</u>	<u>1,564,892</u>
Expenditures					
Current:					
General Government	3,024,754	0	0	0	0
Security and Persons and Property	129,075	4,206,535	0	6,937,208	0
Transportation	0	0	2,050,885	0	0
Community Environment	975,708	0	0	0	0
Public Health Services	5,991	0	0	0	0
Leisure Time Activities	131,185	0	0	0	0
Capital Outlay	0	0	0	0	2,178,558
Debt Service:					
Principal Retirement	0	0	0	0	10,463
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>4,266,713</u>	<u>4,206,535</u>	<u>2,050,885</u>	<u>6,937,208</u>	<u>2,189,021</u>
<i>Excess of Revenues</i> <i>Over (Under) Expenditures</i>	<u>3,520,515</u>	<u>142,830</u>	<u>614,867</u>	<u>627,977</u>	<u>(624,129)</u>
Other Financing Sources (Uses)					
Gain on Sale of Assets Held for Resale	0	0	0	0	0
Transfers In	0	0	0	0	2,897,354
Transfers Out	(3,641,354)	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(3,641,354)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,897,354</u>
<i>Net Change in Fund Balances</i>	(120,839)	142,830	614,867	627,977	2,273,225
<i>Fund Balances Beginning of Year</i>	<u>12,359,135</u>	<u>2,672,198</u>	<u>2,997,895</u>	<u>3,768,275</u>	<u>6,015,294</u>
<i>Fund Balances End of Year</i>	<u>\$12,238,296</u>	<u>\$2,815,028</u>	<u>\$3,612,762</u>	<u>\$4,396,252</u>	<u>\$8,288,519</u>

See accompanying notes to the basic financial statements

City of Brunswick, 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 Governmental Funds	Total Governmental Funds		
		Net Change in Fund Balances -Total Governmental Funds	\$5,640,890
		<i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
		Governmental funds report capital outlays as expenditures.	
		However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
		Capital Asset Additions	2,718,473
		Current Year Depreciation	<u>(2,086,941)</u>
		Total	631,532
		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.	
			(39,843)
		Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
		Delinquent Property Taxes	35,990
		Income Tax	533,054
		Special Assessment	(131,886)
		Grants and Entitlements	118,836
		Charges for Services	102,493
		Interest	<u>36,729</u>
		Total	695,216
		Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.	
			1,631,742
		Except for amounts reported as deferred inflows/outflows, changes in the net position liability are reported as pension expense in the statement of activities.	
			(3,077,238)
		Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
			195,496
		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	613
		Amortization of Bond Premium	<u>5,842</u>
		Total	6,455
		Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
		Compensated Absences	31,855
		Vacation Benefits Payable	<u>54,412</u>
		Total	<u>86,267</u>
		Change in Net Position of Governmental Activities	<u>\$5,770,517</u>

City of Brunswick, 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		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$1,340,100	\$1,340,100	\$1,368,926	\$28,826
Municipal Income Tax	3,353,011	3,319,720	3,970,869	651,149
Charges for Services	80,971	80,953	80,953	0
Licenses, Permits and Fees	1,076,470	1,076,225	1,136,568	60,343
Fines and Forfeitures	80,868	80,850	80,849	(1)
Intergovernmental	831,117	830,928	826,404	(4,524)
Contributions and Donations	1,225	1,225	1,225	0
Interest	148,454	148,420	159,111	10,691
Other	28,314	28,308	17,761	(10,547)
<i>Total Revenues</i>	6,940,530	6,906,729	7,642,666	735,937
Expenditures				
Current:				
General Government	3,959,506	3,960,000	3,501,110	458,890
Security of Persons and Property	129,560	144,507	131,252	13,255
Community Environment	906,643	844,756	718,215	126,541
Public Health Services	22,925	23,675	6,491	17,184
Leisure Time Activities	141,395	138,851	135,833	3,018
<i>Total Expenditures</i>	5,160,029	5,111,789	4,492,901	618,888
<i>Excess of Revenues Over (Under) Expenditures</i>	1,780,501	1,794,940	3,149,765	1,354,825
Other Financing Sources (Uses)				
Advances In	1,323,465	3,025,687	3,025,687	0
Advances Out	(1,199,000)	(1,199,000)	(1,199,000)	0
Transfers Out	(2,442,354)	(3,641,354)	(3,641,354)	0
<i>Total Other Financing Sources (Uses)</i>	(2,317,889)	(1,814,667)	(1,814,667)	0
<i>Net Change in Fund Balance</i>	(537,388)	(19,727)	1,335,098	1,354,825
<i>Fund Balance Beginning of Year</i>	7,844,628	7,844,628	7,844,628	0
Prior Year Encumbrances Appropriated	449,231	449,231	449,231	0
<i>Fund Balance End of Year</i>	\$7,756,471	\$8,274,132	\$9,628,957	\$1,354,825

See accompanying notes to the basic financial statements

City of Brunswick, 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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Tax	\$3,735,000	\$3,735,000	\$3,800,000	\$65,000
Charges for Services	400,349	481,150	488,611	7,461
Intergovernmental	3,038	3,651	3,671	20
Other	10,264	24,073	24,113	40
<i>Total Revenues</i>	4,148,651	4,243,874	4,316,395	72,521
Expenditures				
Current:				
Security of Persons and Property	4,650,085	4,639,330	4,384,444	254,886
<i>Net Change in Fund Balance</i>	(501,434)	(395,456)	(68,049)	327,407
<i>Fund Balance Beginning of Year</i>	2,454,920	2,454,920	2,454,920	0
Prior Year Encumbrances Appropriated	91,792	91,792	91,792	0
<i>Fund Balance End of Year</i>	<u>\$2,045,278</u>	<u>\$2,151,256</u>	<u>\$2,478,663</u>	<u>\$327,407</u>

See accompanying notes to the basic financial statements

City of Brunswick, Ohio
Statement 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>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Municipal Income Tax	\$1,095,201	\$1,095,201	\$1,125,000	\$29,799
Charges for Services	1,353	1,465	1,497	32
Licenses, Permits and Fees	2,325	2,517	2,537	20
Intergovernmental	1,377,734	1,491,793	1,542,676	50,883
Other	2,286	2,506	2,502	(4)
<i>Total Revenues</i>	2,478,899	2,593,482	2,674,212	80,730
Expenditures				
Current:				
Transportation	2,887,510	2,913,693	2,329,995	583,698
<i>Net Change in Fund Balance</i>	(408,611)	(320,211)	344,217	664,428
<i>Fund Balance Beginning of Year</i>	2,489,883	2,489,883	2,489,883	0
Prior Year Encumbrances Appropriated	136,317	136,317	136,317	0
<i>Fund Balance End of Year</i>	<u>\$2,217,589</u>	<u>\$2,305,989</u>	<u>\$2,970,417</u>	<u>\$664,428</u>

See accompanying notes to the basic financial statements

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$148,572	\$174,910	\$178,553	\$3,643
Municipal Income Tax	6,675,950	6,675,950	6,750,000	74,050
Charges for Services	96,834	114,000	109,056	(4,944)
Fines and Forfeitures	405,597	477,500	474,807	(2,693)
Intergovernmental	58,081	68,377	70,869	2,492
Other	467	4,250	4,245	(5)
<i>Total Revenues</i>	7,385,501	7,514,987	7,587,530	72,543
Expenditures				
Current:				
Security of Persons and Property	7,863,628	7,812,758	7,220,662	592,096
<i>Net Change in Fund Balance</i>	(478,127)	(297,771)	366,868	664,639
<i>Fund Balance Beginning of Year</i>	3,409,352	3,409,352	3,409,352	0
Prior Year Encumbrances Appropriated	176,785	176,785	176,785	0
<i>Fund Balance End of Year</i>	\$3,108,010	\$3,288,366	\$3,953,005	\$664,639

See accompanying notes to the basic financial statements

City of Brunswick, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2016

	Business-Type Activities		
	Refuse	Stormwater	Total
Assets			
<i>Current Assets</i>			
Equity in Pooled Cash and Cash Equivalents	\$1,248,504	\$2,057,018	\$3,305,522
Accounts Receivable	448,506	199,060	647,566
Prepays	1,256	637	1,893
<i>Total Current Assets</i>	<u>1,698,266</u>	<u>2,256,715</u>	<u>3,954,981</u>
<i>Noncurrent Assets</i>			
Non Depreciable Capital Assets, Net	1,603	143,753	145,356
Depreciable Capital Assets, Net	68,353	4,633,093	4,701,446
<i>Total Noncurrent Assets</i>	<u>69,956</u>	<u>4,776,846</u>	<u>4,846,802</u>
<i>Total Assets</i>	<u>1,768,222</u>	<u>7,033,561</u>	<u>8,801,783</u>
Deferred Outflows of Resources			
Pension	45,200	0	45,200
Liabilities			
<i>Current Liabilities</i>			
Accounts Payable	1,087	2,203	3,290
Accrued Wages	4,431	616	5,047
Contracts Payable	0	23,450	23,450
Vacation Benefits Payable	2,143	0	2,143
Accrued Interest Payable	0	13,813	13,813
OPWC Loans Payable	0	19,912	19,912
General Obligation Bonds Payable	0	267,245	267,245
Compensated Absences Payable	340	69	409
<i>Total Current Liabilities</i>	<u>8,001</u>	<u>327,308</u>	<u>335,309</u>
<i>Long-Term Liabilities (net of current portion)</i>			
OPWC Loans Payable	0	290,963	290,963
General Obligation Bonds Payable	0	4,094,347	4,094,347
Net Pension Liability	118,117	0	118,117
Compensated Absences Payable	1,832	372	2,204
<i>Total Long-Term Liabilities</i>	<u>119,949</u>	<u>4,385,682</u>	<u>4,505,631</u>
<i>Total Liabilities</i>	<u>127,950</u>	<u>4,712,990</u>	<u>4,840,940</u>
Deferred Inflows of Resources			
Pension	2,414	0	2,414
Net Position			
Net Investment in Capital Assets	69,956	181,635	251,591
Unrestricted	1,613,102	2,138,936	3,752,038
<i>Total Net Position</i>	<u>\$1,683,058</u>	<u>\$2,320,571</u>	<u>\$4,003,629</u>

See accompanying notes to the basic financial statements

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

	Business-Type Activities		
	Refuse	Stormwater	Total
Operating Revenues			
Charges for Services	\$2,444,327	\$1,226,990	\$3,671,317
Operating Expenses			
Salaries and Wages	53,500	14,816	68,316
Fringe Benefits	50,981	5,206	56,187
Purchased Services	1,979,492	205,923	2,185,415
Materials and Supplies	166	8,073	8,239
Depreciation	26,766	119,930	146,696
<i>Total Operating Expenses</i>	2,110,905	353,948	2,464,853
<i>Operating Income (Loss)</i>	333,422	873,042	1,206,464
Non-Operating Revenues (Expenses)			
Interest and Fiscal Charges	0	(167,270)	(167,270)
<i>Change in Net Position</i>	333,422	705,772	1,039,194
<i>Net Position Beginning of Year</i>	1,349,636	1,614,799	2,964,435
<i>Net Position End of Year</i>	\$1,683,058	\$2,320,571	\$4,003,629

See accompanying notes to the basic financial statements

City of Brunswick, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2016

	Business-Type Activities		
	Refuse	Stormwater	Total
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash Received From Customers	\$2,351,805	\$1,170,387	\$3,522,192
Cash Payments to Suppliers for Goods and Services	(1,980,877)	(257,393)	(2,238,270)
Cash Payment for Employee Services	(53,081)	(15,953)	(69,034)
Cash Payment for Employee Benefits	(45,357)	(5,380)	(50,737)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>272,490</u>	<u>891,661</u>	<u>1,164,151</u>
Cash Flows From Capital and Related Financing Activities			
Principal Paid on OPWC Loans	0	(19,913)	(19,913)
Principal Paid on Capital Improvement Bonds	0	(257,783)	(257,783)
Interest Paid on Capital Improvement Bonds	0	(173,142)	(173,142)
Payments for Capital Acquisitions	(1,603)	(222,969)	(224,572)
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(1,603)</u>	<u>(673,807)</u>	<u>(675,410)</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	270,887	217,854	488,741
Cash and Cash Equivalents Beginning of Year	<u>977,617</u>	<u>1,839,164</u>	<u>2,816,781</u>
Cash and Cash Equivalents End of Year	<u><u>\$1,248,504</u></u>	<u><u>\$2,057,018</u></u>	<u><u>\$3,305,522</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
<i>Operating Income (Loss)</i>	<u>\$333,422</u>	<u>\$873,042</u>	<u>\$1,206,464</u>
Adjustments:			
Depreciation	26,766	119,930	146,696
<i>(Increase) Decrease in Receivables and Deferred Outflows:</i>			
Accounts Receivable	(92,522)	(56,603)	(149,125)
Prepays	(1,256)	(637)	(1,893)
Deferred Outflows - Pension	8,651	0	8,651
<i>Increase (Decrease) in Liabilities and Deferred Inflows:</i>			
Accounts Payable	(516)	(64,356)	(64,872)
Accrued Wages	419	(1,137)	(718)
Contracts Payable	0	21,357	21,357
Vacation Benefits Payable	21	0	21
Net Pension Liability	(1,216)	0	(1,216)
Compensated Absences Payable	143	65	208
Deferred Inflow - Pension	(1,422)	0	(1,422)
<i>Total Adjustments</i>	<u>(60,932)</u>	<u>18,619</u>	<u>(42,313)</u>
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u><u>\$272,490</u></u>	<u><u>\$891,661</u></u>	<u><u>\$1,164,151</u></u>

See accompanying notes to the basic financial statements

City of Brunswick, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2016

Assets	
Equity in Pooled Cash and Cash Equivalents	\$620,356
Cash and Cash Equivalents in Segregated Accounts	<u>2,316</u>
<i>Total Assets</i>	<u><u>\$622,672</u></u>
Liabilities	
Undistributed Assets	<u><u>\$622,672</u></u>

See accompanying notes to the basic financial statements

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

Note 1 - Description of the City and Reporting Entity

The City of Brunswick (the "City") is a charter municipal corporation, incorporated under the laws of the State of Ohio. The City operates under a part-time Council and full-time City Manager form of government. The Mayor is elected to a four year term and performs ceremonial and judicial functions. Members of Council are elected to four-year staggered terms.

Reporting Entity

The 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 Brunswick, this includes the agencies and departments that provide the following services: police and fire protection, emergency medical, parks and recreation, planning, zoning, street maintenance and repair and general administrative services.

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 of taxes. The City has no component units.

The City participates in the Southwest Council of Governments, Northeast Ohio Public Energy Council and Medway Drug Enforcement Agency as jointly governed organizations. Additional information is included in Note 16.

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 local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the City's accounting policies are described below.

Basis of Presentation

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

Government-wide Financial Statements The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

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

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

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 the governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

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 Fund 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 governmental fund 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 and reports for 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 Brunswick and/or the general laws of Ohio.

Fire Department Special Revenue Fund The fire department fund accounts for and reports the 0.5 percent voted income tax levy proceeds restricted for the expenditures related to fire protection in the City.

Street Repair and Maintenance Special Revenue Fund The street repair and maintenance fund accounts for and reports State gasoline tax and motor vehicle registration fees restricted for maintenance of streets within the City as required by the Ohio Revised Code.

Police Special Revenue Fund The police fund accounts for and reports the 0.5 percent voted income tax levy proceeds restricted for the police department.

Road Improvement Capital Projects Fund The road improvement fund accounts for and reports debt proceeds, grant monies and transfers restricted and assigned for improvements to roads.

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

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

Proprietary Funds Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. The City's only proprietary funds are enterprise funds.

Enterprise Fund Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The City has two enterprise funds.

Refuse Fund The refuse fund accounts for the garbage collection services offered by the City to its residents.

Stormwater Fund The stormwater fund accounts for the activities of the City's stormwater management utility.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's only fiduciary funds are agency funds. The agency funds are used for performance bonds, collection and distribution of State monies, to accumulate employee contributions for future child care and health services and for expenditures for the local softball teams.

Measurement Focus

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

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 are generally 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 statement for governmental funds.

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

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

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting; proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred 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-one 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 7) 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), interest, fines and forfeitures, grants and fees.

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 represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for pension. The deferred outflows of resources related to pension are explained in Note 14.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, 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 fiscal year 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 delinquent property taxes, income taxes, charges for service, special assessments, interest 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

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

page 23. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 14)

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized when 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 the governmental funds.

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.

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 has been established by City Council at the function level of expenditures by personal services and all other expenditure categories within each department for all funds pursuant to Ohio Revised Code Section 5705.38(C). Budgetary modifications may only be made by ordinance of the City Council at the legal level of control. The Finance Director has been authorized to allocate appropriations within expenditure categories as appropriated by Council. Budgetary statements are presented beyond the legal level of control for informational purposes only.

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 original and final amended official certificate of estimated resources when the original and final appropriations were enacted by Council.

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

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

Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through City records. Interest in the pool is presented as "equity in pooled cash and cash equivalents".

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

The City utilizes a financial institution to service bonded debt as principal and interest payments come due. The balance in this account is presented as "cash and cash equivalents with fiscal agents" and represents deposits or short-term investments in certificates of deposit.

During 2016, investments were limited to overnight repurchase agreements, federal home loan mortgage corporation bonds, federal national mortgage association bonds, federal home loan bank bonds, a manuscript bond, money market governmental obligations, negotiable certificates of deposits and State Treasury Asset Reserve of Ohio (STAR Ohio). STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2016, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit and repurchase agreements are reported at cost. The fair value of the money market fund is determined by the fund's current share price.

"Investments" on the basic financial statements represents a manuscript bond issued by the City and purchased by the debt service fund.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue is distributed to the general fund, certain special revenue funds, debt service funds and certain capital projects funds. Interest revenue credited to the general fund during 2016 amounted to \$80,482, which includes \$59,965 assigned from other City funds.

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

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.

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 or 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. Restricted assets in the road improvement capital projects fund represents money set aside as retainage payable on construction projects.

Inventory

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

Assets Held for Resale

Assets held for resale represent land purchased by the City which will be sold for development purposes.

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. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. 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 valued at their acquisition values as of the date received. The City maintains a capitalization threshold of ten thousand dollars for infrastructure, zero dollars for land, works of art, computers and computer peripherals and five thousand dollars for all other assets. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's life are not. Interest incurred during the construction of proprietary fund capital assets is also capitalized.

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 replacements. Depreciation for governmental and business-type capital assets is computed using the straight-line method over the following useful lives:

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

Description	Estimated Lives
Land Improvements	20 years
Building and Improvements	5 - 50 years
Equipment, Machinery and Vehicles	3 - 25 years
Furniture and Fixtures	7 - 10 years
Infrastructure	30 - 50 years

The City’s infrastructure consists of roads, sidewalks, storm sewers, bridges and culverts, dams and does not include infrastructure acquired prior to December 31, 1980.

Interfund Balances

On the fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as “interfund receivables/payables”. Long term interfund loans are reported as “loans to/from other funds” and are classified as nonspendable fund balance which indicates that they do not constitute “available expendable resources” since they are not a component of net current position. Interfund balance amounts are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the 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. Since the City’s policy limits the accrual of vacation time to one year from the employee’s anniversary date, the outstanding liability is recorded as “vacation benefits payable” on the statement of net position rather than as a long-term liability.

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

Accrued Liabilities and Long-Term Obligations

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

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

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

Fund Balance Reserves

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

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

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

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.

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

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.

Bond Premiums

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

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activities of the proprietary funds. For the City, these revenues are charges for services for refuse collection and stormwater programs. Operating expenses are necessary costs incurred to provide the service for the primary activities of the funds. Revenues and expenses not meeting these definitions are reported as nonoperating.

Internal Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another 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 and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Net Position

Net position represents the difference between all other elements in a statement of financial 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 include resources restricted for computerization of the mayor's court and neighborhood stabilization. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

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

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.

General Fund Reserve Policy

The City shall attempt to maintain a minimum general fund unreserved undesignated fund balance reserve of no less than \$2,500,000.

Council may legislatively designate the use of the general fund unreserved undesignated cash reserves below the \$2,500,000 minimum. If at the end of a fiscal year, the fund balance falls below \$2,500,000, the City Manager shall prepare and submit his plan for expenditure reductions and/or revenue adjustments to City Council. City Council shall take action necessary to restore the unreserved, undesignated general fund reserve balance back to the \$2,500,000 level, preferably within one year, but no more than three years after the last day of the fiscal year in which the minimum reserve level was breached.

In the event the general fund unreserved, undesignated fund balance reserve exceeds \$4,000,000 on the last day of the fiscal year, the excess may be used in one of or a combination of the following ways:

- One-time expenditures or set aside for future one time expenditures, including but not limited to debt principal reductions or capital improvements, which do not increase recurring operating costs;
- Other one-time costs, or the establishment of or increase in legitimate reservations or designations of any fund balance under the authority of Council;
- Start-up expenditures for new programs provided such action is accompanied by an approved multi-year projection of revenues and expenditures. The program shall not be authorized unless the projections are both reasonable and include revenue streams sufficient to cover the expenditures.

This policy and reserve requirements are reviewed on an annual basis and, if appropriate, amended accordingly.

Note 3 - Budgetary Basis of Accounting

While the City is reporting financial position, results of operations, and changes in fund balance/net position on the basis of generally accepted accounting principles (GAAP basis), 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 major special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are as follows:

1. Revenues and other sources are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).

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

2. Expenditures and other uses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than restricted, committed or assigned fund balance (GAAP).
4. Investments are reported at cost (budget) rather than at fair value (GAAP).
5. Advances-In and Advances-Out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
6. Budgetary revenues and expenditures of the cable TV fund are classified to general fund for GAAP Reporting.

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

	Net Change in Fund Balances			
	General	Fire Department	Street Repair and Maintenance	Police
GAAP Basis	(\$120,839)	\$142,830	\$614,867	\$627,977
Net Adjustment for Revenue Accruals	333,322	(32,970)	8,460	22,345
Perspective Difference:				
Cable TV	(325,439)	0	0	0
Beginning Change in Fair Value of Investments	(3,618)	0	0	0
Ending Change in Fair Value of Investments	87,542	0	0	0
Advances In	3,025,687	0	0	0
Net Adjustment for Expenditure Accruals	9,145	(80,838)	(187,240)	(119,677)
Advances Out	(1,199,000)	0	0	0
Adjustments for Encumbrances	(471,702)	(97,071)	(91,870)	(163,777)
Budget Basis	<u>\$1,335,098</u>	<u>(\$68,049)</u>	<u>\$344,217</u>	<u>\$366,868</u>

Note 4 – Fund Balances

Pursuant to Ohio Revised Code Section 5705.10(I), all fund inflows, once recorded in a fund, are to be used for the same purpose as the specific revenue source serving as the foundation of that fund, and fund balance may be limited to one classification, the same as the foundation revenue. Thus, once the foundation revenue of a special revenue fund has been identified and classified as restricted (or committed), other inflows into the same fund are also restricted (or committed). For all other funds that are not special revenue funds, 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 below:

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

Fund Balances	General	Fire Department	Street Repair and Maintenance	Police
<u>Nonspendable:</u>				
Interfund loans	\$203,943	\$0	\$0	\$0
Inventory	0	1,208	408,747	4,773
Prepays	46,619	51,503	22,280	93,896
Unclaimed Monies	39,427	0	0	0
<i>Total Nonspendable</i>	<u>289,989</u>	<u>52,711</u>	<u>431,027</u>	<u>98,669</u>
<u>Restricted for:</u>				
Police Department	0	0	0	4,297,583
Fire and EMS Department	0	2,762,317	0	0
Debt Service Retirement	0	0	0	0
Street Maintenance	0	0	3,181,735	0
Revolving Loan	0	0	0	0
Transit Authority	0	0	0	0
Community Investment	0	0	0	0
Capital Improvements	0	0	0	0
Other Purposes	0	0	0	0
<i>Total Restricted</i>	<u>0</u>	<u>2,762,317</u>	<u>3,181,735</u>	<u>4,297,583</u>
<u>Committed to:</u>				
Parks	0	0	0	0
Community Recreation	0	0	0	0
Park Development	0	0	0	0
Cable TV	1,257	0	0	0
Software Upgrades	31,611	0	0	0
<i>Total Committed</i>	<u>32,868</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Assigned to:</u>				
Purchases on Order:				
Workers' Compensation Billings	40,015	0	0	0
Software Upgrades	56,311	0	0	0
Legal Services	62,770	0	0	0
Engineering Services	129,077	0	0	0
Contractual Agreements	95,902	0	0	0
Park Development	0	0	0	0
Brunswick Lake	0	0	0	0
Capital Improvements	4,717,671	0	0	0
Cable TV	668,343	0	0	0
<i>Total Assigned</i>	<u>5,770,089</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unassigned (Deficit)	6,145,350	0	0	0
Total Fund Balances	<u><u>\$12,238,296</u></u>	<u><u>\$2,815,028</u></u>	<u><u>\$3,612,762</u></u>	<u><u>\$4,396,252</u></u>

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

Fund Balances	Road Improvements	Other Governmental Funds	Total
<u>Nonspendable:</u>			
Interfund loans	\$0	\$0	\$203,943
Inventory	0	23,180	437,908
Prepays	0	15,987	230,285
Unclaimed Monies	0	0	39,427
<i>Total Nonspendable</i>	<u>0</u>	<u>39,167</u>	<u>911,563</u>
<u>Restricted for:</u>			
Police Department	0	31,282	4,328,865
Fire and EMS Department	0	10	2,762,327
Debt Service Retirement	0	1,253,477	1,253,477
Street Maintenance	0	361,705	3,543,440
Revolving Loan	0	7,864	7,864
Transit Authority	0	725,426	725,426
Community Investment	0	14,008	14,008
Capital Improvements	8,284,624	2,416,593	10,701,217
Other Purposes	0	25,173	25,173
<i>Total Restricted</i>	<u>8,284,624</u>	<u>4,835,538</u>	<u>23,361,797</u>
<u>Committed to:</u>			
Parks	0	764,231	764,231
Community Recreation	0	639,410	639,410
Park Development	0	477,392	477,392
Cable TV	0	0	1,257
Software Upgrades	0	0	31,611
<i>Total Committed</i>	<u>0</u>	<u>1,881,033</u>	<u>1,913,901</u>
<u>Assigned to:</u>			
Purchases on Order:			
Workers' Compensation Billings	0	0	40,015
Software Upgrades	0	0	56,311
Legal Services	0	0	62,770
Engineering Services	0	0	129,077
Contractual Agreements	0	0	95,902
Park Development	0	12,298	12,298
Brunswick Lake	0	703,253	703,253
Capital Improvements	3,895	3,125	4,724,691
Cable TV	0	0	668,343
<i>Total Assigned</i>	<u>3,895</u>	<u>718,676</u>	<u>6,492,660</u>
Unassigned (Deficit)	0	(1,245)	6,144,105
Total Fund Balances	<u><u>\$8,288,519</u></u>	<u><u>\$7,473,169</u></u>	<u><u>\$38,824,026</u></u>

Note 5 - Deposits and Investments

The City has chosen to follow State statutes and classify monies held by the City into three categories.

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

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, Government National Mortgage Association, and Student Loan Marketing 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;
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 25 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited.

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

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

The City may also invest any monies not required to be used for a specific 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;
3. Obligations of the City.

Deposits

Custodial Credit Risk Custodial credit risk for deposits is the risk that, in the event of failure of the counterparty, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$9,293,451 of the City's bank balance of \$16,446,637 was uninsured and uncollateralized. Although the securities were held by the pledging financial institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the City or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred 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 Amount	Maturity	Moody's	Percent of Total Investments
Net Asset Value (NAV) Per Share:				
STAR Ohio	\$10,082,243	Average 51.6 Days	Aaa	N/A
Cost:				
Repurchase Agreements:	5,915,000	Daily	Aaa	23.86%
Fair Value - Level Two Inputs:				
Federal Home Loan Mortgage Corporation Bonds	3,988,714	Less than four years	Aaa	16.09%
Federal National Mortgage Association Bonds	1,235,352	Less than four years	Aaa	4.98%
Federal Home Loan Bank Bonds	1,234,535	Less than five years	Aaa	4.98%
Manuscript Bond	4,313	Less than two years	N/A	0.02%
Money Market Governmental Obligations	8,698	Various	Aaa	0.04%
Negotiable Certificates of Deposit	<u>2,326,365</u>	Less than three years	N/A	9.38%
Total Portfolio	<u><u>\$24,795,220</u></u>			

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

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. To date, no investments have been purchased with a life greater than five years except for the manuscript bonds. The manuscript bond represents an investment in which the City purchased its own special assessment bond to pay the property owners' portion of the cost of improving Grafton Road. This bond matures on December 1, 2018. 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 party. The securities underlying the repurchase agreements are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty. The City has no investment policy dealing with investment custodial 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.

Credit Risk All investments carry a rating of Aaa by Moody's. The manuscript bonds are not rated however they are a general obligation of the City and would carry the same rating of the City's other unvoted general obligation bonds. The City has no investment policy that addresses credit risk.

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

Note 6 – Fund Deficit

The department of justice federal grant special revenue fund had a deficit fund balance of \$1,245 as of December 31, 2016. The general fund is liable for any deficit in other funds and provides transfers when cash is required, rather than when accruals occur.

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

Note 7 - Receivables

Receivables at December 31, 2016, consisted primarily of municipal income taxes, property taxes, special assessments, notes, intergovernmental receivables arising from grants, entitlements and shared revenues, interest, and accounts (billings for user charged services).

No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. All receivables except property taxes, notes, and special assessments are expected to be received within one year. Property taxes although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Notes receivable in the Brunswick Lake capital projects fund represents a promissory note with a local developer. The developer bought land that the City held an asset held for resale, and a portion of the sale was financed through a note with the City, which was subsequently revised in April of 2013 and in February of 2015. Pursuant to GASB 56, the note receivable is reflected accordingly in the financial statements.

Notes receivable in the general fund represent a promissory note between Medina County and the City of Brunswick. The principal amount of the revenue notes of \$245,172 represent contributions made by the City of Brunswick pursuant to the contribution agreement with Medina County and the Medina County Fiber Network Project. The revenue notes are payable as to both principal and interest solely from any payments received by Medina County from the Medina County Port Authority. The revenue notes bear an annual interest rate of 5.42 percent.

Special assessments expected to be collected in more than one year amount to \$729,405 in the special assessment bond retirement fund. The amount of delinquent special assessments outstanding at year-end is \$1,431.

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.

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

The full tax rate for all City operations for the year ended December 31, 2016, was \$3.80 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:

	Assessed Value
Real Estate	
Residential/Agricultural	\$541,422,840
Commercial Industrial/PU	138,266,330
Public Utility Property	8,416,270
Total Assessed Value	\$688,105,440

The Medina County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor 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 1.85 percent on salaries, wages, commissions and other compensation, and net profits earned within the City as well as incomes of residents earned outside of the City. Residents of the City are granted a credit up to one percent 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. Corporations and individual taxpayers are required to file a return annually. By City Ordinance 95-15, income tax revenues received for 2016, after income tax department expenditures, are credited to the following funds: police fund 49.25 percent up to a maximum of \$6,750,000; fire fund 26.50 percent up to a maximum of \$3,800,000; street repair and maintenance fund 7.5 percent up to a maximum of \$1,125,000; Brunswick transit alternative fund 1 percent up to a maximum of \$145,000; park fund 3.50 percent up to a maximum of \$520,000; capital improvement capital projects fund 2.5 percent; and the general fund 9.75 percent. Income tax receipts that exceed the established maximums in any one fund are retained in the general fund. The income tax receivable amounts are based on City Ordinance 85-16 for the 2017 allocation.

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

Intergovernmental Receivables

A summary of the governmental activities principal items of intergovernmental receivables follows:

	<u>Amounts</u>
Governmental:	
Grants	\$742,068
Gasoline Tax	614,198
Local Government	255,198
Permissive Motor Vehicle License Tax	218,443
Motor Vehicle License Registration	131,575
Homestead and Rollback	127,245
Utility Deregulation Monies	19,365
Cigarette and Liquor Tax	15,341
Franchise Fees	12,300
Dispatch	3,067
Governmental Reimbursements	<u>1,254</u>
Total	<u><u>\$2,140,054</u></u>

Note 8 - 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 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

Several claims and lawsuits are pending against the City. In the opinion of management, any such claims and lawsuits will not have a material adverse effect on the overall financial position of the City at December 31, 2016.

Note 9 – Assets Held for Resale

Assets held for resale represents land near Brunswick Lake purchased by the City which will be sold for development purposes. During 2016, the City sold 8.66 acres of the land. As of December 31, 2016 the City has approximately 9 acres of land remaining which is being held for resale.

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

Note 10 - 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 unless an extension is approved by the City Manager. All accumulated unused vacation time is paid upon termination of employment. Outstanding unused vacation is reflected as vacation benefits payable on the statement of net position.

Employees earn sick leave at the rate of 1.25 days per month of service. Sick leave accumulation is unlimited, but upon retirement or death, an employee can be paid twenty-five percent of accumulated, unused sick leave to various maximums based on the number of years of continuous service.

Health and Life Insurance

The City provides health insurance through Medical Mutual to its employees. It also provides life insurance and accidental death and dismemberment insurance to its employees through Group Life Insurance.

Note 11 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City has insurance coverage with Ohio Plan Risk Management Incorporated. The City's coverage for general liability, bodily injury and property damage to others is limited to \$14,000,000 per occurrence and has a \$14,000,000 aggregate limit per year.

Errors and omissions for public officials and police professional liability are \$14,000,000 per occurrence and \$14,000,000 aggregate per year. Vehicle coverage is limited to \$1,000,000 per each occurrence, no aggregate, and a \$1,000 physical damage deductible for comprehensive and collision for all City vehicles. Comprehensive crime is covered at \$100,000 with various individual bonds ranging from \$10,000 to \$1,000,000 in coverage.

Coverage for the City's buildings, furniture, fixtures, and contents has a limit of \$34,152,422 with a \$2,500 per event deductible. Inland marine coverage for all City property that moves has a limit of \$2,577,426 with a \$1,000 deductible.

Settled claims have not exceeded this commercial coverage in any of the past six years. There has not been a significant reduction in coverage from the prior year.

The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

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

Note 12 - Capital Assets

Capital asset activity for the year ended December 31, 2016, was as follows:

	Balance 12/31/15	Additions	Deletions	Balance 12/31/16
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$5,491,293	\$58,044	(\$30,793)	\$5,518,544
Construction in Progress	5,427,675	1,423,971	(2,579,855)	4,271,791
<i>Total Capital Assets, not being depreciated</i>	<u>10,918,968</u>	<u>1,482,015</u>	<u>(2,610,648)</u>	<u>9,790,335</u>
<i>Capital Assets, being depreciated:</i>				
Land Improvements	225,284	453,273	0	678,557
Buildings and Improvements	14,566,280	147,591	(10,007)	14,703,864
Equipment, Machinery and Vehicles	10,605,398	993,406	(187,346)	11,411,458
Furniture and Fixtures	148,139	0	0	148,139
Infrastructure				
Roads	18,872,203	1,075,372	(346,273)	19,601,302
Sidewalks	1,471,284	161,923	0	1,633,207
Storm Sewers	14,600,687	928,390	0	15,529,077
Bridges	263,823	0	0	263,823
Dam	402,508	0	0	402,508
Culverts	1,821,670	56,358	0	1,878,028
<i>Total Capital Assets, being depreciated</i>	<u>62,977,276</u>	<u>3,816,313</u>	<u>(543,626)</u>	<u>66,249,963</u>
<i>Less Accumulated Depreciation:</i>				
Land Improvements	(48,280)	(18,323)	0	(66,603)
Buildings and Improvements	(8,176,947)	(383,120)	957	(8,559,110)
Equipment, Machinery and Vehicles	(7,877,916)	(693,474)	187,346	(8,384,044)
Furniture and Fixtures	(68,033)	(9,078)	0	(77,111)
Infrastructure				
Roads	(9,243,994)	(585,136)	346,273	(9,482,857)
Sidewalks	(865,907)	(45,608)	0	(911,515)
Storm Sewers	(5,926,100)	(292,014)	0	(6,218,114)
Bridges	(127,392)	(6,596)	0	(133,988)
Dam	(88,551)	(8,050)	0	(96,601)
Culverts	(857,245)	(45,542)	0	(902,787)
<i>Total Accumulated Depreciation</i>	<u>(33,280,365)</u>	<u>(2,086,941)</u> *	<u>534,576</u>	<u>(34,832,730)</u>
Total Capital Assets being depreciated, net	<u>29,696,911</u>	<u>1,729,372</u>	<u>(9,050)</u>	<u>31,417,233</u>
Governmental Activities Capital Assets, Net	<u>\$40,615,879</u>	<u>\$3,211,387</u>	<u>(\$2,619,698)</u>	<u>\$41,207,568</u>

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

	Balance 12/31/15	Additions	Deletions	Balance 12/31/16
Business-Type Activities				
<i>Capital Assets, not being depreciated:</i>				
Construction in Progress	\$14,337	\$131,019	\$0	\$145,356
<i>Capital Assets, being depreciated:</i>				
Equipment, Machinery and Vehicles,				
Furniture and Fixtures	472,117	93,553	(21,650)	544,020
Infrastructure				
Storm Sewers	3,863,871	0	0	3,863,871
Dam	1,214,235	0	0	1,214,235
Culverts	517,571	0	0	517,571
<i>Total Capital Assets, being depreciated</i>	<u>6,067,794</u>	<u>93,553</u>	<u>(21,650)</u>	<u>6,139,697</u>
<i>Less Accumulated Depreciation:</i>				
Equipment, Machinery and Vehicles,				
Furniture and Fixtures	(360,283)	(32,194)	21,650	(370,827)
Infrastructure				
Storm Sewers	(598,689)	(77,278)	0	(675,967)
Dam	(267,133)	(24,283)	0	(291,416)
Culverts	(87,100)	(12,941)	0	(100,041)
<i>Total Accumulated Depreciation</i>	<u>(1,313,205)</u>	<u>(146,696)</u>	<u>21,650</u>	<u>(1,438,251)</u>
Total Capital Assets being depreciated, net	<u>4,754,589</u>	<u>(53,143)</u>	<u>0</u>	<u>4,701,446</u>
Business-Type Activities Capital Assets, Net	<u>\$4,768,926</u>	<u>\$77,876</u>	<u>\$0</u>	<u>\$4,846,802</u>

* Depreciation expense was charged to governmental functions as follows:

General Government	\$188,656
Security of Persons and Property	426,116
Transportation	853,942
Community Environment	362,343
Public Health Services	23,160
Leisure Time Activities	232,724
Total Depreciation Expense	<u>\$2,086,941</u>

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

Note 13 - Long-Term Obligations

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

	<u>Original Issue Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
Governmental Activities:				
<i>General Obligation Bonds</i>				
Capital Improvement, Series 2012A	2012	2.00 to 4.00 %	\$1,320,000	December 1, 2031
<i>Special Assessment Bonds with Governmental Commitment</i>				
Capital Improvement	2009	2.00 to 4.20	402,508	December 1, 2029
Grafton Road Improvement	1997	5.68	56,300	December 1, 2018
South Industrial Parkway Improvement	1999	3.90 to 5.63	1,230,000	December 1, 2019
Laurel Road Improvement	2006	4.00 to 5.75	546,000	December 1, 2026
<i>OPWC Loans</i>				
Hadcock Road Phase II	2013	0.00	261,578	December 1, 2038
Business-Type Activities:				
<i>General Obligation Bonds</i>				
Capital Improvement	2009	2.00 to 4.20	4,672,492	December 1, 2029
Capital Improvement, Series 2012B	2012	2.00 to 4.00	1,155,000	December 1, 2031
<i>OPWC Loans</i>				
Highland Storm Sewer	2012	0.00	35,460	July 1, 2032
El Dorado Storm Sewer	2012	0.00	80,311	July 1, 2032
El Dorado Culvert	2013	0.00	152,500	July 1, 2044
Fireside Double	2004	0.00	180,803	July 2, 2026

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

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

	Amounts Outstanding 12/31/15	Additions	Reductions	Amounts Outstanding 12/31/16	Amounts Due in One Year
<i>Governmental Activities:</i>					
<i>General Obligation Bonds:</i>					
<i>Unvoted:</i>					
<i>Capital Improvement Bonds, Series 2012A</i>					
Serial Bonds	\$425,000	\$0	(\$55,000)	\$370,000	\$55,000
Term Bonds	735,000	0	0	735,000	0
Unamortized Premium	90,455	0	(5,713)	84,742	0
<i>Total General Obligation Bonds</i>	<u>1,250,455</u>	<u>0</u>	<u>(60,713)</u>	<u>1,189,742</u>	<u>55,000</u>
<i>Special Assessment Bonds with Governmental Commitment:</i>					
Capital Improvement Bonds	307,880	0	(17,216)	290,664	17,755
Unamortized Premium	397	0	(29)	368	0
Grafton Road Improvement	7,130	0	(2,817)	4,313	2,817
South Industrial Parkway Improvement	360,000	0	(85,000)	275,000	85,000
Laurel Road Improvement	320,000	0	(25,000)	295,000	30,000
Unamortized Premium	1,066	0	(100)	966	0
<i>Total Special Assessment Bonds</i>	<u>996,473</u>	<u>0</u>	<u>(130,162)</u>	<u>866,311</u>	<u>135,572</u>
<i>OPWC Loans:</i>					
Hadcock Road Phase II	240,652	0	(10,463)	230,189	10,463
<i>Other Long-term Obligations:</i>					
<i>Net Pension Liability:</i>					
OPERS	4,039,923	1,747,818	0	5,787,741	0
OP&F	12,904,590	3,452,521	0	16,357,111	0
<i>Total Net Pension Liability</i>	<u>16,944,513</u>	<u>5,200,339</u>	<u>0</u>	<u>22,144,852</u>	<u>0</u>
Compensated Absences	479,848	42,231	(74,086)	447,993	70,049
<i>Total Other Long-term Obligations</i>	<u>17,424,361</u>	<u>5,242,570</u>	<u>(74,086)</u>	<u>22,592,845</u>	<u>70,049</u>
<i>Total Governmental Long-Term Liabilities</i>	<u>\$19,911,941</u>	<u>\$5,242,570</u>	<u>(\$275,424)</u>	<u>\$24,879,087</u>	<u>\$271,084</u>

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

	Amounts Outstanding 12/31/15	Additions	Reductions	Amounts Outstanding 12/31/16	Amounts Due in One Year
<i>Business-Type Activities:</i>					
<i>General Obligation Bonds:</i>					
<i>Unvoted:</i>					
Capital Improvement Bonds	\$3,582,119	\$0	(\$197,783)	\$3,384,336	\$207,245
Unamortized Premium	4,623	0	(337)	4,286	0
Capital Improvement Bonds, Series 2012B					
Serial Bonds	420,000	0	(60,000)	360,000	60,000
Term Bonds	540,000	0	0	540,000	0
Unamortized Premium	77,890	0	(4,920)	72,970	0
<i>Total General Obligation Bonds</i>	<u>4,624,632</u>	<u>0</u>	<u>(263,040)</u>	<u>4,361,592</u>	<u>267,245</u>
<i>OPWC Loans:</i>					
Highland Storm Sewer	29,254	0	(1,773)	27,481	1,773
El Dorado Storm Sewer	66,257	0	(4,016)	62,241	4,015
El Dorado Culvert	144,875	0	(5,083)	139,792	5,084
Fireside Double	90,402	0	(9,041)	81,361	9,040
<i>Total OPWC Loans</i>	<u>330,788</u>	<u>0</u>	<u>(19,913)</u>	<u>310,875</u>	<u>19,912</u>
<i>Other Long-term Obligations:</i>					
<i>Net Pension Liability OPERS:</i>					
Refuse	82,447	35,670	0	118,117	0
Compensated Absences	2,405	580	(372)	2,613	409
<i>Total Other Long-term Obligations</i>	<u>84,852</u>	<u>36,250</u>	<u>(372)</u>	<u>120,730</u>	<u>409</u>
<i>Total Business-Type Long-Term Liabilities</i>	<u>\$5,040,272</u>	<u>\$36,250</u>	<u>(\$283,325)</u>	<u>\$4,793,197</u>	<u>\$287,566</u>

General obligation bonds will be paid from the taxes receipted into the debt service fund and charges for services revenue in the stormwater enterprise fund. The special assessment bonds will be paid from the proceeds of special assessments levied against the benefitted property owners. In the event that a property owner would fail to pay the assessment, payment would be made to the City.

On September 24, 2009, the City issued \$5,075,000 in capital improvement bonds, of which, \$4,672,492 was general obligation bonds and \$402,508 was special assessment bonds. The bonds were issued for the reconstruction of the dam at Brunswick Lake, the dredging and improvements of Brunswick Lake and various improvements to the City's storm sewer water drainage system.

On November 1, 2012, the City issued \$2,475,000 of series 2012 general obligation capital improvement bonds. The bonds were issued for a period of twenty years at an interest rate varying from 2 to 4 percent. The bond issue was comprised of \$1,200,000 in serial bonds and \$1,275,000 in term bonds. \$1,320,000 in series 2012A capital improvement bonds were issued to pay the cost of improving the City's traffic control system by purchasing and installing signals and other equipment and devices. \$1,155,000 in series 2012B capital improvement bonds were issued to pay the cost of improving the City's storm water drainage system by constructing and reconstructing storm sewers, storm water detention basins and other storm water management improvements. The bond will be paid over 19 years. The series 2012A bonds are being retired from the general obligation bond retirement debt service fund, and the series 2012B bonds are being retired from the stormwater enterprise fund. In the event the stormwater fee would be insufficient to repay the bonds, payment would be made by the City.

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

The 2012 capital improvement general obligation term bonds maturing on December 1, 2031 are subject to mandatory redemption and are to be redeemed pursuant to mandatory sinking fund requirements at a redemption price of 100 percent of the principal amount redeemed, plus interest accrued to the redemption date on December 1 in each of the years and in the principal amounts set forth below:

Year	Issue \$1,275,000
2023	\$130,000
2024	130,000
2025	135,000
2026	140,000
2027	140,000
2028	145,000
2029	150,000
2030	150,000
Total Mandatory Sinking Fund Payments	1,120,000
Amount Due at Stated Maturity	155,000
Total	\$1,275,000
<i>Stated Maturity</i>	<i>12/1/2031</i>

Compensated absences will be paid from the general fund, the court computerization, police, fire departments, street repair and maintenance, Brunswick transit, parks and recreational center special revenue funds and the refuse and stormwater enterprise funds which are the funds from which the employees' salaries are paid. There is no repayment schedule for the net pension liability. However, employer pension contributions are made from the following funds: general fund, the court computerization, police, fire departments, street repair and maintenance, Brunswick transit, parks and recreational center special revenue funds and the refuse enterprise fund. For additional information related to the net pension liability see Note 14. The OPWC loans will be paid with intergovernmental revenue in the road improvement capital projects fund and charges for services revenue in the stormwater enterprise fund.

The City's overall debt margin was \$68,011,628 and the unvoted legal debt margin was \$33,606,356 at December 31, 2016. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2016, are as follows:

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

Governmental Activities							
	General Obligation Bonds				Special Assessment Bonds		OPWC Loans
	Serial Bonds		Term Bonds		Principal	Interest	Principal
	Principal	Interest	Principal	Interest			
2017	\$55,000	\$42,025	\$0	\$0	\$135,572	\$42,657	\$10,463
2018	60,000	39,825	0	0	139,850	35,322	10,463
2019	60,000	38,025	0	0	149,088	27,949	10,463
2020	65,000	36,225	0	0	49,852	19,986	10,463
2021	65,000	34,275	0	0	50,546	17,716	10,463
2022-2026	65,000	31,675	295,000	100,600	259,670	53,017	52,316
2027-2031	0	0	440,000	54,200	80,399	6,826	52,315
2032-2036	0	0	0	0	0	0	52,316
2037-2039	0	0	0	0	0	0	20,927
Total	\$370,000	\$222,050	\$735,000	\$154,800	\$864,977	\$203,473	\$230,189

Business-Type Activities					
	General Obligation Bonds				OPWC Loans
	Serial Bonds		Term Bonds		Principal
	Principal	Interest	Principal	Interest	
2017	\$267,245	\$165,761	\$0	\$0	\$19,912
2018	276,646	156,366	0	0	19,912
2019	280,912	145,901	0	0	19,911
2020	290,148	135,264	0	0	19,912
2021	294,454	125,409	0	0	19,911
2022-2026	1,390,330	382,434	240,000	72,000	90,515
2027-2031	944,601	80,500	300,000	36,000	54,354
2032-2036	0	0	0	0	28,318
2037-2041	0	0	0	0	25,415
2042-2044	0	0	0	0	12,715
Total	\$3,744,336	\$1,191,635	\$540,000	\$108,000	\$310,875

Note 14 – 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.

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

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 *accrued wages* on both the accrual and modified accrual bases of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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):

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

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

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 and Local</u>
2016 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2016 Actual Contribution Rates	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	2.0
	<hr/>
Total Employer	14.0 %
	<hr/> <hr/>
Employee	10.0 %
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City of Brunswick, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$524,065 for 2016. Of this amount, \$64,372 is reported as accrued wages.

Plan Description – Ohio Police & Fire Pension Fund (OP&F)

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

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

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

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

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

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

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

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

	<u>Police</u>	<u>Firefighters</u>
2016 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2016 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,118,159 for 2016. Of this amount, \$120,811 is reported as accrued wages.

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. OP&F'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>OP&F</u>	
Proportion of the Net Pension Liability:			
Current Measurement Date	0.034096%	0.2542660%	
Prior Measurement Date	<u>0.034179%</u>	<u>0.2491033%</u>	
Change in Proportionate Share	<u>-0.0000830%</u>	<u>0.0051627%</u>	
			<u>Total</u>
Proportionate Share of the Net Pension Liability	\$5,905,858	\$16,357,111	\$22,262,969
Pension Expense	\$824,680	\$2,269,050	\$3,093,730

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

City of Brunswick, Ohio
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For the Year Ended December 31, 2016

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$1,735,953	\$2,662,310	\$4,398,263
Changes in proportion and differences between City contributions and proportionate share of contributions	0	214,578	214,578
City contributions subsequent to the measurement date	<u>524,065</u>	<u>1,118,159</u>	<u>1,642,224</u>
Total Deferred Outflows of Resources	<u><u>\$2,260,018</u></u>	<u><u>\$3,995,047</u></u>	<u><u>\$6,255,065</u></u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$114,113	\$45,930	\$160,043
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>6,605</u>	<u>0</u>	<u>\$6,605</u>
Total Deferred Inflows of Resources	<u><u>\$120,718</u></u>	<u><u>\$45,930</u></u>	<u><u>\$166,648</u></u>

\$1,642,224 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:	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2017	\$376,623	\$733,553	\$1,110,176
2018	404,379	733,553	1,137,932
2019	441,386	733,553	1,174,939
2020	392,847	581,097	973,944
2021	0	41,344	41,344
Thereafter	<u>0</u>	<u>7,858</u>	<u>7,858</u>
Total	<u><u>\$1,615,235</u></u>	<u><u>\$2,830,958</u></u>	<u><u>\$4,446,193</u></u>

Actuarial Assumptions - OPERS

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

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 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 COLA or Ad Hoc COLA:	4.25 to 10.05 percent including wage inflation
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.

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:

City of Brunswick, Ohio
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For the Year Ended December 31, 2016

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (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
Total	100.00 %	5.27 %

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

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$9,409,473	\$5,905,858	\$2,950,668

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 – OP&F

OP&F’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 OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential

City of Brunswick, Ohio
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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, 2015, are presented below:

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, simple

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2015, are summarized below:

Asset Class	Target Allocation	10 Year Expected Real Rate of Return**	10 Year Expected Real Rate of Return**
Cash and Cash Equivalents	- %	0.00 %	0.00 %
Domestic Equity	16.00	4.47	7.80
Non-US Equity	16.00	4.47	8.00
Core Fixed Income *	20.00	1.62	5.35
Global Inflation Protected Securities*	20.00	1.33	4.73
High Yield	15.00	3.39	7.21
Real Estate	12.00	3.93	7.43
Private Markets	8.00	6.98	10.73
Timber	5.00	4.92	7.35
Master Limited Partnerships	8.00	7.03	10.75
Total	120.00 %		

Note: Assumptions are geometric.

* levered 2x

** Numbers include inflation

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

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

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 (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$21,572,837	\$16,357,111	\$11,938,876

Note 15 – Postemployment Benefits

Ohio Public Employees Retirement System

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

OPERS maintained two cost-sharing, multiple-employer defined benefit postemployment health care trusts, which funded multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and the combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

In order to qualify for 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

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

(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 to fund OPERS health care plans.

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 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

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 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 \$87,344, \$84,815 and \$83,458, respectively. For 2016, 85.71 percent has been contributed with the balance being reported as accrued wages. The full amount has been contributed for 2015 and 2014.

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

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 post-employment 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 Post Employment 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 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.

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. The portion of employer contributions allocated to health care was 0.5 percent of covered payroll from January 1, 2015 through December 31, 2015. The amount of employer contribution allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contribution to OPF for the years ended December 31, 2016, 2015 and 2014 were \$1,144,999, \$1,117,504 and \$1,067,663, respectively, of which \$26,840, \$26,191 and \$25,182, respectively, was allocated to the healthcare plan. For 2016, 97.68 percent has been contributed for both police and firefighters with the balance being reported as *accrued wages*. The full amount has been contributed for 2015 and 2014.

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

Note 16 - Jointly Governed Organizations

Southwest Council of Governments

The Southwest Council of Governments helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions, and regional development. The board is comprised of one member from each of the nineteen 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 to the Southwest Council of Governments.

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

Northeast Ohio Public Energy Council

The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity. NOPEC is currently comprised of over 200 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 ensuring 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. 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. The City of Brunswick did not contribute to NOPEC during 2016. Financial information can be obtained by contacting Ronald McVoy, Board Chairman, 31360 Solon Road, Suite 33, Solon, Ohio 44139.

Medway Drug Enforcement Agency

The Medway Drug Enforcement Agency (the Agency) is an undercover investigative law enforcement agency whose objective is to remove illegal drugs from the community. The Agency is controlled by and is responsible to the Medway Council of Governments, which consists of two governing bodies: the General Assembly and the Governing Board. The General Assembly consists of a county commissioner, the City Manager of the City of Brunswick, and a representative of each township and village within the County. The Governing Board consists of the County Prosecutor and the County Sheriff, the Police Chief of the City of Brunswick, and one village chief of police chosen by a caucus of village chiefs of police. The Board exercises total control over the operations of the Agency including budgeting, appropriating, contracting and designating management. The degree of control exercised by the participating government is limited to its representation in the General Assembly and on the Board. The City of Brunswick contributed \$48,767 to Medway during 2016. The County Auditor and County Treasurer, respectively, serve as fiscal officer and custodian of funds for the Agency. Pursuant to City Council Resolution 22-16, the City withdrew from Medway Drug Enforcement Agency on June 30, 2016.

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

Note 17 - Interfund Transfers and Balances

Transfers

A transfer of \$2,897,354 was made from the general fund to the road improvement capital projects fund to assist with road improvement projects and assist in providing local share requirements on past federal road projects. A transfer of \$19,000 was made from the general fund to the community recreation center special revenue fund to cover senior citizen contractual expenses from Medina County. A transfer of \$725,000 was made from the general fund to the permanent improvement capital projects fund for various capital improvement projects.

Balances

Interfund receivables and payables are due to the timing of the receipt of grant monies by the nonmajor funds. All interfund balances will be repaid within one year. Loans from other funds are due to the land held for resale in the Brunswick Lake construction fund, which was originally paid for by the general fund. Loans from other funds will be repaid in more than one year with the proceeds from the sale of the land after all contractual obligations are paid. As of December 31, 2016, the loan balance between the general fund and the Brunswick lake construction fund was \$203,943.

Interfund balances at December 31, 2016, consist of the following:

	Receivables	Payables
Major Funds		
General Fund	\$1,382,852	\$0
Road Improvement	0	1,199,000
Total Major Funds	1,382,852	1,199,000
Nonmajor Funds		
<i>Special Revenue Funds:</i>		
Department of Justice Federal Grant	0	83,852
<i>Capital Projects Funds:</i>		
Environmental Protection Agency Grant	0	100,000
Total Nonmajor Funds	0	183,852
Total All Funds	\$1,382,852	\$1,382,852

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

Note 18 – Significant Commitments

Contractual Commitments

As of December 31, 2016, the City had the following contractual commitments:

Project	Amount Remaining on Contract
North Carpenter Road	\$2,735,000
Sewer Vactor Cleaner	322,516
Workers' Compensation Billing	208,044
Hardware/Software Upgrades	187,163
Neighborhood Road Levy Repair Program	139,010
West 130th Road	128,640
Grafton Road Phase III	122,384
Hadcock Road Phase IV	63,272
Phone System Upgrades	60,000
Total	\$3,966,029

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 or soon thereafter were as follows:

Governmental		Business-Type	
General	\$471,702	Refuse	\$24,743
Fire Department	97,071	Stormwater	455,391
Street Repair and Maintenance	91,870	Total	\$480,134
Police	163,777		
Road Improvements	3,260,178		
Other Governmental funds	770,115		
Total	\$4,854,713		

Remaining commitment amounts were encumbered at year end.

Note 19 – Change in Accounting Principle

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,

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

“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. The City did not have any agreements meeting the GASB 77 definition of a tax abatement.

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 and also establishes additional note disclosure requirements for governments that participate in those pools. The City participates in STAR Ohio which implemented GASB Statement No. 79 for 2016. 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 20 – Subsequent Event

In February 2017, City Council passed Ordinance Number 14-17 transferring \$1,698,996 from the general fund to various capital and road improvement funds for future projects including Grafton Road Phase IV and Sky View Drive road improvement projects.

In February 2017, the City sold the remaining 9 acres of land held for resale at Brunswick Lake. The gross proceeds received equaled \$475,000 and was authorized by City Council Ordinance 66-13.

On May 2, 2017, the electorate approved a 0.65 percent income tax levy for a five-year period commencing on January 1, 2018 and ending December 31, 2022, to replace the existing 0.5 percent levy expiring on December 31, 2017. The purpose of the new levy is to maintain staffing levels for the Safety Forces of the City. This levy shall be in addition to the City’s 1 percent and 0.35 percent levies on income that are in effect for a continuing period of time.

Required Supplementary Information

City of Brunswick, 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	0.034096%	0.034179%	0.034179%
City's Proportionate Share of the Net Pension Liability	\$5,905,858	\$4,122,370	\$4,029,259
City's Covered-Employee Payroll	\$4,240,767	\$4,193,433	\$4,037,208
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	139.26%	98.31%	99.80%
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 as of the City's measurement date which is the prior year end.

City of Brunswick, 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	0.2542660%	0.2491033%	0.2491033%
City's Proportionate Share of the Net Pension Liability	\$16,357,111	\$12,904,590	\$12,132,112
City's Covered-Employee Payroll	\$5,238,266	\$5,014,895	\$4,898,993
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	312.26%	257.33%	247.65%
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 as of the City's measurement date which is the prior year end.

City of Brunswick, Ohio
Required Supplementary Information
Schedule of the City's 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	\$524,065	\$508,892	\$503,212	\$524,837
Contributions in Relation to the Contractually Required Contribution	<u>(524,065)</u>	<u>(508,892)</u>	<u>(503,212)</u>	<u>(524,837)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered-Employee Payroll	\$4,367,208	\$4,240,767	\$4,193,433	\$4,037,208
Contributions as a Percentage of Covered-Employee 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.

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City of Brunswick, Ohio
Required Supplementary Information
Schedule of the City's 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	\$1,118,159	\$1,091,313	\$1,042,481	\$865,990
Contributions in Relation to the Contractually Required Contribution	<u>(1,118,159)</u>	<u>(1,091,313)</u>	<u>(1,042,481)</u>	<u>(865,990)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered-Employee Payroll	\$5,367,889	\$5,238,266	\$5,014,895	\$4,898,993
Contributions as a Percentage of Covered-Employee Payroll	20.83%	20.83%	20.79%	17.68%

2012	2011	2010	2009	2008	2007
\$705,779	\$716,424	\$711,708	\$692,878	\$686,652	\$639,867
(705,779)	(716,424)	(711,708)	(692,878)	(686,652)	(639,867)
\$0	\$0	\$0	\$0	\$0	\$0
\$4,864,127	\$4,929,430	\$4,904,450	\$4,764,535	\$4,727,423	\$4,420,435
14.51%	14.53%	14.51%	14.54%	14.52%	14.48%

**Combining and Individual
Fund Statements and Schedules**

Fund Descriptions – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Court Computerization Fund To account for and report court fees and fines restricted to maintain and support the systems of the mayor's court.

Federal Emergency Management Agency (FEMA) Grant Fund To account for and report restricted federal grant monies used to assist local governments in disaster assistance.

Drug Enforcement Fund To account for and report restricted County shared revenues which help support Medway, a drug enforcement operation.

State Highway Fund To account for and report restricted State gasoline tax and motor vehicle registration fees for maintenance of State highways within the City.

Law Enforcement Fund To account for and report monies received from the sale or disposition of seized contraband. Expenditures are restricted for law enforcement purposes.

Brunswick Transit Alternative Fund To account for and report federal, State and local intergovernmental monies, user charges and income tax monies restricted for the development, implementation and operation of a bus transit system in the City.

Revolving Loan Fund To account for and report restricted loans made by the City to local businesses and the subsequent repayment of these loans. In addition, a portion of these funds can be used for certain capital projects upon approval of the United States Department of Housing and Urban Development.

Parks Fund To account for and report income tax monies committed for the development, maintenance and operations of the City's parks.

Department of Justice Federal Grant Fund To account for and report restricted federal grants originated from the Department of Justice Fund.

Enforcement and Education Fund To account for and report fines imposed under Section 4511.99 (A) of the Ohio Revised Code. These monies are restricted to pay costs incurred in enforcing Section 4511.19 of the Ohio Revised Code, and to educate the public about the laws against and the dangers of operating a motor vehicle while under the influence of alcohol.

Community Recreation Center Fund To account for and report membership fees, program fees, sales and general fund subsidies committed to operate the Rec-Center.

Community Home Investment Program Grant Fund To account for and report federal monies restricted for providing rehabilitation, home repair and emergency payment assistance in an effort to prevent homelessness and provide homeownership assistance.

(continued)

Medina County Safe Communities Grant Fund To account for and report federal monies restricted for eligible activities of the Medina County Safe Communities grant.

Cable TV Fund To account for and report cable franchise fees assigned for and report providing local programming. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

Nonmajor Debt Service Funds

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

General Obligation Bond Retirement Fund To account for and report tax levies that are restricted for the repayment of general obligation bonds of the City.

Special Assessment Bond Retirement Fund To account for and report the collection of special assessments levied against benefited properties restricted for the payment of special assessment bonds and the related interest.

Nonmajor Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Fire Department Improvement Fund To account for and report note proceeds restricted for capital improvements or capital purchases relating to the fire department.

Permanent Improvement Fund To account for and report land sales monies restricted for the purpose of improving, constructing, maintaining, and purchasing those items necessary to enhance the operation of the City.

Traffic Control Equipment Fund To account for and report income tax monies assigned to the purchase of traffic control equipment.

Park Development Fund To account for and report fees committed and assigned for the development of various City parks and Public Square.

City Hall Expansion Fund To account for and report the transfers assigned to the expansion and improvement of City Hall.

Environmental Protection Agency Grant Fund To account for and report federal grant monies restricted the water resource restoration sponsor program administrated by the EPA.

(continued)

Ohio Environmental Improvement Grant Fund To account for and report federal grant monies restricted to help alleviate some of the environmental infrastructure problems of the City of Brunswick by reconstructing storm sewers, detention basins and related improvements and acquiring real estate and interests in real estate.

Brunswick Lake Construction Fund To account for and report the purchase of and improvements assigned to the Brunswick Lake site financed by the proceeds of bonds and loans from the general fund.

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$2,678,430	\$1,249,164	\$3,330,696	\$7,258,290
Cash and Cash Equivalents				
With Fiscal Agents	0	647	0	647
Investments	0	4,313	0	4,313
Receivables:				
Income Taxes	418,963	0	256,033	674,996
Intergovernmental	65,988	0	0	65,988
Notes	0	0	109,999	109,999
Special Assessments	0	866,408	0	866,408
Materials and Supplies Inventory	23,180	0	0	23,180
Prepays	15,987	0	0	15,987
Assets Held for Resale	0	0	446,338	446,338
<i>Total Assets</i>	<u>\$3,202,548</u>	<u>\$2,120,532</u>	<u>\$4,143,066</u>	<u>\$9,466,146</u>
Liabilities				
Accounts Payable	\$50,452	\$0	\$0	\$50,452
Accrued Wages	34,282	0	0	34,282
Interfund Payable	83,852	0	100,000	183,852
Loans from Other Funds	0	0	203,943	203,943
Matured Interest Payable	0	647	0	647
<i>Total Liabilities</i>	<u>168,586</u>	<u>647</u>	<u>303,943</u>	<u>473,176</u>
Deferred Inflows of Resources				
Unavailable Revenue	426,931	866,408	226,462	1,519,801
Fund Balances				
Nonspendable	39,167	0	0	39,167
Restricted	1,165,468	1,253,477	2,416,593	4,835,538
Committed	1,403,641	0	477,392	1,881,033
Assigned	0	0	718,676	718,676
Unassigned (Deficit)	(1,245)	0	0	(1,245)
<i>Total Fund Balances</i>	<u>2,607,031</u>	<u>1,253,477</u>	<u>3,612,661</u>	<u>7,473,169</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$3,202,548</u>	<u>\$2,120,532</u>	<u>\$4,143,066</u>	<u>\$9,466,146</u>

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Municipal Income Tax	\$662,543	\$0	\$382,119	\$1,044,662
Charges for Services	1,059,729	0	0	1,059,729
Special Assessments	0	172,305	0	172,305
Licenses, Permits and Fees	0	0	120,250	120,250
Fines and Forfeitures	32,052	0	0	32,052
Intergovernmental	875,140	0	86,268	961,408
Interest	6	0	0	6
Other	33,595	0	0	33,595
<i>Total Revenues</i>	<u>2,663,065</u>	<u>172,305</u>	<u>588,637</u>	<u>3,424,007</u>
Expenditures				
Current:				
General Government	26,776	2,285	0	29,061
Security of Persons and Property	132,152	0	0	132,152
Transportation	555,486	0	0	555,486
Leisure Time Activities	1,407,785	0	0	1,407,785
Capital Outlay	0	0	622,746	622,746
Debt Service:				
Principal Retirement	55,000	130,033	0	185,033
Interest and Fiscal Charges	43,125	48,917	0	92,042
<i>Total Expenditures</i>	<u>2,220,324</u>	<u>181,235</u>	<u>622,746</u>	<u>3,024,305</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>442,741</u>	<u>(8,930)</u>	<u>(34,109)</u>	<u>399,702</u>
Other Financing Sources (Uses)				
Gain on Sale of Assets Held for Resale	0	0	959,128	959,128
Transfers In	19,000	0	725,000	744,000
<i>Total Other Financing Sources (Uses)</i>	<u>19,000</u>	<u>0</u>	<u>1,684,128</u>	<u>1,703,128</u>
<i>Net Change in Fund Balances</i>	461,741	(8,930)	1,650,019	2,102,830
<i>Fund Balances Beginning of Year</i>	<u>2,145,290</u>	<u>1,262,407</u>	<u>1,962,642</u>	<u>5,370,339</u>
<i>Fund Balances End of Year</i>	<u><u>\$2,607,031</u></u>	<u><u>\$1,253,477</u></u>	<u><u>\$3,612,661</u></u>	<u><u>\$7,473,169</u></u>

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

	<u>Court Computerization</u>	<u>FEMA Grant</u>	<u>State Highway</u>	<u>Law Enforcement</u>	<u>Brunswick Transit Alternative</u>
Assets					
Equity in Pooled Cash and Cash Equivalents	\$27,107	\$10	\$353,062	\$17,219	\$730,879
Receivables:					
Income Taxes	0	0	0	0	93,103
Intergovernmental	0	0	62,484	0	805
Materials and Supplies Inventory	0	0	0	0	0
Prepays	233	0	0	0	0
<i>Total Assets</i>	<u>\$27,340</u>	<u>\$10</u>	<u>\$415,546</u>	<u>\$17,219</u>	<u>\$824,787</u>
Liabilities					
Accounts Payable	\$855	\$0	\$988	\$0	\$16,206
Accrued Wages	1,079	0	0	0	0
Interfund Payable	0	0	0	0	0
<i>Total Liabilities</i>	<u>1,934</u>	<u>0</u>	<u>988</u>	<u>0</u>	<u>16,206</u>
Deferred Inflows of Resources					
Unavailable Revenue	0	0	52,853	0	83,155
Fund Balances					
Nonspendable	233	0	0	0	0
Restricted	25,173	10	361,705	17,219	725,426
Committed	0	0	0	0	0
Unassigned (Deficit)	0	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>25,406</u>	<u>10</u>	<u>361,705</u>	<u>17,219</u>	<u>725,426</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$27,340</u>	<u>\$10</u>	<u>\$415,546</u>	<u>\$17,219</u>	<u>\$824,787</u>

Revolving Loan	Parks	Department of Justice Federal Grant	Enforcement and Education	Community Recreation Center	Community Home Investment Program Grant	Total Nonmajor Special Revenue Funds
\$7,864	\$738,737	\$84,043	\$14,063	\$691,438	\$14,008	\$2,678,430
0	325,860	0	0	0	0	418,963
0	0	2,699	0	0	0	65,988
0	22,146	0	0	1,034	0	23,180
0	4,589	0	0	11,165	0	15,987
<u>\$7,864</u>	<u>\$1,091,332</u>	<u>\$86,742</u>	<u>\$14,063</u>	<u>\$703,637</u>	<u>\$14,008</u>	<u>\$3,202,548</u>
\$0	\$2,589	\$1,436	\$0	\$28,378	\$0	\$50,452
0	9,553	0	0	23,650	0	34,282
0	0	83,852	0	0	0	83,852
0	12,142	85,288	0	52,028	0	168,586
0	288,224	2,699	0	0	0	426,931
0	26,735	0	0	12,199	0	39,167
7,864	0	0	14,063	0	14,008	1,165,468
0	764,231	0	0	639,410	0	1,403,641
0	0	(1,245)	0	0	0	(1,245)
<u>7,864</u>	<u>790,966</u>	<u>(1,245)</u>	<u>14,063</u>	<u>651,609</u>	<u>14,008</u>	<u>2,607,031</u>
<u>\$7,864</u>	<u>\$1,091,332</u>	<u>\$86,742</u>	<u>\$14,063</u>	<u>\$703,637</u>	<u>\$14,008</u>	<u>\$3,202,548</u>

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

	Court Computerization	FEMA Grant	Drug Enforcement	State Highway	Law Enforcement	Brunswick Transit Alternative	Revolving Loan
Revenues							
Municipal Income Tax	\$0	\$0	\$0	\$0	\$0	\$144,454	\$0
Charges for Services	0	0	0	0	0	32,609	0
Fines and Forfeitures	28,690	0	0	0	0	0	0
Intergovernmental	0	0	48,767	124,615	0	643,664	0
Interest	0	0	0	0	0	0	3
Other	0	0	0	0	8,311	1,800	1,169
<i>Total Revenues</i>	<u>28,690</u>	<u>0</u>	<u>48,767</u>	<u>124,615</u>	<u>8,311</u>	<u>822,527</u>	<u>1,172</u>
Expenditures							
Current:							
General Government	26,776	0	0	0	0	0	0
Security of Persons and Property	0	18,527	48,767	0	0	0	0
Transportation	0	0	0	19,535	0	535,951	0
Leisure Time Activities	0	0	0	0	0	0	0
Debt Service:							
Principal Retirement	0	0	0	55,000	0	0	0
Interest and Fiscal Charges	0	0	0	43,125	0	0	0
<i>Total Expenditures</i>	<u>26,776</u>	<u>18,527</u>	<u>48,767</u>	<u>117,660</u>	<u>0</u>	<u>535,951</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	1,914	(18,527)	0	6,955	8,311	286,576	1,172
Other Financing Sources (Uses)							
Transfers In	0	0	0	0	0	0	0
<i>Net Change in Fund Balances</i>	1,914	(18,527)	0	6,955	8,311	286,576	1,172
<i>Fund Balances (Deficit)</i>							
<i>Beginning of Year</i>	<u>23,492</u>	<u>18,537</u>	<u>0</u>	<u>354,750</u>	<u>8,908</u>	<u>438,850</u>	<u>6,692</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$25,406</u>	<u>\$10</u>	<u>\$0</u>	<u>\$361,705</u>	<u>\$17,219</u>	<u>\$725,426</u>	<u>\$7,864</u>

Parks	Department of Justice Federal Grant	Enforcement and Education	Community Recreation Center	Community Home Investment Program Grant	Medina County Safe Communities Grant	Total Nonmajor Special Revenue Funds
\$518,089	\$0	\$0	\$0	\$0	\$0	\$662,543
2,227	0	0	1,024,893	0	0	1,059,729
0	0	3,362	0	0	0	32,052
0	58,094	0	0	0	0	875,140
0	0	0	0	3	0	6
5,780	0	0	2,530	14,005	0	33,595
526,096	58,094	3,362	1,027,423	14,008	0	2,663,065
0	0	0	0	0	0	26,776
0	56,392	8,224	0	0	242	132,152
0	0	0	0	0	0	555,486
364,118	0	0	1,043,667	0	0	1,407,785
0	0	0	0	0	0	55,000
0	0	0	0	0	0	43,125
364,118	56,392	8,224	1,043,667	0	242	2,220,324
161,978	1,702	(4,862)	(16,244)	14,008	(242)	442,741
0	0	0	19,000	0	0	19,000
161,978	1,702	(4,862)	2,756	14,008	(242)	461,741
628,988	(2,947)	18,925	648,853	0	242	2,145,290
\$790,966	(\$1,245)	\$14,063	\$651,609	\$14,008	\$0	\$2,607,031

City of Brunswick, Ohio
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2016

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$1,145,580	\$103,584	\$1,249,164
Cash and Cash Equivalents With Fiscal Agents	647	0	647
Investments	4,313	0	4,313
Special Assessments Receivable	0	866,408	866,408
<i>Total Assets</i>	<u>\$1,150,540</u>	<u>\$969,992</u>	<u>\$2,120,532</u>
Liabilities			
Matured Interest Payable	\$647	\$0	\$647
Deferred Inflows of Resources			
Unavailable Revenue	0	866,408	866,408
Fund Balances			
Restricted	<u>1,149,893</u>	<u>103,584</u>	<u>1,253,477</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$1,150,540</u>	<u>\$969,992</u>	<u>\$2,120,532</u>

City of Brunswick, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Debt Service Funds

For the Year Ended December 31, 2016

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Revenues			
Special Assessments	\$0	\$172,305	\$172,305
Expenditures			
Current:			
General Government	0	2,285	2,285
Debt Service:			
Principal Retirement	0	130,033	130,033
Interest and Fiscal Charges	0	48,917	48,917
<i>Total Expenditures</i>	0	181,235	181,235
<i>Net Change in Fund Balances</i>	0	(8,930)	(8,930)
<i>Fund Balances Beginning of Year</i>	1,149,893	112,514	1,262,407
<i>Fund Balances End of Year</i>	\$1,149,893	\$103,584	\$1,253,477

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

	<u>Fire Department Improvement</u>	<u>Permanent Improvement</u>	<u>Traffic Control Equipment</u>	<u>Park Development</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$80,875	\$2,256,246	\$3,125	\$489,690
Receivables:				
Income Taxes	0	256,033	0	0
Notes	0	0	0	0
Assets Held for Resale	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u><u>\$80,875</u></u>	<u><u>\$2,512,279</u></u>	<u><u>\$3,125</u></u>	<u><u>\$489,690</u></u>
Liabilities				
Interfund Payable	\$0	\$0	\$0	\$0
Loans from Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources				
Unavailable Revenue	<u>0</u>	<u>226,462</u>	<u>0</u>	<u>0</u>
Fund Balances				
Restricted	80,875	2,285,817	0	0
Committed	0	0	0	477,392
Assigned	<u>0</u>	<u>0</u>	<u>3,125</u>	<u>12,298</u>
<i>Total Fund Balances</i>	<u>80,875</u>	<u>2,285,817</u>	<u>3,125</u>	<u>489,690</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u><u>\$80,875</u></u>	<u><u>\$2,512,279</u></u>	<u><u>\$3,125</u></u>	<u><u>\$489,690</u></u>

<u>City Hall Expansion</u>	<u>Environmental Protection Agency Grant</u>	<u>Ohio Environmental Improvement Grant</u>	<u>Brunswick Lake Construction</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$1,499	\$100,000	\$48,402	\$350,859	\$3,330,696
0	0	0	0	256,033
0	0	0	109,999	109,999
0	0	0	446,338	446,338
<u>\$1,499</u>	<u>\$100,000</u>	<u>\$48,402</u>	<u>\$907,196</u>	<u>\$4,143,066</u>
\$0	\$100,000	\$0	\$0	\$100,000
0	0	0	203,943	203,943
0	100,000	0	203,943	303,943
0	0	0	0	226,462
1,499	0	48,402	0	2,416,593
0	0	0	0	477,392
0	0	0	703,253	718,676
<u>1,499</u>	<u>0</u>	<u>48,402</u>	<u>703,253</u>	<u>3,612,661</u>
<u>\$1,499</u>	<u>\$100,000</u>	<u>\$48,402</u>	<u>\$907,196</u>	<u>\$4,143,066</u>

City of Brunswick, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2016

	<u>Fire Department Improvement</u>	<u>Permanent Improvement</u>	<u>Traffic Control Equipment</u>	<u>Park Development</u>
Revenues				
Municipal Income Tax	\$0	\$382,119	\$0	\$0
Licenses, Permits and Fees	0	0	0	120,250
Intergovernmental	0	29,571	0	0
<i>Total Revenues</i>	0	411,690	0	120,250
Expenditures				
Capital Outlay	1,603	348,246	0	80,419
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,603)	63,444	0	39,831
Other Financing Sources (Uses)				
Gain on Sale of Assets Held for Resale	0	0	0	0
Transfers In	0	725,000	0	0
<i>Total Other Financing Sources (Uses)</i>	0	725,000	0	0
<i>Net Change in Fund Balances</i>	(1,603)	788,444	0	39,831
Fund Balances (Deficit)				
<i>Beginning of Year</i>	82,478	1,497,373	3,125	449,859
<i>Fund Balances End of Year</i>	<u>\$80,875</u>	<u>\$2,285,817</u>	<u>\$3,125</u>	<u>\$489,690</u>

City Hall Expansion	Environmental Protection Agency Grant	Ohio Environmental Improvement Grant	Brunswick Lake Construction	Total Nonmajor Capital Projects Funds
\$0	\$0	\$0	\$0	\$382,119
0	0	0	0	120,250
0	54,396	2,301	0	86,268
0	54,396	2,301	0	588,637
0	46,754	3,067	142,657	622,746
0	7,642	(766)	(142,657)	(34,109)
0	0	0	959,128	959,128
0	0	0	0	725,000
0	0	0	959,128	1,684,128
0	7,642	(766)	816,471	1,650,019
1,499	(7,642)	49,168	(113,218)	1,962,642
\$1,499	\$0	\$48,402	\$703,253	\$3,612,661

Fund Descriptions - Fiduciary Funds

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. The following is the City's fiduciary fund type:

Agency Funds

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

Performance Bond Fund To account for monies posted for grade and engineer bonds. These monies are returned after final approval by the City.

Family Violence Fund To account for grant monies received for the Committee against Family Violence. The City's role, as directed by the Committee, is limited to that of custodian of funds.

Recreational Programs Fund To account for purchases of supplies and equipment for local softball teams.

Flex Spending Fund To account for monies withheld from employees' paychecks for future child care and health services purchased by the employee.

Non-Residential Three Percent Fund To account for an assessment on fees for the inspection of nonresidential buildings which is collected on behalf of the State Board of Building Standards.

Residential One Percent Fund To account for an assessment on fees for the inspection of residential buildings which is collected on behalf of the State Board of Building Standards.

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

	Beginning Balance 12/31/15	Additions	Deductions	Ending Balance 12/31/16
<i>Performance Bond</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$573,409	\$277,544	\$249,126	\$601,827
Cash and Cash Equivalents in Segregated Accounts	2,246	70	0	2,316
Total Assets	\$575,655	\$277,614	\$249,126	\$604,143
Liabilities				
Undistributed Assets	\$575,655	\$277,614	\$249,126	\$604,143
<i>Family Violence</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$3,307	\$0	\$0	\$3,307
Liabilities				
Undistributed Assets	\$3,307	\$0	\$0	\$3,307
<i>Recreational Programs</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,030	\$0	\$0	\$1,030
Liabilities				
Undistributed Assets	\$1,030	\$0	\$0	\$1,030
<i>Flex Spending</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$9,831	\$78,454	\$77,209	\$11,076
Liabilities				
Undistributed Assets	\$9,831	\$78,454	\$77,209	\$11,076

(continued)

City of Brunswick, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds (continued)
For the Year Ended December 31, 2016

	Beginning Balance 12/31/15	Additions	Deductions	Ending Balance 12/31/16
<i>Non-Residential Three Percent</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$3,050	\$9,058	\$9,528	\$2,580
Liabilities				
Undistributed Assets	\$3,050	\$9,058	\$9,528	\$2,580
<i>Residential One Percent</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$709	\$3,511	\$3,684	\$536
Liabilities				
Undistributed Assets	\$709	\$3,511	\$3,684	\$536
<i>Total - All Agency Funds</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$591,336	\$368,567	\$339,547	\$620,356
Cash and Cash Equivalents in Segregated Accounts	2,246	70	0	2,316
<i>Total Assets</i>	\$593,582	\$368,637	\$339,547	\$622,672
Liabilities				
Undistributed Assets	\$593,582	\$368,637	\$339,547	\$622,672

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

City of Brunswick, 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		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$1,340,100	\$1,340,100	\$1,368,926	\$28,826
Municipal Income Tax	3,353,011	3,319,720	3,970,869	651,149
Charges for Services	80,971	80,953	80,953	0
Licenses, Permits and Fees	1,076,470	1,076,225	1,136,568	60,343
Fines and Forfeitures	80,868	80,850	80,849	(1)
Intergovernmental	831,117	830,928	826,404	(4,524)
Contributions and Donations	1,225	1,225	1,225	0
Interest	148,454	148,420	159,111	10,691
Other	28,314	28,308	17,761	(10,547)
<i>Total Revenues</i>	6,940,530	6,906,729	7,642,666	735,937
Expenditures				
Current:				
General Government:				
City Manager:				
Salaries and Wages	164,011	148,088	144,306	3,782
Fringe Benefits	118,293	171,848	167,909	3,939
Purchased Services	2,332	3,550	1,627	1,923
Materials and Supplies	624	950	228	722
Capital Outlay	3,301	5,025	147	4,878
Other	3,616	5,200	1,122	4,078
<i>Total City Manager</i>	292,177	334,661	315,339	19,322
City Council:				
Salaries and Wages	174,353	174,353	171,586	2,767
Fringe Benefits	73,470	72,777	71,520	1,257
Purchased Services	11,831	12,700	11,244	1,456
Materials and Supplies	1,168	1,200	660	540
Capital Outlay	559	600	0	600
Other	3,260	3,500	532	2,968
<i>Total City Council</i>	264,641	265,130	255,542	9,588
Mayor's Court:				
Salaries and Wages	76,398	76,398	73,060	3,338
Fringe Benefits	52,854	53,252	51,357	1,895
Purchased Services	35,293	32,000	23,061	8,939
Materials and Supplies	1,988	2,100	941	1,159
Other	1,136	1,200	749	451
<i>Total Mayor's Court</i>	167,669	164,950	149,168	15,782
Commemorative Affairs:				
Materials and Supplies	\$16,000	\$16,000	\$14,753	\$1,247

(continued)

City of Brunswick, 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 Final Budget Positive (Negative)
	Original	Final	Actual	
Finance Office:				
Salaries and Wages	\$202,690	\$202,876	\$198,282	\$4,594
Fringe Benefits	134,492	152,001	148,547	3,454
Purchased Services	24,054	18,300	14,568	3,732
Materials and Supplies	2,905	3,450	1,325	2,125
Capital Outlay	77,881	45,051	42,268	2,783
Other	2,357	2,800	1,648	1,152
Total Finance Office	444,379	424,478	406,638	17,840
Administrative Services:				
Salaries and Wages	101,217	101,217	98,780	2,437
Fringe Benefits	66,217	58,430	56,633	1,797
Purchased Services	18,792	17,434	6,474	10,960
Materials and Supplies	3,283	3,046	1,832	1,214
Other	808	750	727	23
Total Administrative Services	190,317	180,877	164,446	16,431
Income Tax:				
Salaries and Wages	174,084	174,084	165,532	8,552
Fringe Benefits	86,754	100,772	95,754	5,018
Purchased Services	53,379	56,567	48,530	8,037
Materials and Supplies	16,215	16,964	15,369	1,595
Capital Outlay	55,013	34,266	30,861	3,405
Other	810	1,000	102	898
Total Income Tax	386,255	383,653	356,148	27,505
Law Director:				
Salaries and Wages	169,645	169,645	156,179	13,466
Fringe Benefits	51,536	58,773	52,910	5,863
Purchased Services	259,989	257,388	194,923	62,465
Materials and Supplies	5,662	4,602	4,340	262
Other	1,026	1,300	955	345
Total Law Director	487,858	491,708	409,307	82,401
Engineer:				
Salaries and Wages	20,741	20,741	20,182	559
Fringe Benefits	7,014	6,158	5,946	212
Purchased Services	463,958	429,618	354,199	75,419
Materials and Supplies	2,033	2,550	2,037	513
Capital Outlay	2,696	1,500	1,500	0
Total Engineer	\$496,442	\$460,567	\$383,864	\$76,703

(continued)

City of Brunswick, 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		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Information Systems:				
Salaries and Wages	\$126,355	\$126,355	\$111,540	\$14,815
Fringe Benefits	62,054	70,480	63,758	6,722
Purchased Services	25,974	31,400	29,944	1,456
Materials and Supplies	372	450	169	281
Capital Outlay	83,897	70,544	25,544	45,000
Other	7,945	5,990	5,785	205
Total Information Systems	306,597	305,219	236,740	68,479
Land and Buildings:				
Salaries and Wages	15,512	15,512	11,900	3,612
Fringe Benefits	3,683	3,438	2,696	742
Purchased Services	64,868	65,006	47,685	17,321
Materials and Supplies	763	800	0	800
Capital Outlay	1,430	1,500	0	1,500
Total Land and Buildings	86,256	86,256	62,281	23,975
Board and Commissions:				
Salaries and Wages	3,139	3,139	148	2,991
Fringe Benefits	939	806	213	593
Purchased Services	52	55	0	55
Materials and Supplies	2,431	2,560	275	2,285
Capital Outlay	43	45	0	45
Total Board and Commissions	6,604	6,605	636	5,969
General Administration:				
Purchased Services	603,989	595,848	530,262	65,586
Materials and Supplies	12,507	14,342	9,427	4,915
Capital Outlay	38,865	45,500	29,058	16,442
Other	158,950	184,206	177,501	6,705
Total General Administration	814,311	839,896	746,248	93,648
Total General Government	\$3,959,506	\$3,960,000	\$3,501,110	\$458,890

(continued)

City of Brunswick, 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		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Security of Persons and Property:				
Salaries and Wages	\$60,258	\$64,035	\$55,883	\$8,152
Fringe Benefits	40,832	46,744	44,086	2,658
Purchased Services	1,492	1,741	1,313	428
Materials and Supplies	3,118	3,364	1,577	1,787
Capital Outlay	23,652	28,373	28,318	55
Other	208	250	75	175
Total Security of Persons and Property	129,560	144,507	131,252	13,255
Community Environment:				
Planning and Zoning:				
Salaries and Wages	49,975	42,038	40,429	1,609
Fringe Benefits	30,155	25,857	17,050	8,807
Purchased Services	9,189	8,410	7,454	956
Materials and Supplies	14,633	12,890	8,104	4,786
Capital Outlay	2,240	2,050	740	1,310
Other	1,900	1,625	600	1,025
Total Planning and Zoning	108,092	92,870	74,377	18,493
Building:				
Salaries and Wages	290,178	268,805	263,159	5,646
Fringe Benefits	176,784	158,339	151,346	6,993
Purchased Services	35,603	33,227	16,407	16,820
Materials and Supplies	6,237	5,900	3,958	1,942
Capital Outlay	36,472	34,500	21,897	12,603
Other	1,691	1,600	1,000	600
Total Building	\$546,965	\$502,371	\$457,767	\$44,604

(continued)

City of Brunswick, 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		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Economic Development:				
Salaries and Wages	\$96,765	\$96,765	\$96,706	\$59
Fringe Benefits	56,384	54,109	52,349	1,760
Purchased Services	75,335	75,491	21,958	53,533
Materials and Supplies	3,892	3,900	846	3,054
Capital Outlay	10,478	10,500	10,500	0
Other	8,732	8,750	3,712	5,038
Total Economic Development	251,586	249,515	186,071	63,444
Total Community Environment	906,643	844,756	718,215	126,541
Public Health Services:				
Cemetery:				
Purchased Services	22,893	23,625	6,491	17,134
Materials and Supplies	32	50	0	50
Total Public Health Services	22,925	23,675	6,491	17,184
Leisure Time Activities:				
Parks and Recreation Director:				
Salaries and Wages	79,599	79,599	79,551	48
Fringe Benefits	59,299	57,241	55,019	2,222
Purchased Services	1,411	1,425	757	668
Materials and Supplies	79	80	0	80
Capital Outlay	1,007	506	506	0
Total Leisure Time Activities	141,395	138,851	135,833	3,018
<i>Total Expenditures</i>	5,160,029	5,111,789	4,492,901	618,888
<i>Excess of Revenues</i>				
<i>Over (Under) Expenditures</i>	\$1,780,501	\$1,794,940	\$3,149,765	\$1,354,825

(continued)

City of Brunswick, 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		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other Financing Sources (Uses)				
Advances In	\$1,323,465	\$3,025,687	\$3,025,687	\$0
Advances Out	(1,199,000)	(1,199,000)	(1,199,000)	0
Transfers Out	(2,442,354)	(3,641,354)	(3,641,354)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(2,317,889)</u>	<u>(1,814,667)</u>	<u>(1,814,667)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(537,388)	(19,727)	1,335,098	1,354,825
<i>Fund Balance Beginning of Year</i>	7,844,628	7,844,628	7,844,628	0
Prior Year Encumbrances Appropriated	<u>449,231</u>	<u>449,231</u>	<u>449,231</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$7,756,471</u></u>	<u><u>\$8,274,132</u></u>	<u><u>\$9,628,957</u></u>	<u><u>\$1,354,825</u></u>

City of Brunswick, 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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Municipal Income Tax	\$3,735,000	\$3,735,000	\$3,800,000	\$65,000
Charges for Services	400,349	481,150	488,611	7,461
Intergovernmental	3,038	3,651	3,671	20
Other	10,264	24,073	24,113	40
<i>Total Revenues</i>	<u>4,148,651</u>	<u>4,243,874</u>	<u>4,316,395</u>	<u>72,521</u>
Expenditures				
Current:				
Security of Persons and Property:				
Fire Department:				
Salaries and Wages	2,167,428	2,167,427	2,067,108	100,319
Fringe Benefits	1,734,696	1,722,676	1,670,235	52,441
Purchased Services	296,931	287,119	246,269	40,850
Materials and Supplies	53,511	53,965	43,154	10,811
Capital Outlay	382,527	392,643	349,013	43,630
Other	14,992	15,500	8,665	6,835
<i>Total Expenditures</i>	<u>4,650,085</u>	<u>4,639,330</u>	<u>4,384,444</u>	<u>254,886</u>
<i>Net Change in Fund Balance</i>	(501,434)	(395,456)	(68,049)	327,407
<i>Fund Balance Beginning of Year</i>	2,454,920	2,454,920	2,454,920	0
Prior Year Encumbrances Appropriated	91,792	91,792	91,792	0
<i>Fund Balance End of Year</i>	<u>\$2,045,278</u>	<u>\$2,151,256</u>	<u>\$2,478,663</u>	<u>\$327,407</u>

City of Brunswick, 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

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues				
Municipal Income Tax	\$1,095,201	\$1,095,201	\$1,125,000	\$29,799
Charges for Services	1,353	1,465	1,497	32
Licenses, Permits and Fees	2,325	2,517	2,537	20
Intergovernmental	1,377,734	1,491,793	1,542,676	50,883
Other	2,286	2,506	2,502	(4)
<i>Total Revenues</i>	2,478,899	2,593,482	2,674,212	80,730
Expenditures				
Current:				
Transportation:				
Street Department:				
Salaries and Wages	980,289	1,016,773	907,812	108,961
Fringe Benefits	618,131	628,822	590,469	38,353
Purchased Services	403,218	412,992	287,820	125,172
Materials and Supplies	500,180	496,085	436,732	59,353
Capital Outlay	383,358	356,521	105,691	250,830
Other	2,334	2,500	1,471	1,029
<i>Total Expenditures</i>	2,887,510	2,913,693	2,329,995	583,698
<i>Net Change in Fund Balance</i>	(408,611)	(320,211)	344,217	664,428
<i>Fund Balance Beginning of Year</i>	2,489,883	2,489,883	2,489,883	0
Prior Year Encumbrances Appropriations	136,317	136,317	136,317	0
<i>Fund Balance End of Year</i>	\$2,217,589	\$2,305,989	\$2,970,417	\$664,428

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Property Tax	\$148,572	\$174,910	\$178,553	\$3,643
Municipal Income Tax	6,675,950	6,675,950	6,750,000	74,050
Charges for Services	96,834	114,000	109,056	(4,944)
Fines and Forfeitures	405,597	477,500	474,807	(2,693)
Intergovernmental	58,081	68,377	70,869	2,492
Other	467	4,250	4,245	(5)
<i>Total Revenues</i>	<u>7,385,501</u>	<u>7,514,987</u>	<u>7,587,530</u>	<u>72,543</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police Department:				
Salaries an Wages	4,015,614	4,015,614	3,754,896	260,718
Fringe Benefits	2,920,072	2,882,141	2,751,366	130,775
Purchased Services	513,175	495,496	397,568	97,928
Materials and Supplies	99,143	102,445	76,444	26,001
Capital Outlay	285,647	287,112	218,775	68,337
Other	29,977	29,950	21,613	8,337
<i>Total Expenditures</i>	<u>7,863,628</u>	<u>7,812,758</u>	<u>7,220,662</u>	<u>592,096</u>
<i>Net Change in Fund Balance</i>	(478,127)	(297,771)	366,868	664,639
<i>Fund Balance Beginning of Year</i>	3,409,352	3,409,352	3,409,352	0
Prior Year Encumbrances Appropriated	<u>176,785</u>	<u>176,785</u>	<u>176,785</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$3,108,010</u>	<u>\$3,288,366</u>	<u>\$3,953,005</u>	<u>\$664,639</u>

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Property Taxes	\$787,500	\$791,018	\$3,518
Charges for Services	4,317	0	(4,317)
Intergovernmental	1,794,130	859,288	(934,842)
<i>Total Revenues</i>	<u>2,585,947</u>	<u>1,650,306</u>	<u>(935,641)</u>
Expenditures			
Capital Outlay	6,590,887	5,040,385	1,550,502
Debt Service:			
Principal Retirement	10,463	10,463	0
<i>Total Expenditures</i>	<u>6,601,350</u>	<u>5,050,848</u>	<u>1,550,502</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(4,015,403)</u>	<u>(3,400,542)</u>	<u>614,861</u>
Other Financing Sources (Uses)			
Advances In	1,199,000	1,199,000	0
Advances Out	(2,246,283)	(1,047,283)	1,199,000
Transfer In	2,897,354	2,897,354	0
<i>Total Other Financing Sources (Uses)</i>	<u>1,850,071</u>	<u>3,049,071</u>	<u>1,199,000</u>
<i>Net Change in Fund Balance</i>	(2,165,332)	(351,471)	1,813,861
<i>Fund Balance Beginning of Year</i>	3,318,957	3,318,957	0
Prior Year Encumbrances Appropriated	3,368,972	3,368,972	0
<i>Fund Balance End of Year</i>	<u>\$4,522,597</u>	<u>\$6,336,458</u>	<u>\$1,813,861</u>

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$2,374,599	\$2,351,805	(\$22,794)
Expenses			
Salaries and Wages	57,029	53,081	3,948
Fringe Benefits	48,753	46,715	2,038
Purchased Services	2,203,094	1,986,213	216,881
Materials and Supplies	550	166	384
Capital Outlay	21,650	19,486	2,164
<i>Total Expenses</i>	<u>2,331,076</u>	<u>2,105,661</u>	<u>225,415</u>
<i>Net Change in Fund Equity</i>	43,523	246,144	202,621
<i>Fund Equity Beginning of Year</i>	951,317	951,317	0
Prior Year Encumbrances Appropriations	<u>26,300</u>	<u>26,300</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$1,021,140</u></u>	<u><u>\$1,223,761</u></u>	<u><u>\$202,621</u></u>

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$1,111,423	\$1,170,387	\$58,964
Expenses			
Salaries and Wages	22,709	15,953	6,756
Fringe Benefits	6,920	6,030	890
Purchased Services	517,008	337,093	179,915
Materials and Supplies	17,050	8,073	8,977
Capital Outlay	1,046,194	589,937	456,257
Debt Service:			
Principal Retirement	277,696	277,696	0
Interest and Fiscal Charges	173,142	173,142	0
<i>Total Expenses</i>	2,060,719	1,407,924	652,795
<i>Net Change in Fund Equity</i>	(949,296)	(237,537)	711,759
<i>Fund Equity Beginning of Year</i>	1,623,770	1,623,770	0
Prior Year Encumbrances Appropriated	215,394	215,394	0
<i>Fund Equity End of Year</i>	\$889,868	\$1,601,627	\$711,759

City of Brunswick, 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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Fines and Forfeitures	\$30,500	\$28,690	(\$1,810)
Expenditures			
Current:			
General Government:			
Court Computerization:			
Salaries and Wages	9,251	9,245	6
Fringe Benefits	6,950	6,802	148
Purchased Services	10,336	8,636	1,700
Capital Outlay	6,924	6,918	6
<i>Total Expenditures</i>	33,461	31,601	1,860
<i>Net Change in Fund Balance</i>	(2,961)	(2,911)	50
<i>Fund Balance Beginning of Year</i>	18,467	18,467	0
Prior Year Encumbrances Appropriated	6,302	6,302	0
<i>Fund Balance End of Year</i>	\$21,808	\$21,858	\$50

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Federal Emergency Management Agency (FEMA) Grant Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0
Expenditures			
Current:			
Security of Persons and Property:			
Federal Emergency Management:			
Capital Outlay	18,537	18,537	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(18,537)	(18,537)	0
Other Financing Sources (Uses)			
Advances Out	(170,292)	(170,292)	0
<i>Net Change in Fund Balance</i>	(188,829)	(188,829)	0
<i>Fund Balance Beginning of Year</i>	170,292	170,292	0
Prior Year Encumbrances Appropriated	18,537	18,537	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$48,767	\$48,767	\$0
Expenditures			
Current:			
Security of Persons and Property:			
Drug Enforcement:			
Purchased Services	48,767	48,767	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

City of Brunswick, 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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$120,957	\$124,969	\$4,012
Expenditures			
Current:			
Transportation:			
State Highway:			
Purchased Services	27,055	26,027	1,028
Capital Outlay	37,770	31,170	6,600
Total Transportation	64,825	57,197	7,628
Debt Service:			
Principal Retirement	55,000	55,000	0
Interest and Fiscal Charges	43,125	43,125	0
Total Debt Service	98,125	98,125	0
<i>Total Expenditures</i>	162,950	155,322	7,628
<i>Net Change in Fund Balance</i>	(41,993)	(30,353)	11,640
<i>Fund Balance Beginning of Year</i>	311,541	311,541	0
Prior Year Encumbrances Appropriated	33,225	33,225	0
<i>Fund Balance End of Year</i>	\$302,773	\$314,413	\$11,640

City of Brunswick, 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*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Other	\$7,760	\$8,311	\$551
Expenditures			
Current:			
Security of Persons and Property:			
Law Enforcement:			
Capital Outlay	11,003	0	11,003
<i>Net Change in Fund Balance</i>	(3,243)	8,311	11,554
<i>Fund Balance Beginning of Year</i>	8,908	8,908	0
<i>Fund Balance End of Year</i>	\$5,665	\$17,219	\$11,554

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Municipal Income Tax	\$145,000	\$145,000	\$0
Charges for Services	33,000	32,609	(391)
Intergovernmental	410,437	661,676	251,239
Other	1,800	1,800	0
<i>Total Revenues</i>	<u>590,237</u>	<u>841,085</u>	<u>250,848</u>
Expenditures			
Current:			
Transportation:			
Brunswick Transit Alternative:			
Salaries and Wages	32,315	18,304	14,011
Fringe Benefits	18,404	12,871	5,533
Purchased Services	415,774	352,827	62,947
Materials and Supplies	35,360	21,073	14,287
Capital Outlay	189,575	188,823	752
<i>Total Expenditures</i>	<u>691,428</u>	<u>593,898</u>	<u>97,530</u>
<i>Net Change in Fund Balance</i>	(101,191)	247,187	348,378
<i>Fund Balance Beginning of Year</i>	377,559	377,559	0
Prior Year Encumbrances Appropriated	<u>52,612</u>	<u>52,612</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$328,980</u></u>	<u><u>\$677,358</u></u>	<u><u>\$348,378</u></u>

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Interest	\$2	\$3	\$1
Other	1,170	1,169	(1)
<i>Total Revenues</i>	1,172	1,172	0
Expenditures			
Current:			
Community Environment:			
Revolving Loan:			
Capital Outlay	7,862	7,861	1
<i>Net Change in Fund Balance</i>	(6,690)	(6,689)	1
<i>Fund Balance Beginning of Year</i>	6,692	6,692	0
<i>Fund Balance End of Year</i>	\$2	\$3	\$1

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Municipal Income Tax	\$520,000	\$520,000	\$0
Charges for Services	2,250	2,227	(23)
Other	5,955	5,780	(175)
<i>Total Revenues</i>	<u>528,205</u>	<u>528,007</u>	<u>(198)</u>
Expenditures			
Current:			
Leisure Time Activities:			
Parks:			
Salaries and Wages	191,205	177,365	13,840
Fringe Benefits	98,102	88,679	9,423
Purchased Services	139,365	87,303	52,062
Materials and Supplies	52,131	37,593	14,538
Capital Outlay	59,681	29,341	30,340
Other	2,000	320	1,680
<i>Total Expenditures</i>	<u>542,484</u>	<u>420,601</u>	<u>121,883</u>
<i>Net Change in Fund Balance</i>	(14,279)	107,406	121,685
<i>Fund Balance Beginning of Year</i>	584,638	584,638	0
Prior Year Encumbrances Appropriated	<u>35,111</u>	<u>35,111</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$605,470</u></u>	<u><u>\$727,155</u></u>	<u><u>\$121,685</u></u>

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$73,815	\$69,128	(\$4,687)
Expenditures			
Current:			
Security of Persons and Property:			
Enforcement and Education:			
Salaries and Wages	20,863	20,863	0
Fringe Benefits	6,926	6,926	0
Purchased Services	25,356	25,356	0
Materials and Supplies	1,782	1,782	0
Capital Outlay	6,444	1,757	4,687
<i>Total Expenditures</i>	61,371	56,684	4,687
<i>Excess of Revenues Over (Under) Expenditures</i>	12,444	12,444	0
Other Financing Sources (Uses)			
Advances Out	(209,630)	(125,778)	83,852
<i>Net Change in Fund Balance</i>	(197,186)	(113,334)	83,852
<i>Fund Balance Beginning of Year</i>	154,266	154,266	0
Prior Year Encumbrances Appropriated	42,920	42,920	0
<i>Fund Balance End of Year</i>	\$0	\$83,852	\$83,852

City of Brunswick, 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*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Fines and Forfeitures	\$3,500	\$3,362	(\$138)
Expenditures			
Current:			
Security of Persons and Property:			
Enforcement and Education:			
Capital Outlay	15,654	9,809	5,845
<i>Net Change in Fund Balance</i>	(12,154)	(6,447)	5,707
<i>Fund Balance Beginning of Year</i>	18,925	18,925	0
<i>Fund Balance End of Year</i>	\$6,771	\$12,478	\$5,707

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$1,019,725	\$1,024,893	\$5,168
Other	2,770	2,530	(240)
<i>Total Revenues</i>	<u>1,022,495</u>	<u>1,027,423</u>	<u>4,928</u>
Expenditures			
Current:			
Leisure Time Activities:			
Community Recreation:			
Salaries and Wages	498,696	439,091	59,605
Fringe Benefits	126,376	113,389	12,987
Purchased Services	433,034	381,256	51,778
Materials and Supplies	67,511	58,434	9,077
Capital Outlay	64,502	62,469	2,033
Other	23,550	15,889	7,661
<i>Total Expenditures</i>	<u>1,213,669</u>	<u>1,070,528</u>	<u>143,141</u>
<i>Excess of Revenues</i> <i>Over (Under) Expenditures</i>	(191,174)	(43,105)	148,069
Other Financing Sources (Uses)			
Transfers In	4,000	19,000	15,000
<i>Net Change in Fund Balance</i>	(187,174)	(24,105)	163,069
<i>Fund Balance Beginning of Year</i>	661,326	661,326	0
Prior Year Encumbrances Appropriated	34,209	34,209	0
<i>Fund Balance End of Year</i>	<u><u>\$508,361</u></u>	<u><u>\$671,430</u></u>	<u><u>\$163,069</u></u>

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Interest	\$3	\$3	\$0
Other	14,005	14,005	0
<i>Total Revenues</i>	14,008	14,008	0
Expenditures	0	0	0
<i>Net Change in Fund Balance</i>	14,008	14,008	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$14,008	\$14,008	\$0

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Medina County Safe Communities Grant Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0
Expenditures			
Current:			
Security of Persons and Property:			
Safe Communities:			
Materials and Supplies	242	242	0
<i>Excess of Revenues</i>			
<i>Over (Under) Expenditures</i>	(242)	(242)	0
Other Financing Sources (Uses)			
Advances Out	(34,991)	(34,991)	0
<i>Net Change in Fund Balance</i>	(35,233)	(35,233)	0
<i>Fund Balance Beginning of Year</i>	34,991	34,991	0
Prior Year Encumbrances Appropriated	242	242	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Licenses, Permits and Fees	\$303,960	\$342,435	\$38,475
Expenditures			
Current:			
Community Environment:			
Cable TV:			
Salaries and Wages	139,745	128,459	11,286
Fringe Benefits	94,327	82,992	11,335
Purchased Services	64,590	48,828	15,762
Materials and Supplies	4,100	1,992	2,108
Capital Outlay	53,052	50,019	3,033
Other	1,000	0	1,000
<i>Total Expenditures</i>	356,814	312,290	44,524
<i>Net Change in Fund Balance</i>	(52,854)	30,145	82,999
<i>Fund Balance Beginning of Year</i>	391,767	391,767	0
Prior Year Encumbrances Appropriated	10,141	10,141	0
<i>Fund Balance End of Year</i>	\$349,054	\$432,053	\$82,999

City of Brunswick, 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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	0	0
Other Financing Sources (Uses)			
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>1,150,537</u>	<u>1,150,537</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,150,537</u></u>	<u><u>\$1,150,537</u></u>	<u><u>\$0</u></u>

City of Brunswick, 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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Special Assessments	\$174,631	\$172,305	(\$2,326)
Expenditures			
Current:			
General Government:			
Purchased Services	5,149	2,285	2,864
Debt Service:			
Principal Retirement - Grafton Road Improvement	2,817	2,817	0
Principal Retirement - South Industrial			
Parkway Improvement	85,000	85,000	0
Principal Retirement - Laurel Road Improvement	25,000	25,000	0
Principal Retirement - Capital Improvement Bonds	17,216	17,216	0
Total Principal Retirement	130,033	130,033	0
Interest and Fiscal Charges - Grafton Road Improvement	320	320	0
Interest and Fiscal Charges - South Industrial			
Parkway Improvement	20,250	20,250	0
Interest and Fiscal Charges - Laurel Road Improvement	16,488	16,488	0
Interest and Fiscal Charges - Capital Improvement Bonds	11,859	11,859	0
Total Interest and Fiscal Charges	48,917	48,917	0
Total Debt Service	178,950	178,950	0
<i>Total Expenditures</i>	184,099	181,235	2,864
<i>Net Change in Fund Balance</i>	(9,468)	(8,930)	538
<i>Fund Balance Beginning of Year</i>	112,514	112,514	0
<i>Fund Balance End of Year</i>	\$103,046	\$103,584	\$538

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0
Expenditures			
Capital Outlay	2,860	2,860	0
<i>Net Change in Fund Balance</i>	(2,860)	(2,860)	0
<i>Fund Balance Beginning of Year</i>	79,618	79,618	0
Prior Year Encumbrances Appropriated	2,860	2,860	0
<i>Fund Balance End of Year</i>	\$79,618	\$79,618	\$0

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Municipal Income Tax	\$389,851	\$410,367	\$20,516
Intergovernmental	6,139	0	(6,139)
<i>Total Revenues</i>	395,990	410,367	14,377
Expenditures			
Capital Outlay	945,120	552,686	392,434
<i>Excess of Revenues Over (Under) Expenditures</i>	(549,130)	(142,319)	406,811
Other Financing Sources (Uses)			
Sale of Capital Assets	162,000	0	(162,000)
Transfers In	725,000	725,000	0
<i>Total Other Financing Sources (Uses)</i>	887,000	725,000	(162,000)
<i>Net Change in Fund Balance</i>	337,870	582,681	244,811
<i>Fund Balance Beginning of Year</i>	1,309,136	1,309,136	0
Prior Year Encumbrances Appropriated	171,220	171,220	0
<i>Fund Balance End of Year</i>	\$1,818,226	\$2,063,037	\$244,811

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Traffic Control Equipment Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0
Expenditures	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	3,125	3,125	0
<i>Fund Balance End of Year</i>	<u>\$3,125</u>	<u>\$3,125</u>	<u>\$0</u>

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Licenses, Permits and Fees	\$106,030	\$120,250	\$14,220
Expenditures			
Capital Outlay	138,467	134,691	3,776
<i>Net Change in Fund Balance</i>	(32,437)	(14,441)	17,996
<i>Fund Balance Beginning of Year</i>	386,392	386,392	0
Prior Year Encumbrances Appropriated	63,467	63,467	0
<i>Fund Balance End of Year</i>	<u>\$417,422</u>	<u>\$435,418</u>	<u>\$17,996</u>

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0
Expenditures			
Capital Outlay	13,323	13,323	0
<i>Net Change in Fund Balance</i>	(13,323)	(13,323)	0
<i>Fund Balance Beginning of Year</i>	1,036	1,036	0
Prior Year Encumbrances Appropriated	12,287	12,287	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

City of Brunswick, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Environmental Protection Agency Grant Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$87,646	\$54,396	(\$33,250)
Expenditures			
Capital Outlay	80,004	46,754	33,250
<i>Excess of Revenues Over (Under) Expenditures</i>	7,642	7,642	0
Other Financing Sources (Uses)			
Advances Out	(100,000)	0	100,000
<i>Net Change in Fund Balance</i>	(92,358)	7,642	100,000
<i>Fund Balance Beginning of Year</i>	90,133	90,133	0
Prior Year Encumbrances Appropriated	2,225	2,225	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$100,000</u>	<u>\$100,000</u>

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$0	\$2,301	\$2,301
Expenditures			
Capital Outlay:			
Capital Outlay	3,067	3,067	0
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,067)</u>	<u>(766)</u>	<u>2,301</u>
Other Financing Sources (Uses)			
Advances Out	(440,000)	(440,000)	0
Transfers Out	(46,101)	0	46,101
<i>Total Other Financing Sources (Uses)</i>	<u>(486,101)</u>	<u>(440,000)</u>	<u>46,101</u>
<i>Net Change in Fund Balance</i>	(489,168)	(440,766)	48,402
<i>Fund Balance Beginning of Year</i>	472,330	472,330	0
Prior Year Encumbrances Appropriated	16,838	16,838	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$48,402</u>	<u>\$48,402</u>

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0
Expenditures			
Capital Outlay	254,504	145,776	108,728
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(254,504)</u>	<u>(145,776)</u>	<u>108,728</u>
Other Financing Sources (Uses)			
Sale of Assets Held for Resale	1,825,000	1,350,000	(475,000)
Promissory Note Proceeds	166,667	56,667	(110,000)
Advances Out	<u>(1,411,286)</u>	<u>(1,207,343)</u>	<u>203,943</u>
<i>Total Other Financing Sources (Uses)</i>	<u>580,381</u>	<u>199,324</u>	<u>(381,057)</u>
<i>Net Change in Fund Balance</i>	325,877	53,548	(272,329)
<i>Fund Balance Beginning of Year</i>	291,074	291,074	0
Prior Year Encumbrances Appropriated	<u>3,119</u>	<u>3,119</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$620,070</u></u>	<u><u>\$347,741</u></u>	<u><u>(\$272,329)</u></u>

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Statistical Section

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Statistical Section

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

Contents	Pages(s)
<i>Financial Trends</i>	<i>S2 – S11</i>
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	<i>S12 – S19</i>
These schedules contain information to help the reader assess the City's most significant local revenue, the property tax and the municipal income tax.	
<i>Debt Capacity</i>	<i>S20 – S24</i>
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
<i>Economic and Demographic Information</i>	<i>S25 – S26</i>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	
<i>Operating Information</i>	<i>S28 – S33</i>
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

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

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

	2016	2015	2014	2013
Governmental Activities				
Net Investment in Capital Assets	\$38,414,803	\$38,220,217	\$35,540,785	\$35,531,358
Restricted:				
Capital Projects	11,925,995	8,082,688	6,929,597	5,665,555
Debt Service	2,026,752	2,161,113	2,285,825	2,288,361
Police	8,231,605	7,243,616	6,335,708	5,506,700
Fire	4,906,612	4,629,923	4,426,721	3,925,584
Transportation	5,234,927	4,569,333	3,591,517	3,076,455
Cable Television Local Programming	0	0	0	0
Parks and Recreation	0	0	0	0
Community Improvement	7,864	6,692	57,048	55,876
Other Purposes	918,976	636,832	923,418	832,129
Unrestricted (Deficit)	380,794	727,397	(482,618)	12,743,641
<i>Total Governmental Activities Net Position</i>	<u>72,048,328</u>	<u>66,277,811</u>	<u>59,608,001</u>	<u>69,625,659</u>
Business-Type - Activities				
Net Investment in Capital Assets	251,591	(103,981)	(289,309)	(443,159)
Unrestricted	3,752,038	3,068,416	2,544,835	2,047,340
<i>Total Business-Type Activity Net Position</i>	<u>4,003,629</u>	<u>2,964,435</u>	<u>2,255,526</u>	<u>1,604,181</u>
Primary Government				
Net Investment in Capital Assets	38,666,394	38,116,236	35,251,476	35,088,199
Restricted	33,252,731	27,330,197	24,549,834	21,350,660
Unrestricted	4,132,832	3,795,813	2,062,217	14,790,981
<i>Total Primary Government Net Position</i>	<u>\$76,051,957</u>	<u>\$69,242,246</u>	<u>\$61,863,527</u>	<u>\$71,229,840</u>

Note: In 2010 - 2016, the cable TV and parks recreation net position balances are included in unrestricted net position. In 2009 and prior years, those balances were restricted for those purposes.

Note: In 2012, a restatement of 2011 net position occurred due to the collection of a stormwater fee.

Note: In 2015, the City implemented GASB 68 which affected Unrestricted Net Assets for 2014.

2012	2011	2010	2009	2008	2007
\$35,268,325	\$34,415,337	\$32,948,516	\$32,426,336	\$31,960,337	\$33,070,623
4,248,609	4,277,237	4,663,156	4,252,051	8,316,173	4,049,522
2,133,143	2,178,849	2,378,423	2,939,856	2,618,987	2,584,981
4,542,196	3,771,232	2,839,358	1,813,015	707,551	674,589
3,090,053	2,523,216	1,964,092	1,556,605	1,778,890	1,952,798
3,382,089	2,512,538	1,969,709	2,150,145	2,207,218	1,982,049
0	0	0	1,105,854	1,297,007	1,179,886
0	0	0	506,586	444,032	410,542
55,920	265,396	221,826	272,600	309,684	306,396
38,975	35,166	28,025	29,793	49,442	247,095
11,721,507	8,815,719	5,103,746	2,288,917	(29,745)	6,163,948
64,480,817	58,794,690	52,116,851	49,341,758	49,659,576	52,622,429
(411,641)	(378,534)	194,474	220,015	238,669	257,697
1,315,008	426,367	603,045	550,777	346,135	272,769
903,367	47,833	797,519	770,792	584,804	530,466
34,856,684	34,036,803	33,142,990	32,646,351	32,199,006	33,328,320
17,490,985	15,563,634	14,064,589	14,626,505	17,728,984	13,387,858
13,036,515	9,242,086	5,706,791	2,839,694	316,390	6,436,717
\$65,384,184	\$58,842,523	\$52,914,370	\$50,112,550	\$50,244,380	\$53,152,895

City of Brunswick, Ohio
Change in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2016	2015	2014	2013
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$1,034,429	\$934,790	\$844,461	\$825,597
Security of Persons and Property	1,155,762	1,167,294	1,059,691	1,286,645
Transportation	36,643	45,050	36,234	53,991
Community Environment	574,062	529,959	475,544	408,276
Public Health Services	1,988	1,797	1,436	3,132
Leisure Time Activities	1,190,903	1,227,188	1,299,565	1,208,100
Subtotal - Charges for Services	3,993,787	3,906,078	3,716,931	3,785,741
Operating Grants and Contributions and Interest:	2,482,201	2,223,309	2,735,993	2,180,194
Capital Grants and Contributions:	1,040,286	2,722,985	852,173	1,060,420
<i>Total Governmental Activities Program Revenues</i>	<u>7,516,274</u>	<u>8,852,372</u>	<u>7,305,097</u>	<u>7,026,355</u>
Business-Type Activities:				
Charges for Services:				
Refuse	2,444,327	2,347,313	2,658,188	2,622,715
Stormwater	1,226,990	1,153,028	1,168,593	1,169,694
<i>Total Business-Type Activities Program Revenues</i>	<u>3,671,317</u>	<u>3,500,341</u>	<u>3,826,781</u>	<u>3,792,409</u>
<i>Total Primary Government Program Revenues</i>	<u>11,187,591</u>	<u>12,352,713</u>	<u>11,131,878</u>	<u>10,818,764</u>
Expenses				
Governmental Activities:				
General Government	3,288,745	3,097,211	3,045,386	2,754,245
Security of Persons and Property	12,451,461	11,354,162	10,939,019	10,305,243
Transportation	4,242,557	3,853,473	3,315,170	3,281,244
Community Environment	1,345,553	1,353,859	1,767,630	1,312,329
Public Health Services	29,151	29,116	28,366	33,065
Leisure Time Activities	1,797,202	1,751,750	1,765,426	1,692,973
Interest and Fiscal Charges	85,587	92,839	102,568	115,482
<i>Total Governmental Activities Expenses</i>	<u>23,240,256</u>	<u>21,532,410</u>	<u>20,963,565</u>	<u>19,494,581</u>
Business-Type Activities				
Refuse	2,110,905	2,209,565	2,593,759	2,474,573
Stormwater	521,218	581,867	511,156	617,022
<i>Total Business-Type Activities Expenses</i>	<u>2,632,123</u>	<u>2,791,432</u>	<u>3,104,915</u>	<u>3,091,595</u>
<i>Total Primary Government Program Expenses</i>	<u>25,872,379</u>	<u>24,323,842</u>	<u>24,068,480</u>	<u>22,586,176</u>
Net (Expense)/Revenue				
Governmental Activities	(15,723,982)	(12,680,038)	(13,658,468)	(12,468,226)
Business-Type Activities	1,039,194	708,909	721,866	700,814
<i>Total Primary Government Net Expense</i>	<u>(\$14,684,788)</u>	<u>(\$11,971,129)</u>	<u>(\$12,936,602)</u>	<u>(\$11,767,412)</u>

2012	2011	2010	2009	2008	2007
\$819,826	\$574,868	\$770,068	\$1,007,516	\$719,525	\$661,875
1,127,109	1,225,156	1,069,374	1,242,692	5,633	577,272
12,752	31,706	131,570	146,001	608,315	26,209
313,170	576,126	615,189	583,948	840,933	971,563
0	0	0	1,405	1,500	3,005
1,192,567	1,177,299	1,071,256	1,084,347	1,155,604	1,190,877
3,465,424	3,585,155	3,657,457	4,065,909	3,331,510	3,430,801
2,612,386	2,289,557	2,682,981	2,262,762	2,279,404	1,911,469
1,417,676	1,724,921	1,086,493	828,013	454,646	993,535
7,495,486	7,599,633	7,426,931	7,156,684	6,065,560	6,335,805
2,598,583	2,464,970	2,238,200	2,206,679	1,717,513	1,749,919
1,164,826	0	0	0	0	0
3,763,409	2,464,970	2,238,200	2,206,679	1,717,513	1,749,919
11,258,895	10,064,603	9,665,131	9,363,363	7,783,073	8,085,724
2,654,847	2,786,107	2,928,073	3,132,307	3,335,640	3,653,469
10,120,936	9,879,154	9,840,361	9,318,372	10,163,304	9,571,740
2,717,459	2,895,051	2,815,791	3,343,339	3,933,812	4,249,283
2,162,920	1,850,257	2,259,993	2,497,012	2,265,572	1,818,776
29,559	29,693	29,066	31,491	28,509	29,884
1,711,382	1,561,621	1,625,811	1,766,699	2,383,488	2,272,972
113,074	314,983	370,061	390,789	445,032	574,531
19,510,177	19,316,866	19,869,156	20,480,009	22,555,357	22,170,655
2,456,370	2,334,864	2,211,473	2,020,691	1,663,225	1,703,179
451,505	21,296	0	0	0	0
2,907,875	2,356,160	2,211,473	2,020,691	1,663,225	1,703,179
22,418,052	21,673,026	22,080,629	22,500,700	24,218,582	23,873,834
(12,014,691)	(11,717,233)	(12,442,225)	(13,323,325)	(16,489,797)	(15,834,850)
855,534	108,810	26,727	185,988	54,288	46,740
(\$11,159,157)	(\$11,608,423)	(\$12,415,498)	(\$13,137,337)	(\$16,435,509)	(\$15,788,110)

(continued)

City of Brunswick, Ohio

*Change in Net Position
Last Ten Years (Continued)
(Accrual Basis of Accounting)*

	2016	2015	2014	2013
General Revenues and Other Changes in Net Position				
Governmental Activities				
Property and Other Local Taxes Levied For:				
General Purposes	\$1,391,805	\$1,358,559	\$1,351,681	\$1,394,972
Police	181,537	178,472	178,836	184,481
Debt Service	0	0	0	0
Road Improvement	801,145	785,580	18,205	0
Income Taxes Levied For:				
General Purposes	3,994,243	3,158,049	2,813,664	2,860,086
Capital Projects	416,033	392,660	344,828	299,614
Debt Service	0	0	132,251	299,617
Fire	3,926,792	3,827,115	3,725,537	3,616,243
Street Repair and Maintenance	1,160,884	1,129,656	1,093,923	1,007,855
Police	6,985,640	6,811,903	6,640,384	6,537,500
Brunswick Transit Alternative	149,785	148,287	142,851	130,330
Parks	536,746	521,506	494,976	463,655
Grants and Entitlements not Restricted to				
Specific Programs	790,103	857,709	836,486	746,287
Gain on Sale of Assets Held for Resale	959,128	0	0	0
Gain on Sale of Capital Assets	0	2,624	0	0
Unrestricted Donations	1,225	2,490	0	0
Interest	117,217	97,890	44,529	32,156
Other	82,216	77,348	301,174	40,272
<i>Total Governmental Activities</i>	<u>21,494,499</u>	<u>19,349,848</u>	<u>18,119,325</u>	<u>17,613,068</u>
Business-Type Activities				
Other	0	0	0	0
Transfers	0	0	0	0
<i>Total Business-Type Activities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>21,494,499</u>	<u>19,349,848</u>	<u>18,119,325</u>	<u>17,613,068</u>
Change in Net Position				
Governmental Activities	5,770,517	6,669,810	4,460,857	5,144,842
Business-Type Activities	1,039,194	708,909	721,866	700,814
<i>Total Primary Government Change in Net Position</i>	<u>\$6,809,711</u>	<u>\$7,378,719</u>	<u>\$5,182,723</u>	<u>\$5,845,656</u>

2012	2011	2010	2009	2008	2007
\$1,464,138	\$1,418,940	\$1,607,360	\$1,804,661	\$1,677,686	\$1,708,372
195,799	191,812	209,654	7,531	0	0
0	0	0	382,896	404,226	415,475
0	0	0	0	0	0
3,474,876	3,208,310	1,511,497	1,765,037	3,752,918	3,705,051
224,661	72,224	0	0	0	0
306,614	458,449	489,271	237,508	71,616	36,679
3,362,609	3,293,225	3,274,810	2,494,004	2,661,274	5,916,882
870,387	844,635	251,851	784,805	1,105,072	0
6,202,867	6,129,986	6,054,675	3,146,772	1,237,730	0
117,404	132,191	124,695	109,162	115,460	0
436,194	431,108	328,767	488,697	571,542	0
953,963	1,381,304	1,280,690	1,251,775	1,495,033	1,439,760
0	0	0	396,554	0	0
0	0	0	0	0	0
0	0	0	0	0	0
41,096	35,458	32,393	66,022	345,096	961,482
50,210	70,552	51,655	70,083	89,291	467,650
<u>17,700,818</u>	<u>17,668,194</u>	<u>15,217,318</u>	<u>13,005,507</u>	<u>13,526,944</u>	<u>14,651,351</u>
0	0	0	0	50	97
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>50</u>	<u>97</u>
<u>17,700,818</u>	<u>17,668,194</u>	<u>15,217,318</u>	<u>13,005,507</u>	<u>13,526,994</u>	<u>14,651,448</u>
5,686,127	5,950,961	2,775,093	(317,818)	(2,962,853)	(1,183,499)
855,534	108,810	26,727	185,988	54,338	46,837
<u>\$6,541,661</u>	<u>\$6,059,771</u>	<u>\$2,801,820</u>	<u>(\$131,830)</u>	<u>(\$2,908,515)</u>	<u>(\$1,136,662)</u>

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

	2016	2015	2014	2013
General Fund				
Nonspendable	\$289,989	\$1,441,170	\$1,438,426	\$1,438,426
Committed	32,868	37,384	374,810	534,805
Assigned	5,770,089	4,135,720	2,727,697	1,804,755
Unassigned	6,145,350	6,744,861	6,729,861	6,673,989
Reserved	N/A	N/A	N/A	N/A
Unreserved	N/A	N/A	N/A	N/A
Total General Fund	12,238,296	12,359,135	11,270,794	10,451,975
All Other Governmental Funds				
Nonspendable	621,574	261,701	207,046	163,898
Restricted	23,361,797	18,967,058	16,447,753	13,111,994
Committed	1,881,033	1,699,731	1,425,445	1,255,551
Assigned	722,571	19,318	19,318	19,318
Unassigned (Deficit)	(1,245)	(123,807)	(118,119)	(314,630)
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 (Deficit)	N/A	N/A	N/A	N/A
Total All Other Governmental Funds	26,585,730	20,824,001	17,981,443	14,236,131
Total Governmental Funds	\$38,824,026	\$33,183,136	\$29,252,237	\$24,688,106

Note: Since 2010, the cable TV fund is included with general fund on a GAAP basis. In 2009 and prior years, the cable TV fund balance was included in all other governmental funds.

Note: In 2012, the City had a restatement that affected other governmental funds and the stormwater enterprise fund that resulted in a change in fund balances for 2011.

Note: In 2015, the general fund had a restatement made for inclusion of a promissory note as explained on page 76 which affects the balances reported in 2014.

2012	2011	2010	2009	2008	2007
\$1,430,246	\$956,605	\$697,887	N/A	N/A	N/A
562,778	540,280	0	N/A	N/A	N/A
1,760,198	1,522,319	893,952	N/A	N/A	N/A
5,532,586	4,746,082	3,174,648	N/A	N/A	N/A
N/A	N/A	N/A	\$1,615,847	\$1,981,943	\$1,772,772
N/A	N/A	N/A	1,358,677	1,129,302	2,645,280
9,285,808	7,765,286	4,766,487	2,974,524	3,111,245	4,418,052
187,181	160,022	125,575	N/A	N/A	N/A
9,534,618	6,673,161	5,497,661	N/A	N/A	N/A
1,036,205	881,516	635,449	N/A	N/A	N/A
76,097	25,384	89,860	N/A	N/A	N/A
(110,582)	(331,884)	(372,205)	N/A	N/A	N/A
N/A	N/A	N/A	4,189,812	2,752,912	2,540,016
N/A	N/A	N/A	2,185,351	2,741,246	2,891,433
N/A	N/A	N/A	880,823	880,047	939,632
N/A	N/A	N/A	(525,162)	(3,488,510)	4,126,621
10,723,519	7,408,199	5,976,340	6,730,824	2,885,695	10,497,702
\$20,009,327	\$15,173,485	\$10,742,827	\$9,705,348	\$5,996,940	\$14,915,754

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

	2016	2015	2014	2013
Revenues				
Property Taxes	\$2,338,497	\$2,328,213	\$1,560,606	\$1,599,759
Municipal Income Taxes	16,637,069	15,806,730	15,122,537	14,659,596
Charges for Services	1,785,174	1,803,784	1,930,400	2,046,098
Special Assessments	172,305	192,878	188,768	205,990
Licenses, Permits and Fees	1,517,742	1,605,807	1,267,515	1,285,481
Fines and Forfeitures	588,378	535,817	487,248	551,190
Intergovernmental	4,153,335	5,477,509	4,540,671	3,919,499
Contributions and Donations	1,225	138,350	20,800	32,283
Sales	0	0	14	85
Interest	80,488	82,322	31,481	32,142
Other	82,216	77,348	301,174	100,994
<i>Total Revenues</i>	<u>27,356,429</u>	<u>28,048,758</u>	<u>25,451,214</u>	<u>24,433,117</u>
Expenditures				
Current:				
General Government	3,053,815	3,032,772	2,982,429	2,597,694
Security of Persons and Property	11,404,970	11,449,970	10,680,818	10,173,490
Transportation	2,606,371	2,470,087	2,472,800	2,465,950
Community Environment	975,708	1,049,078	1,326,347	1,013,283
Public Health Services	5,991	5,956	5,206	10,105
Leisure Time Activities	1,538,970	1,575,326	1,703,202	1,533,403
Capital Outlay	2,801,304	4,249,970	1,386,610	1,595,743
Debt Service:				
Principal Retirement	195,496	190,016	237,136	247,281
Interest and Fiscal Charges	92,042	99,282	109,118	122,320
Issuance Costs	0	0	0	0
<i>Total Expenditures</i>	<u>22,674,667</u>	<u>24,122,457</u>	<u>20,903,666</u>	<u>19,759,269</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,681,762</u>	<u>3,926,301</u>	<u>4,547,548</u>	<u>4,673,848</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	4,598	16,583	0
Sale of Assets Held for Resale	959,128	0	0	0
Inception of Capital Lease	0	0	0	0
Special Assessment Bond Premium	0	0	0	0
General Obligation Notes Issued	0	0	0	0
Current Refunding	0	0	0	0
OPWC Loan Issued	0	0	0	4,931
General Obligation Bonds Issued	0	0	0	0
Special Assessment Bonds Issued	0	0	0	0
General Obligation Bond Premium	0	0	0	0
Transfers In	3,641,354	1,775,294	1,517,278	1,663,345
Transfers Out	(3,641,354)	(1,775,294)	(1,517,278)	(1,663,345)
<i>Total Other Financing Sources (Uses)</i>	<u>959,128</u>	<u>4,598</u>	<u>16,583</u>	<u>4,931</u>
Special Items				
Sale of Assets Held for Resale	0	0	0	0
<i>Net Change in Fund Balances</i>	<u>\$5,640,890</u>	<u>\$3,930,899</u>	<u>\$4,564,131</u>	<u>\$4,678,779</u>
Debt Service as a Percentage of Noncapital Expenditures	1.4%	1.5%	1.8%	2.1%

Note: In 2015, the general fund had a restatement made for inclusion of a promissory note as explained on page 76 which affects the balances reported in 2014.

2012	2011	2010	2009	2008	2007
\$1,640,863	\$1,610,734	\$1,811,530	\$2,206,343	\$2,175,311	\$2,067,685
14,142,938	13,703,676	11,099,563	9,094,629	9,322,892	9,294,739
1,811,368	1,843,474	1,736,217	1,872,479	1,755,498	1,720,581
293,882	277,970	257,066	233,355	234,028	240,165
890,044	1,164,988	1,333,144	1,042,594	769,752	1,005,847
528,609	555,758	610,549	561,309	598,733	548,262
4,997,108	5,348,099	5,028,981	4,561,044	4,414,730	4,027,246
0	0	625	5,188	0	0
1,069	627	249	3,006	9,367	9,128
23,135	19,114	16,586	56,974	380,911	921,370
50,210	70,552	51,655	72,583	368,749	467,650
24,379,226	24,594,992	21,946,165	19,709,504	20,029,971	20,302,673
2,582,578	2,812,836	2,967,077	2,830,670	3,161,332	3,510,739
10,067,051	9,608,980	9,438,748	9,295,076	9,586,494	9,173,610
3,159,903	2,286,124	2,452,466	2,680,699	3,136,068	3,664,390
1,662,145	1,270,815	2,023,900	1,838,864	1,337,300	1,305,231
6,399	6,533	5,906	8,331	613,840	6,725
1,546,434	1,360,892	1,468,151	1,653,064	2,136,214	2,075,212
1,559,362	2,223,320	1,261,930	1,980,850	2,062,790	2,769,815
359,736	537,063	934,653	688,029	6,250,103	672,105
111,368	318,145	375,208	385,260	670,308	428,881
25,533	0	0	140,348	0	0
21,080,509	20,424,708	20,928,039	21,501,191	28,954,449	23,606,708
3,298,717	4,170,284	1,018,126	(1,791,687)	(8,924,478)	(3,304,035)
0	0	0	1,488	0	0
0	0	0	0	0	0
0	0	0	0	0	197,835
0	0	0	577	0	0
0	0	0	0	0	5,580,000
0	0	0	0	0	(2,030,000)
108,576	260,374	19,353	19,740	5,664	0
1,320,000	0	0	4,672,492	0	0
0	0	0	402,508	0	0
108,549	0	0	6,736	0	0
1,482,594	40,882	22,827	83,888	505,907	685,921
(1,482,594)	(40,882)	(22,827)	(83,888)	(505,907)	(685,921)
1,537,125	260,374	19,353	5,103,541	5,664	3,747,835
0	0	0	396,554	0	0
\$4,835,842	\$4,430,658	\$1,037,479	\$3,708,408	(\$8,918,814)	\$443,800
2.6%	4.7%	6.8%	5.6%	25.7%	5.3%

City of Brunswick, 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/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2016	\$541,422,840	\$138,266,330	\$1,941,969,057	\$8,416,270	\$9,563,943
2015	536,079,600	133,191,460	1,912,203,029	7,519,200	8,544,545
2014	533,318,350	130,405,170	1,896,352,914	7,519,200	8,544,545
2013	573,344,540	133,097,990	2,018,407,229	6,979,640	7,931,409
2012	568,692,790	135,979,950	2,013,350,686	5,936,530	6,746,057
2011	569,116,780	135,601,100	2,013,479,657	5,683,640	6,458,682
2010	612,020,650	133,798,300	2,130,911,286	5,683,640	6,458,682
2009	608,231,400	127,704,210	2,102,673,171	4,880,560	5,546,091
2008	608,231,400	127,704,210	2,102,673,171	4,880,560	5,546,091
2007	548,225,880	121,015,700	1,912,118,800	7,996,890	9,087,375

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 a 10 percent and a 2 1/2 percent rollback, and homestead exemptions before being billed.

Source: Medina County, Ohio; County Auditor

Tangible Personal Property					Tax Rate (per \$1,000 of Assessed Value)	Weighted Average Tax Rate (per \$1,000 of Assessed Value)
General Business		Total				
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio		
\$0	\$0	\$688,105,440	\$1,951,533,000	35.26%	\$3.80	\$3.7960
0	0	676,790,260	1,920,747,574	35.24	3.80	3.7971
0	0	671,242,720	1,904,897,460	35.24	2.60	2.6000
4,542,370	90,847,400	717,964,540	2,117,186,038	33.91	2.60	2.6000
3,620,720	72,414,400	714,229,990	2,092,511,143	34.13	2.60	2.6000
2,490,600	49,812,000	712,892,120	2,069,750,339	34.44	2.60	2.6000
1,371,610	13,716,100	752,874,200	2,151,086,068	35.00	2.60	2.6000
4,615,530	73,848,480	745,431,700	2,182,067,742	34.16	3.20	3.2000
16,151,383	258,422,128	756,967,553	2,366,641,390	31.98	3.25	3.2500
20,695,362	165,562,896	697,933,832	2,086,769,071	33.45	3.25	3.2500

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

	2016	2015	2014	2013
Unvoted Millage				
Operating	\$2.3000	\$2.3000	\$2.3000	\$2.3000
Police Pension	0.3000	0.3000	0.3000	0.3000
<i>Total Unvoted Millage</i>	2.6000	2.6000	2.6000	2.6000
Total Voted Millage by Type of Property				
2014 Road Levy (10 Years):				
Residential/Agricultural Real	1.1962	1.1977	0.0000	0.0000
Commercial/Industrial and Public Utility Real	1.1949	1.1943	0.0000	0.0000
General Business and Public Utility Personal	1.2000	1.2000	0.0000	0.0000
1989 Bond (\$4,950,000)	0.0000	0.0000	0.0000	0.0000
Total Millage by Type of Property				
Residential/Agricultural Real	3.7962	3.7977	2.6000	2.6000
Commercial/Industrial and Public Utility Real	3.7949	3.7943	2.6000	2.6000
General Business and Public Utility Personal	3.8000	3.8000	2.6000	2.6000
Total Weighted Average Tax Rate				
	\$3.7960	\$3.7971	\$2.6000	\$2.6000
Overlapping Rates by Taxing District				
Brunswick City School District				
Residential/Agricultural Real	\$41.9722	\$42.0121	\$42.0638	\$39.7649
Commercial/Industrial and Public Utility Real	40.5332	40.5166	40.7592	39.1934
General Business and Public Utility Personal	69.1200	69.1200	69.1200	68.0200
Medina County				
Residential/Agricultural Real	7.4960	7.5036	7.5148	7.4599
Commercial/Industrial and Public Utility Real	7.5108	7.5056	7.4957	7.4575
General Business and Public Utility Personal	8.0400	8.0400	8.0400	8.0400
Medina CCTC				
Residential/Agricultural Real	2.2312	2.2371	2.2447	2.1694
Commercial/Industrial and Public Utility Real	2.2493	2.2438	2.2252	2.1483
General Business and Public Utility Personal	3.0500	3.0500	3.0500	3.0500
Medina County Library District				
Residential/Agricultural Real	2.0951	1.8471	1.8500	2.0315
Commercial/Industrial and Public Utility Real	2.1000	1.8500	1.8500	2.0464
General Business and Public Utility Personal	2.1000	1.8500	1.8500	2.0500
Medina County Park District				
Residential/Agricultural Real	0.7473	0.7484	0.7500	0.7366
Commercial/Industrial and Public Utility Real	0.7500	0.7500	0.7500	0.7435
General Business and Public Utility Personal	0.7500	0.7500	0.7500	0.7500

Source: Medina County Auditor

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.

The real property tax rates for the voted levies of the overlapping taxing districts are reduced so that inflationary increases in value do not generate additional revenue.

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

Emergency and Debt Service levies are designed to raise a fixed amount of revenue each year. A rate is set each year so that when it is applied to the total assessed value, that fixed amount is generated.

2012	2011	2010	2009	2008	2007
\$2.3000	\$2.3000	\$2.3000	\$2.3000	\$2.3000	\$2.3000
0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
2.6000	2.6000	2.6000	2.6000	2.6000	2.6000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.6000	0.6500	0.6500
2.6000	2.6000	2.6000	3.2000	3.2500	3.2500
2.6000	2.6000	2.6000	3.2000	3.2500	3.2500
2.6000	2.6000	2.6000	3.2000	3.2500	3.2500
<u>\$2.6000</u>	<u>\$2.6000</u>	<u>\$2.6000</u>	<u>\$3.2000</u>	<u>\$3.2500</u>	<u>\$3.2500</u>
\$39.7649	\$40.2598	\$38.1783	\$39.2500	\$39.2500	\$39.9063
39.1934	39.2077	38.3531	39.3375	39.2500	40.3514
68.0200	68.5200	67.8200	68.9200	68.9200	70.3700
7.4599	6.5082	5.9807	5.9167	5.9261	6.2510
7.4575	6.4369	6.0632	5.9891	5.9752	6.2038
8.0400	8.0400	8.0400	8.0700	8.0700	8.0700
2.1694	2.1649	2.0048	2.0000	2.0000	2.0000
2.1483	2.0428	2.0158	2.0081	2.0000	2.0214
3.0500	3.0500	3.0500	3.0500	3.0500	3.0500
2.0315	2.0319	1.9378	2.1352	2.1388	1.6348
2.0464	1.9854	1.9696	2.1651	2.1605	1.6661
2.0500	2.0500	2.0500	2.2500	2.2500	2.2500
0.7366	0.7366	0.6775	0.6758	0.6777	0.7446
0.7435	0.7052	0.6969	0.6861	0.6922	0.7424
0.7500	0.7500	0.7500	0.7500	0.7500	0.7500

City of Brunswick, Ohio
Principal Real Property Taxpayers
2016 and 2007

<u>2016</u>		
<u>Taxpayer</u>	<u>Real Property Assessed Valuation</u>	<u>Percentage of Real Property Assessed Valuation</u>
Wynn Acquisitions LLC	\$4,329,720	0.64 %
Fezco Brunswick LLC & LMS Realty LLC	4,266,500	0.63
HGG Brunswick Residential LTD	4,200,000	0.62
Centro NP Brunswick Town Center	4,183,370	0.61
Ohio Edison Company	4,055,420	0.60
Laurel Road LTD	3,867,540	0.57
Columbia Gas of Ohio Inc.	3,057,510	0.45
City of Brunswick	3,025,640	0.44
Garrison Central Brunswick LLC	2,974,930	0.42
Interstate Properties	2,625,000	0.40
Total	\$36,585,630	5.38 %
Total Real Property Assessed Valuation	\$679,689,170	

<u>2007</u>		
<u>Taxpayer</u>	<u>Real Property Assessed Valuation</u>	<u>Percentage of Real Property Assessed Valuation</u>
City of Brunswick	\$6,677,890	1.00 %
Centro NP LLC	5,341,240	0.80
Village in the Park	4,653,680	0.70
Mark Spagnuolo LLC	4,466,240	0.67
Laurel Road LTD	4,235,370	0.63
Inland Brunswick Marketplace LLC	4,178,190	0.62
WBR Riverview LLC/WBR Snell Inc.	3,500,240	0.52
Interstate Properties	2,959,060	0.44
Ohio Edison Company	2,779,760	0.42
HD Development of Maryland Inc.	2,745,080	0.41
Total	\$41,536,750	6.21 %
Total Real Property Assessed Valuation	\$669,241,580	

Source: Medina County, Ohio; County Auditor

City of Brunswick, 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	\$2,660,343	\$2,536,991	95.36%	\$55,995	\$2,592,986	97.47%	\$11,436	0.43%
2015	2,627,933	2,519,319	95.87	62,382	2,581,701	98.27	15,266	0.58
2014	1,814,474	1,701,230	93.76	54,487	1,755,717	96.76	34,604	1.91
2013	1,956,990	1,771,513	90.52	63,857	1,835,370	93.79	53,356	2.73
2012	1,980,750	1,804,235	91.09	66,575	1,870,810	94.45	68,292	3.45
2011	1,845,355	1,775,856	96.23	47,048	1,822,904	98.78	68,228	3.70
2010	2,062,762	1,897,099	91.97	70,619	1,967,718	95.39	61,158	2.96
2009	2,528,582	2,306,460	91.22	96,135	2,402,595	95.02	66,324	2.62
2008	2,628,104	2,306,771	87.77	74,966	2,381,737	90.63	76,520	2.91
2007	2,350,695	2,116,881	90.05	52,983	2,169,864	92.31	59,670	2.54

Source: Medina County, Ohio; County Auditor

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

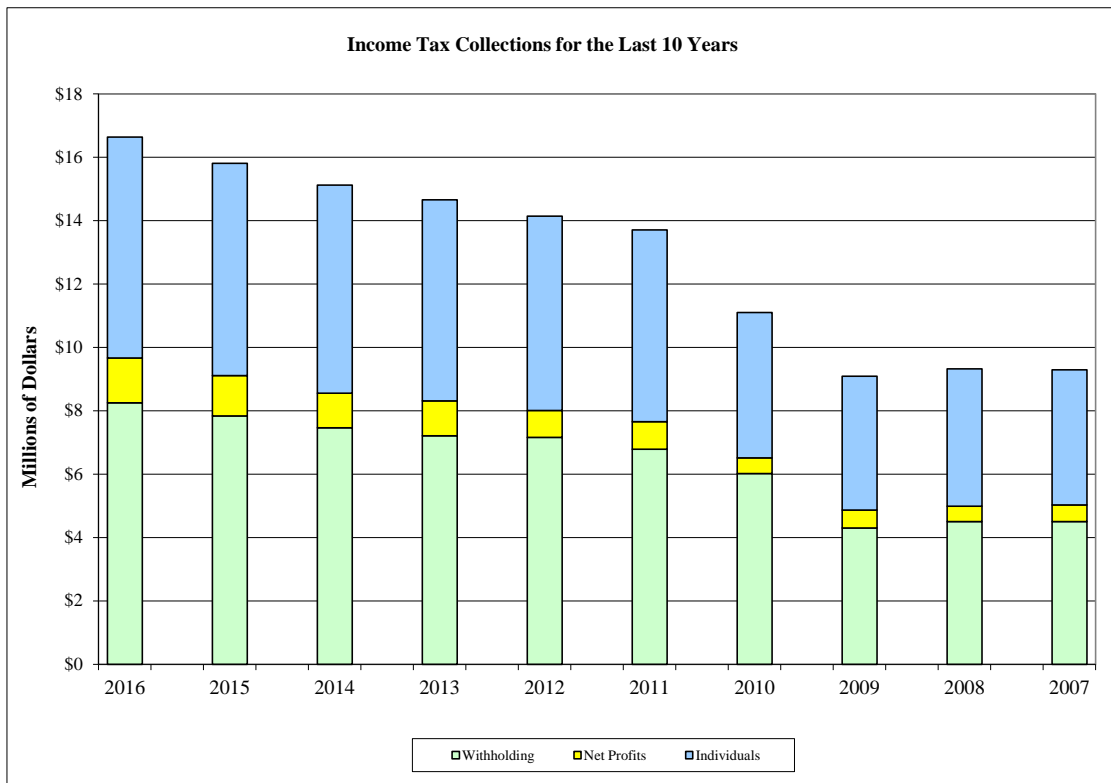
Note: The City is aware of the requirement to report delinquent tax collections by levy year rather than by collection year. However, the County's computer system tracks levy amounts by either current levy or delinquent levy. Once amounts become part of the delinquent levy the ability to track information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

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

Tax Year	Tax Rate(1)	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	1.85%	\$16,637,069	\$8,246,995	49.57%	\$1,422,469	8.55%	\$6,967,605	41.88%
2015	1.85	15,806,730	7,840,138	49.60	1,272,442	8.05	6,694,150	42.35
2014	1.85	15,122,537	7,460,989	49.34	1,096,626	7.25	6,564,922	43.41
2013	1.85	14,659,596	7,215,452	49.22	1,100,935	7.51	6,343,206	43.27
2012	1.85	14,142,938	7,164,636	50.66	842,898	5.96	6,135,055	43.38
2011	1.85	13,703,676	6,781,949	49.49	875,665	6.39	6,046,062	44.12
2010	1.85	11,099,563	6,017,073	54.21	495,041	4.46	4,587,449	41.33
2009	1.35	9,094,629	4,299,031	47.27	570,233	6.27	4,225,365	46.46
2008	1.35	9,322,892	4,500,160	48.27	489,452	5.25	4,333,280	46.48
2007	1.35	9,294,739	4,498,654	48.40	530,730	5.71	4,265,355	45.89

(1) In 2010, the tax rate was increased .5 percent by voters to increase funding for safety forces.

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



City of Brunswick, Ohio
Ten Largest Municipal Income Tax Withholding Accounts
Tax Years 2016 and 2007

Tax Year 2016		
Taxpayers	Municipal Income Tax Withholding	Percent of Income Tax Collections
Brunswick City School District		
Brunswick Auto Mart, Inc.		
Cleveland Clinic Foundation		
City of Brunswick		
Digestive Disease Consultant		
Riser Foods Company		
CCL Label, Inc.		
Turf Care Supply Company		
Southwest General		
E.T. Healthcare Providers, Inc.		
Total	<u>\$2,151,674</u>	<u>12.93 %</u>
Total Municipal Income Tax Collection	<u>\$16,637,069</u>	

Tax Year 2007		
Taxpayers	Municipal Income Tax Withholding	Percent of Income Tax Collections
Brunswick City School District		
Brunswick Auto Mart, Inc.		
City of Brunswick		
Riser Foods Company		
Tinnerman Palnut Engineered Products Inc.		
Transitional Living Centers		
Designer Showcases, Inc.		
Turf Care Supply Company		
W.W. Williams Midwest, Inc.		
E.T. Healthcare Providers, Inc.		
Total	<u>\$1,145,608</u>	<u>12.33 %</u>
Total Municipal Income Tax Collection	<u>\$9,294,739</u>	

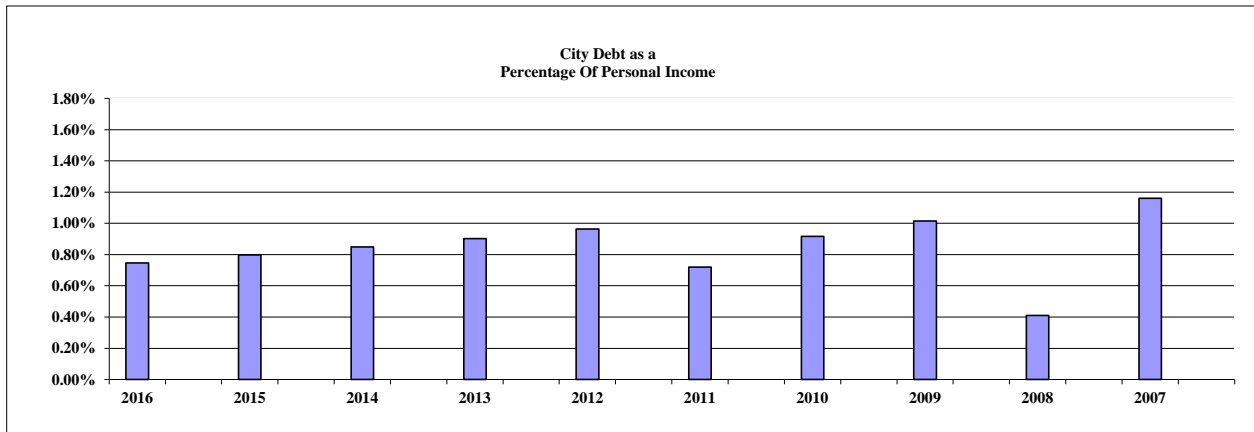
Source: City Financial Records

Note: Per Ohio Revised Code Section 718, the City is unable to disclose the amounts of municipal income tax withholding by individual taxpayer.

Note: The City income tax rate increased from 1.35% to 1.85% effective January 1, 2010.

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

Fiscal Year	Governmental Activities					Business-Type Activities			Total Debt	Percentage of Personal Income (1)	Per Capita (2)
	General Obligation Bonds	Special Assessment Bonds	OPWC Loans	Notes Payable	Capital Leases	General Obligation Bonds	OPWC Loans	Capital Leases			
2016	\$1,189,742	\$866,311	\$230,189	\$0	\$0	\$4,361,592	\$310,875	\$0	\$6,958,709	0.70%	\$201
2015	1,250,455	996,473	240,652	0	0	4,624,632	330,788	0	7,443,000	0.75	215
2014	1,311,168	1,121,153	251,115	0	0	4,888,152	350,700	0	7,922,288	0.81	231
2013	1,371,881	1,265,287	261,578	0	27,668	5,147,121	351,391	0	8,424,926	0.90	245
2012	1,427,594	1,404,023	288,930	0	54,059	5,401,491	230,400	0	8,806,497	0.96	256
2011	124,192	1,597,631	183,696	0	105,195	4,338,638	242,334	0	6,591,686	0.72	192
2010	4,756,836	1,791,298	180,360	0	153,837	0	0	0	6,882,331	0.92	201
2009	5,446,141	1,979,666	170,047	0	215,733	0	0	2,395	7,813,982	1.01	223
2008	1,245,908	1,728,992	159,347	0	277,005	0	0	7,023	3,418,275	0.41	98
2007	1,709,812	1,881,397	162,723	5,580,000	335,352	0	0	11,444	9,680,728	1.16	277



(1) Personal income information is on S25
 (2) Population information is on S25

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

Fiscal Year	General Obligation Bonds	Estimated True Value of Taxable Property	Ratio of Bonded Debt to Estimated True Value of Taxable Property	Bonded Debt per Capita (1)
2016	\$5,551,334	\$1,951,533,000	0.28%	\$160
2015	5,875,087	1,920,747,574	0.31	170
2014	6,199,320	1,904,897,460	0.33	171
2013	6,519,002	2,117,186,038	0.31	189
2012	6,829,085	2,092,511,143	0.33	198
2011	4,462,830	2,069,750,339	0.22	117
2010	4,756,836	2,151,086,068	0.22	125
2009	5,446,141	2,182,067,742	0.25	143
2008	1,245,908	2,366,641,390	0.05	33
2007	1,709,812	2,086,769,071	0.08	45

(1) Population information is on S25

Note: 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 the general obligation bonded debt.

City of Brunswick, Ohio
Legal Debt Margin Information
Last Ten Years

	2016	2015	2014	2013	2012
Overall Debt Limitation (10.5% of Assessed Valuation)	\$72,251,071	\$71,062,977	\$70,480,486	\$75,386,277	\$74,994,149
Net Debt Within 10.5% Limitations	4,239,443	4,552,226	4,921,867	5,507,902	6,095,523
Overall Legal Debt Margin Within 10.5% Limitations	<u>\$68,011,628</u>	<u>\$66,510,751</u>	<u>\$65,558,619</u>	<u>\$69,878,375</u>	<u>\$68,898,626</u>
Total net debt applicable to the limit as a percentage of debt limit	5.87%	6.41%	6.98%	7.31%	8.13%
Unvoted Debt Limitation (5.5% of Assessed Valuation)	\$37,845,799	\$37,223,464	\$36,918,350	\$39,488,050	\$39,282,649
Net Debt Within 5.5% Limitations	4,239,443	4,552,226	4,921,867	5,507,902	6,095,523
Unvoted Legal Debt Margin Within 5.5% Limitations	<u>\$33,606,356</u>	<u>\$32,671,238</u>	<u>\$31,996,483</u>	<u>\$33,980,148</u>	<u>\$33,187,126</u>
Total net debt applicable to the limit as a percentage of debt limit	11.20%	12.23%	13.33%	13.95%	15.52%

Legal Debt Margin Calculation for Fiscal Year 2016

	Overall Margin Within 10.5%	Unvoted Margin Within 5.5%
Assessed property value	<u>\$688,105,440</u>	<u>\$688,105,440</u>
Overall Debt Limitation (percentage of assessed valuation)	<u>\$72,251,071</u>	<u>\$37,845,799</u>
Gross Indebtedness	6,795,377	6,795,377
Less: Special Assessment Bonds	(864,977)	(864,977)
OPWC Loans	(541,064)	(541,064)
General Obligation Bond Retirement Fund Balance	<u>(1,149,893)</u>	<u>(1,149,893)</u>
Net Debt Within Limitations	<u>4,239,443</u>	<u>4,239,443</u>
Legal Debt Margin Within Limitations	<u>\$68,011,628</u>	<u>\$33,606,356</u>

Note: Under State of Ohio finance law, the City of Brunswick'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.

2011	2010	2009	2008	2007
\$74,853,673	\$79,051,791	\$78,270,329	\$79,481,593	\$73,283,052
<u>7,450,251</u>	<u>7,295,323</u>	<u>7,276,354</u>	<u>6,718,021</u>	<u>9,006,052</u>
<u>\$67,403,422</u>	<u>\$71,756,468</u>	<u>\$70,993,975</u>	<u>\$72,763,572</u>	<u>\$64,277,000</u>
9.95%	9.23%	9.30%	8.45%	12.29%
\$39,209,067	\$41,408,081	\$40,998,744	\$41,633,215	\$38,386,361
<u>7,450,251</u>	<u>7,295,323</u>	<u>7,276,354</u>	<u>6,718,021</u>	<u>9,006,052</u>
<u>\$31,758,816</u>	<u>\$34,112,758</u>	<u>\$33,722,390</u>	<u>\$34,915,194</u>	<u>\$29,380,309</u>
19.00%	17.62%	17.75%	16.14%	23.46%

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

	Debt Attributable to Governmental Activities	Percentage Applicable to City (1)	Amount of Direct and Overlapping Debt
Direct Debt:			
City of Brunswick			
General Obligation Bonds	\$1,189,742	100.00%	\$1,189,742
Special Assessment Bonds	866,311	100.00	866,311
OPWC Loans	230,189	100.00	230,189
	<u>2,286,242</u>		<u>2,286,242</u>
Total Direct Debt			
Overlapping Debt:			
Payable from Property Taxes			
Medina County Bonds	10,555,643	1.95	205,835
Brunswick City School District Bonds	30,939,513	100.00	30,939,513
Payable from Other Sources:			
Medina County Special Assessment Bonds	355,000	1.95	6,923
Medina County OPWC Loans	86,397	1.95	1,685
	<u>41,936,553</u>		<u>31,153,955</u>
Total Overlapping Debt			
Total Direct and Overlapping Debt			
	<u>\$44,222,795</u>		<u>\$33,440,197</u>

Source: Medina County, Ohio; County Auditor

(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 2015 collection year.

City of Brunswick, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income	Median Family Income (1)	Per Capita Income (1)	Unemployment Rate (2)		City Square Miles (3)
					Medina County	State of Ohio	
2016	34,689	\$995,088,654	\$62,015	\$28,686	4.3%	5.0%	12.92
2015	34,604	979,500,824	62,417	28,306	3.2	4.8	12.92
2014	34,364	975,004,400	63,924	28,225	4.3	5.7	12.92
2013	34,364	932,742,052	61,776	27,143	6.1	7.4	12.70
2012	34,441	913,134,233	61,046	26,513	6.0	7.2	12.70
2011	34,255	916,149,975	62,022	26,745	6.7	8.6	12.70
2010	34,255	751,451,935	62,080	21,937	8.2	10.1	12.70
2009	35,094	769,857,078	62,080	21,937	8.3	10.2	12.70
2008	34,851	764,526,387	62,080	21,937	5.8	6.5	12.70
2007	34,898	765,557,426	62,080	21,937	5.8	5.8	12.70

(1) U.S. Census Bureau (www.census.gov), the latest information available for 2015.

(2) Ohio Bureau of Employment Services (annual average); U.S. Department of Labor, Bureau of Labor Statistics

(3) City Records

City of Brunswick, Ohio

Principal Employers

2016 and 2007

2016			
<u>Employer</u>	<u>Nature of Activity</u>	<u>Total Employment</u>	<u>Percentage of Total City Employment</u>
Brunswick City School District	Education		
Cleveland Clinic Foundation	Health Care Facility		
Brunswick Auto Mart, Inc.	Auto Dealer		
Riser Foods Company	Grocery Store		
Marc Glassman, Inc.	Grocery Store		
E. T. Healthcare Providers, Inc.	Care Facility		
Educational Service Center	Education		
City of Brunswick	Municipal Government		
Southwest General	Health Care Facility		
Buehler Food Markets Inc.	Grocery Store		
Total		<u>3,588</u>	<u>18.74%</u>
Total Employment within the City		<u>19,142</u>	

2007			
<u>Employer</u>	<u>Nature of Activity</u>	<u>Total Employment</u>	<u>Percentage of Total City Employment</u>
Brunswick City School District	Education		
Riser Foods Company	Grocery Store		
Marc Glassman, Inc.	Grocery Store		
City of Brunswick	Municipal Government		
Transitional Living Centers	Care Facility		
Buehler Food Markets Inc.	Grocery Store		
Home Depot	Retail		
E. T. Healthcare Providers, Inc.	Care Facility		
Kmart	Retail		
Brunswick Auto Mart, Inc.	Auto Dealer		
Total		<u>3,533</u>	<u>17.88%</u>
Total Employment within the City		<u>19,760</u>	

Source: City Financial Records and Estimate for Total Employment within the City.

These may include full-time, part-time, temporary and transient employees.

Note: The City is unable to disclose the number of employees by individual taxpayer.

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

Function/Program	2016	2015	2014	2013	2012
General Government					
City Manager	1.50	2.00	2.00	2.00	2.00
Council	5.00	5.00	5.00	5.00	5.00
Mayor/Mayor's Court	1.50	1.50	1.50	1.50	1.50
Finance	3.50	3.50	3.00	3.50	3.50
Income Tax	4.00	4.00	4.00	4.00	3.50
Law	3.00	3.00	3.00	3.00	3.00
Engineer	0.50	0.50	1.00	1.00	1.00
Administrative Services					
(Purchasing and H/R)	1.50	1.50	1.50	1.50	1.50
Information Systems	2.00	2.00	2.00	1.50	2.50
Security of Persons and Property					
Safety Director	0.00	0.00	0.00	0.00	0.00
Police and Communication Specialists	57.00	58.00	58.00	58.00	58.00
Animal Control	1.50	1.50	1.50	1.50	1.50
Fire and Clerical Staff	28.00	28.00	28.00	28.00	28.00
Community Environment					
Planning and Zoning	1.50	1.50	1.50	1.50	1.50
Building	4.50	4.50	4.50	5.50	5.00
Economic Development	1.00	1.00	0.00	1.00	1.00
Refuse (Business-Type Activities)	1.00	1.00	1.00	1.00	1.00
Stormwater (Business-Type Activities)	0.50	0.50	0.50	0.50	0.50
Cable TV	3.00	3.00	3.00	3.00	3.00
Leisure Time Activities					
Recreation Center	26.00	25.50	25.50	24.00	23.50
Senior Citizens	0.00	0.00	0.00	0.00	0.00
Parks	2.00	2.00	2.50	2.50	2.50
Transportation					
Streets	16.00	15.50	15.50	14.50	14.50
Brunswick Transit Alternative	0.50	0.50	0.50	0.50	0.50
Totals:	<u>165.00</u>	<u>165.50</u>	<u>165.00</u>	<u>164.50</u>	<u>164.00</u>

Note: All part-time employees, Council Members and Mayor were counted as 0.5 FTE's for the purpose of this table as of December 31. The above also excludes seasonal park personnel.

Source: City Records

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
2.00	1.00	2.00	2.00	2.00
5.00	5.00	5.00	5.50	5.00
1.50	1.50	2.00	2.00	2.00
3.50	2.50	5.00	5.00	7.00
3.50	3.50	3.00	3.00	5.00
3.00	3.00	3.50	3.50	3.50
1.00	1.00	1.00	1.00	1.00
1.50	1.50	1.50	1.50	1.50
2.50	2.50	2.50	2.50	1.00
0.00	0.00	0.00	0.00	1.00
56.50	56.00	54.00	56.00	52.50
1.50	1.50	1.50	1.50	1.50
28.00	28.00	28.50	29.50	28.50
1.50	1.50	2.50	2.50	2.00
5.00	5.00	7.00	7.00	8.00
1.50	1.50	1.50	1.50	1.50
1.00	1.00	1.00	1.00	1.00
0.50	1.00	1.00	1.00	1.00
3.50	4.00	4.00	4.00	4.50
26.00	25.50	24.00	25.00	41.50
0.00	0.00	1.00	1.00	1.00
2.50	2.50	3.00	6.50	12.00
14.00	15.00	18.00	20.50	24.00
0.50	0.50	1.00	1.00	1.00
<u>165.50</u>	<u>164.50</u>	<u>173.50</u>	<u>184.00</u>	<u>209.00</u>

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

Function/Program	2016	2015	2014	2013
Police				
Stations	1	1	1	1
Vehicles (Police Cruisers Only)	19	19	18	18
Fire				
Stations	2	2	2	2
Vehicles	14	15	14	14
Highways and Streets				
Streets (in miles)	141	141	137	133
Traffic Signals	28	28	28	27
Other Public Services Vehicles	35	34	33	31
Garages	1	1	1	1
Salt Domes	2	2	2	2
Brunswick Transit Alternative				
Garages	1	1	1	1
Service Vehicles	8	6	6	6
Recreation				
Recreation Center	1	1	1	1
Number of Parks	23	23	23	23
Number of Baseball Diamonds	9	9	9	9
Number of Playgrounds	14	14	14	14
Number of Tennis Courts	9	9	9	9
Number of Full Sized Soccer Fields	7	7	7	7
Vehicles	17	16	16	16
Cable TV				
Studios	1	1	1	1
Cameras	20	20	20	20

Source: City Records

2011	2010	2009	2008	2007
1	1	1	1	1
18	18	18	17	15
2	2	2	2	2
13	13	13	12	13
133	133	133	133	133
26	26	26	26	25
31	31	31	38	38
1	1	1	1	1
2	2	2	2	2
1	1	1	1	1
6	6	5	5	5
1	1	1	1	1
23	23	19	19	19
9	9	9	9	9
14	14	15	15	15
9	9	11	11	11
7	7	7	7	7
16	16	16	17	17
1	1	1	1	1
25	30	22	23	16

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

Function/Program	2016	2015	2014	2013	2012
Safety Services:					
Police Expenditures (in thousands)	\$7,122	\$6,939	\$6,692	\$6,630	\$6,361
Total Arrests	5,155	5,433	5,200	5,674	5,670
Traffic Violations	3,973	3,477	3,835	4,356	4,010
Parking Violations	652	820	868	883	756
Motor Vehicle Accidents	743	745	686	681	784
Calls for Service/Incident reports	48,603	46,601	47,477	47,083	46,320
Calls per Resident	1.40	1.35	1.38	1.37	1.34
Average Cost per Resident (1)	\$205.31	\$200.52	\$194.74	\$192.94	\$184.69
Fire Expenditures (in thousands)	\$4,308	\$4,340	\$3,726	\$3,501	\$3,327
Inspections	314	297	386	375	366
Emergency Response Calls	2,428	2,575	2,262	2,348	2,619
Transport from Emergency Response Calls	1,942	2,163	1,653	1,752	1,838
Fire Calls	461	381	378	339	315
Total Calls	2,889	2,956	2,640	2,687	2,619
Avg Call per Resident	\$0.08	\$0.09	\$0.08	\$0.08	\$0.08
Average Cost per Resident (1)	\$124.19	\$125.41	\$108.43	\$101.88	\$96.60
Brunswick Transit Alternative Expenditures (in thousands)	\$540	\$330	\$329	\$330	\$309
Total Vehicle Mile	110,808	109,441	109,512	108,905	109,659
Cost per Vehicle Mile (1)	\$4.87	\$3.02	\$3.00	\$3.03	\$2.82
Recreation and Parks					
Recreation Center Expenditures (in thousands)	\$1,051	\$1,052	\$1,135	\$1,030	\$1,054
Members	9,601	8,500	10,000	9,832	8,931
Programs Conducted	283	267	297	372	513
Community Free Events	10	12	10	3	3
Average Cost per Resident (1)	\$30.30	\$30.41	\$33.03	\$29.97	\$30.60
Parks Expenditures (in thousands)	\$409	\$361	\$430	\$346	\$357
Hours maintaining parks and City Buildings	10,500	10,511	10,030	8,760	7,200
Hours preparing Fields/Ball Diamonds	2,400	2,400	2,400	2,400	2,400
Hours of Snow removal	280	330	330	330	222
Hours of Naturalist Programs	0	0	0	0	0
Hours of Horticulture, Tree Care, etc.	100	100	80	80	153
Average Cost per Resident (1)	\$11.79	\$10.43	\$12.52	\$10.07	\$10.37
Other Services					
Cable TV Expenditures (in thousands)	\$308	\$499	\$361	\$303	\$340
Programs (hours)	1,055	1,055	1,085	2,000	1,600
Average cost per Resident (1)	\$8.88	\$14.42	\$10.52	\$8.82	\$9.87
Refuse Account	11,638	11,553	11,497	11,454	11,394
Cost per resident/year (1)	\$197	\$210	\$233	\$214	\$231
Storm Water Accounts	12,323	12,216	12,169	12,122	12,107
Cost per resident/year (1)	\$59	\$59	\$59	\$59	\$59
Building Expenditures (in thousands)	\$451	\$482	\$459	\$460	\$460
Building Permits Issued	1,731	2,128	2,767	1,497	1,489
New Residential Units	102	207	191	39	46
New Commercial Units	4	5	0	2	2
New Industrial Units	0	0	0	0	0
Site Plan Approvals	50	51	43	71	73
Property Maintenance Court Citations	19	14	24	23	16
Property Maintenance Violations	319	502	276	598	642
Average Cost per Resident (1)	\$13.00	\$13.92	\$13.37	\$13.39	\$13.36

(1) Cost is calculated on a cash basis.

Source: City Records

2011	2010	2009	2008	2007
\$6,170	\$6,172	\$5,978	\$5,979	\$6,137
5,503	5,774	6,053	5,737	5,957
4,077	4,301	4,643	4,642	4,865
938	1,042	1,017	994	922
762	755	707	433	650
47,118	46,365	45,255	43,491	40,087
1.38	1.35	1.29	1.14	1.05
\$180.12	\$180.18	\$170.34	\$157.13	\$161.29
\$3,368	\$3,425	\$3,577	\$3,406	\$3,075
581	356	310	529	464
2,203	1,974	2,521	2,166	2,368
1,686	1,508	1,694	1,648	1,558
349	341	340	369	375
2,552	2,315	4,555	4,183	4,301
0.07	0.07	0.13	0.11	0.11
\$98.32	\$99.99	\$101.93	\$97.73	\$80.81
\$325	\$378	\$374	\$398	\$381
112,001	116,056	121,081	128,108	128,056
\$2.90	\$3.26	\$3.09	\$3.11	\$2.98
\$941	\$967	\$1,048	\$1,186	\$1,026
9,281	9,514	8,000	7,372	6,882
735	930	1,100	800	815
3	10	10	15	21
\$27.47	\$28.23	\$29.86	\$31.17	\$26.97
\$328	\$367	\$522	\$686	\$601
7,200	7,600	7,800	8,000	7,700
2,400	2,400	2,400	2,500	2,400
250	1,100	900	1,000	1,200
0	0	480	640	620
40	214	1,600	1,650	1,650
\$9.58	\$10.71	\$14.87	\$18.03	\$15.79
\$407	\$926	\$678	\$318	\$353
1,000	1,000	900	700	950
\$11.88	\$27.03	\$19.32	\$8.36	\$9.26
11,334	11,214	11,219	11,181	11,165
\$220	\$208	\$196	\$162	\$162
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
\$496	\$581	\$604	\$596	\$592
1,344	1,574	1,486	1,476	1,199
33	72	44	37	37
4	3	1	6	4
0	1	1	0	2
75	88	12	37	19
37	21	15	43	52
590	316	118	582	623
\$14.48	\$16.96	\$17.21	\$17.10	\$15.55

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Dave Yost • Auditor of State

CITY OF BRUNSWICK

MEDINA 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 15, 2017**