



Dave Yost • Auditor of State



**CITY OF STRONGSVILLE  
CUYAHOGA COUNTY**

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# Dave Yost • Auditor of State

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

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

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Strongsville, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated April 29, 2016, wherein we noted the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

### ***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, appearing to read "Dave Yost". The signature is fluid and cursive, with the first name "Dave" and last name "Yost" clearly distinguishable.

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

April 29, 2016

# **CITY OF STRONGSVILLE, OHIO**



## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2015**





# **CITY OF STRONGSVILLE, OHIO**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2015**

Issued by The Finance Department

Joseph K. Dubovec, CPA  
Director of Finance

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## **INTRODUCTORY SECTION**



**City of Strongsville, Ohio**  
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Thomas P. Perciak  
Mayor

# City of Strongsville

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

April 29, 2016

Members of City Council and  
Honorable Citizens of Strongsville, Ohio

We are pleased to submit the Comprehensive Annual Financial Report of the City of Strongsville for the year ended December 31, 2015.

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

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

Dave Yost, Auditor of State, has issued an unmodified ("clean") opinion on the City of Strongsville's financial statements for the year ended December 31, 2015. The Independent auditor's report is located at the front of the financial section of this report.

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

## **Profile of the Government**

The City of Strongsville is approximately 25 square miles and is located in Cuyahoga County in northeastern Ohio, approximately 23 miles southwest of the City of Cleveland. Strongsville was founded in 1816, became a township in 1818, a village in 1927, and became a city in 1961 under the laws of the State of Ohio. In 2010 the U.S Census Bureau reported that Strongsville had a population of 44,750, up 2 percent from 43,858 in 2000.

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

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

The City of Strongsville's chief executive and administrative officer is the Mayor, who is elected by the voters for a four year term. The Mayor appoints, subject to approval of a majority of the members of Council, the Directors of the City's departments. The Mayor also acts as the Director of Public Safety when there is a vacancy in that position, although currently no such vacancy exists, oversees the enforcement of all laws and ordinances, and executes all contracts, conveyances, evidences of indebtedness, and all other instruments to which the municipality is a party.

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

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

## **Profile of the City**

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

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

The City of Strongsville owns three parks offering residents a variety of activities to improve health and fitness. The 57-acre Strongsville Recreation Park has three baseball diamonds and tennis courts. Surrarer Park, on the City's east side, has a baseball diamond, tennis courts and a covered pavilion. Volunteer Park, on the City's west side, has six baseball diamonds, a covered picnic area, bocce ball court and horseshoe pits. The Youth Sports Park also on the City's west side has a regulation football field, three youth baseball fields and a covered picnic area. The Strongsville Business & Technology Park, home of the Strongsville Soccer Organization, offers residents many opportunities for fitness related activities. City residents can also take advantage of the Cleveland Metroparks within minutes of home. Located in the City section of the park system are the popular toboggan chutes, Mill Stream Run and a facility for year round recreational activities, the Chalet. Gardenview Horticultural Park is a botanical park located on 16 acres near the south end of the City. Visitors can view more than 500 species of trees and plants.

## **Economic Development**

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

### The Strongsville Business & Technology Park

- 1,693 acres; 70% developed
- 3,422,143 SF of build-out with a 2.16% vacancy rate
- Home to over 70 companies that employ over 3,000 employees
- Ranked as the #1 industrial park in Northeast Ohio by Crain's Cleveland Business (9/2015)
- Over 500 acres of undeveloped, greenfield land available for future industrial development
- Major employers in the park: Momentive Performance Material's Quartz Division, Vitamix, Foundation Software, Clark Reliance's Corporate Headquarters, Sparton Medical Devices, CCL Label, and Eberhard Manufacturing

### The Dow Circle Research & Development Park

- 258 acres; 95% developed
- 972,812 SF of build-out with a 0.66% vacancy rate
- Home to over 30 companies that employ over 2,600 employees
- Major employers in the park: Regional Headquarters for Enterprise Rental Car, Lumitex, Akzo Nobel Coatings and PNC Bank's Technology Center

#### The Progress Drive Business Park

- 325 acres; 96% developed
- 1,508,326 SF of build-out with a 5.99% vacancy rate
- Home to over 40 companies that employ over 2,000 employees
- Ranked as the #8 industrial park in Northeast Ohio by Crain's Cleveland Business (9/2014)
- Major employers in the park: Corporate Headquarters of Atlantic Tool & Die, PPG Industries and Insight/Chemical Services

#### Park 82

- 86 acres; 100% developed
- 953,450 SF of build-out with 4.17% vacancy rate
- Home to 19 companies that employ over 1,000 employees
- Major employers in the park: Darice Inc., HMI, Intralot and Dealer Tire

Overall, Strongsville's business parks are home to 6,856,731 SF of industrial/high tech build-out with a vacancy rate of 3.07%, as of January 31, 2016.

Job growth within the business parks continued to be robust in 2015. A highlight of several projects within the business parks include:

#### Akzo Nobel Global RD&I Center

- Company Description:* Research Development & Innovation Center for Industrial Coatings
- Business Park:* Dow Circle Research & Development Park
- Converting 77,500 SF of former warehouse space into high-tech labs
- \$10 million investment

#### Quadax

- Company Description:* Medical Billing Specialist
- Business Park:* Dow Circle Research & Development Park
- Leased 11,000 SF of office space
- Relocating 72 employees to Strongsville

#### Solar X

- Company Description:* Sun Glass Distributor
- Business Park:* Strongsville Business & Technology Park
- Leased 28,100 SF of distribution space
- Relocated 50 employees to Strongsville

#### Clark-Reliance Expansion

- Company Description:* Manufacturer of level indication/filtration products
- Business Park:* Strongsville Business & Technology Park
- 22,676 SF expansion to existing 86,000 SF manufacturing facility
- Expansion includes 11,000 SF, two story office expansion
- \$3.6 million investment

#### ArtWall

- Company Description:* Online Art Printer/Reproducer
- Business Park:* Strongsville Business & Technology Park
- Leased 33,680 SF facility
- Relocated 35 employees to Strongsville

#### Automation Manufacturing Solutions

- Company Description:* Designer & Builders of Automated Machine Technologies
- Business Park:* Progress Drive Business Park
- Purchased 15,180 SF manufacturing facility
- Relocated 15 technical manufacturing positions to Strongsville

#### Kiwi Creative

- Company Description:* Firm specializing in branding, graphic design, and online marketing
- Business Park:* Strongsville Business & Technology Park
- Relocated 10 employees to Strongsville

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

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

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

## **Long-Term Financial Planning, Initiatives and Accomplishments**

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

In the past eight years, the City has reduced its workforce by forty-two employees net of the new additional hires needed for the new regional dispatch center, and has found innovative ways to further reduce costs without a reduction in services provided to its residents. The City continues to pay down its debt, and took advantage of an advance refunding opportunity in 2015 that resulted in a cash savings of \$701,993 over the remaining life of the bonds.

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

The City's Tax Increment Financing (TIF) Specialist along with the Mayor and Director of Finance, have aggressively pursued the use of TIF Financing as an economic development tool. The City currently has six areas designated as TIF Financing Districts and is waiting for final State approval on nine additional TIF districts. Total TIF revenue collected since the inception of the TIF program has now reached \$7,692,260.

The Earned Benefits Fund which was created in 2012 continues to be funded. This fund will be used to account for the resources set aside for payment of accumulated sick leave and vacation leave balances upon the termination of employment by employees of the City, and for the payment of salaries and wages during a twenty-seven pay year occurring once every eleven years.

The City's Engineering Department has developed a proactive 10-phase Sanitary Sewer Capital Improvement Plan designed to eliminate some 663 of the 850 septic systems in place throughout the City. The first three phases of this plan have been completed at a total construction cost of \$3,366,349 including grant funding from the Ohio Public Works Commission totaling some \$795,976. Loans from the Ohio Water Development Authority were obtained to pay the residents' share of the construction costs, which will be repaid from the proceeds of special assessments levied against the property owners who benefitted from these projects. During 2013, the preliminary surveying and design work began for Phase IV of the 10-phase project with a total of 91 septic systems scheduled to be eliminated. Construction on this Phase of the project is scheduled to begin in early 2016, with a total estimated cost of \$2,021,000, which includes water line and storm sewer upgrades.

In 2015 the City also continued with a sanitary sewer rehabilitation program that began in 2011. This program was designed to help alleviate sewer backups in basements caused by storm water inflow and infiltration into the sanitary sewer system during heavy rains. The process involves pressure testing each joint in a designated public sanitary sewer line. If the joint fails the pressure test, grout is pumped in to seal the joint, and it is tested again to ensure that it has been properly sealed.

The City has continued its commitment to improve infrastructure throughout the City, and to also upgrade its vehicle fleet. Approximately \$3.7 million was spent on roadway projects, concrete replacement and asphalt reconstruction, while a combined \$1.8 million was spent on the replacement of four pickup trucks with plows, four one-ton snow plows, an asphalt hauler box trailer, a sanitary sewer camera truck, a tractor, a gator, nine police vehicles, two Harley Davidson police motorcycles and a new pumper.



The City recently entered into two separate project agreements with the Ohio Department of Transportation. The first project is the repair and resurfacing of a 2.4 mile stretch of Pearl Road from Shurmer Road north to Valley Parkway at a cost of approximately \$2.1 million. Federal funding will provide some eighty percent of the eligible cost of this project, which amounts to \$1,689,200. The second project is the widening of the entrance ramp from State Route 82 eastbound to Interstate Route 71 northbound from one lane to two lanes, designed to alleviate excessive queuing in the State Route 82 curb lane at a cost of approximately \$1,174,000. Federal funding will provide some ninety percent of the eligible cost of the project, which amounts to \$1,056,600.

For more than sixteen years, Strongsville has offered its residents curbside recycling. In 2015, a \$5,000 grant was received to design and distribute the City's Recycling newsletter, "Keeping Strongsville Green". Over 18,000 households now receive the newsletter that promotes the program.

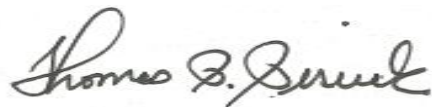
### **Awards and Acknowledgments**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Strongsville for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2014. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, the City had to publish an easily readable and efficiently organized comprehensive annual financial report that satisfied both generally accepted accounting principles (GAAP) and applicable legal requirements. A certificate is valid for a period of one year only. We believe our current report continues to meet the Certificate of Achievement Program's requirements, and are submitting it to GFOA to determine its eligibility for another certificate.

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

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

Respectfully submitted,



Thomas P. Perciak  
Mayor



Joseph K. Dubovec, CPA  
Director of Finance

**City of Strongsville, Ohio**  
*Elected Officials*  
*December 31, 2015*

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

## **City of Strongsville, Ohio**

*Appointed Officials*

*December 31, 2015*

Law Director:  
Kenneth A. Kraus

Communication & Technology Director:  
John M. Bedford

Assistant Law Director:  
Daniel J. Kolick

Human Resources Director:  
Stephen F. Kilo

Finance Director:  
Joseph K. Dubovec, CPA

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

Service Director:  
Joseph M. Walker

Chief of Police:  
James D. Kobak

Economic Development Director:  
Brent T. Painter

Chief of Fire:  
John D. Draves

City Engineer:  
Kenneth P. Mikula

Magistrate:  
Joseph A. Gambino

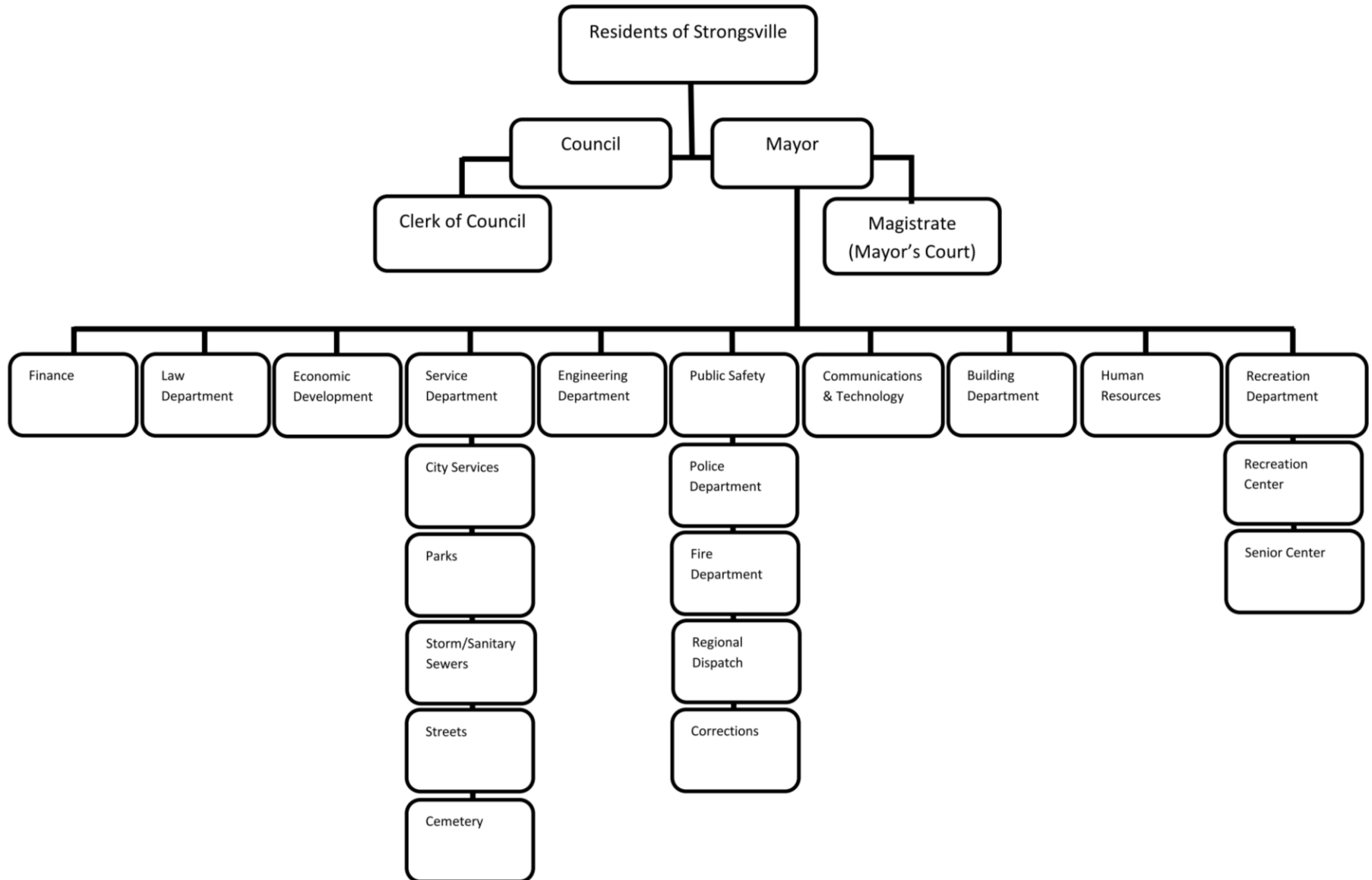
Building Commissioner:  
Anthony J. Biondillo

City Prosecutor:  
George F. Lonjak

Clerk of Council (Appointed by Council):  
Aimee K. Pientka

Public Safety Director:  
Charles W. Goss

**City of Strongsville, Ohio**  
*Organizational Chart*  
*December 31, 2015*





Government Finance Officers Association

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

Presented to

**City of Strongsville  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2014**

A handwritten signature in dark ink, reading "Jeffrey R. Enen", is positioned above the title of the Executive Director/CEO.

Executive Director/CEO



## **FINANCIAL SECTION**







# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

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

To the City Council:

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

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

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

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

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

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

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

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Strongsville, Cuyahoga County, Ohio, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, Street Construction, Maintenance and Repair Fund, and Fire Levy Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

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

### ***Other Matters***

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

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

#### ***Supplementary and Other Information***

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

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated April 29, 2016, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Dave Yost". The signature is fluid and cursive, with the first name "Dave" and last name "Yost" clearly legible.

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

April 29, 2016

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**City of Strongsville, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

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As management of the City of Strongsville (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with the additional information contained in the financial statements and the notes thereof.

**Financial Highlights**

- The City's total assets and deferred outflows of resources exceeded its total liabilities and deferred inflows of resources at the close of 2015 by \$198,496,280.
- The City's total net position increased \$11,543,916 or 6.17 percent in 2015. Net position of the governmental activities increased \$9,642,135, which represents a 7.05 percent increase from 2014. Net position of the business-type activities increased \$1,901,781 or 3.79 percent from 2014.
- The General Fund reported a fund balance of \$15,348,416 at the end of the current fiscal year. The unassigned fund balance for the General Fund was \$12,479,133 or 33.81 percent of the total General Fund expenditures (including transfers out). The General Fund experienced a decrease of \$1,522,930 in its fund balance for the year ended December 31, 2015.

**Overview of the Financial Statements**

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

**Government-wide Financial Statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The statement of net position and statement of activities provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in one column.

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

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

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

The government-wide financial statements can be found starting on page 19 of this report.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 30 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Street Construction, Maintenance, and Repair Fund, Fire Levy Fund, General Bond Retirement Fund, Pearl Road TIF #1 Fund, and General Capital Improvement Fund, all of which are considered to be major funds. Data from the other 24 governmental funds are combined into a single aggregated presentation.

The basic governmental fund financial statements can be found on pages 22-28 of this report.

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

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

**City of Strongsville, Ohio**  
*Management's Discussion and Analysis*  
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The basic proprietary fund financial statements can be found on pages 29-32 of this report.

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

The basic fiduciary fund financial statement can be found on page 33 of this report.

***Notes to the Basic Financial Statements.*** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements and can be found on pages 35-80.

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

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2015?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all nonfiduciary assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by the private sector. The accrual basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

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

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

**City of Strongsville, Ohio**  
*Management's Discussion and Analysis*  
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**The City of Strongsville as a Whole**

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

	Governmental Activities		Business-Type Activities		Total	
	2015	2014 *	2015	2014 *	2015	2014
<b>ASSETS</b>						
Current and other assets	\$ 53,583,595	\$ 53,037,084	\$ 10,172,172	\$ 8,396,990	\$ 63,755,767	\$ 61,434,074
Capital assets, net	192,546,769	188,342,029	45,326,308	45,515,944	237,873,077	233,857,973
Net Pension Asset	20,042	5,462	1,581	431	21,623	5,893
<b>Total Assets</b>	<b>246,150,406</b>	<b>241,384,575</b>	<b>55,500,061</b>	<b>53,913,365</b>	<b>301,650,467</b>	<b>295,297,940</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferral on Refunding	1,637,286	1,066,931	-	-	1,637,286	1,066,931
Pension	5,581,858	3,645,735	143,888	96,555	5,725,746	3,742,290
<b>Total Deferred Outflows of Resources</b>	<b>7,219,144</b>	<b>4,712,666</b>	<b>143,888</b>	<b>96,555</b>	<b>7,363,032</b>	<b>4,809,221</b>
<b>LIABILITIES</b>						
Current and other liabilities	3,346,512	5,680,224	57,027	105,226	3,403,539	5,785,450
Long-term liabilities:						
Due within one year	4,101,469	3,760,307	284,013	271,283	4,385,482	4,031,590
Due in more than one year:					-	-
Net Pension Liability	39,704,801	37,693,972	774,136	756,651	40,478,937	38,450,623
Other Amounts	49,061,365	51,267,346	2,499,888	2,763,738	51,561,253	54,031,084
<b>Total Liabilities</b>	<b>96,214,147</b>	<b>98,401,849</b>	<b>3,615,064</b>	<b>3,896,898</b>	<b>99,829,211</b>	<b>102,298,747</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Property Taxes	9,082,217	9,478,029	-	-	9,082,217	9,478,029
Payments in Lieu of Taxes	1,413,124	1,378,021	-	-	1,413,124	1,378,021
Pension	178,585	-	14,082	-	192,667	-
<b>Total Deferred Inflows of Resources</b>	<b>10,673,926</b>	<b>10,856,050</b>	<b>14,082</b>	<b>-</b>	<b>10,688,008</b>	<b>10,856,050</b>
<b>NET POSITION</b>						
Net Investment in						
Capital Assets	147,391,701	141,087,430	42,840,063	42,808,562	190,231,764	183,895,992
Restricted	17,214,931	15,079,263	-	-	17,214,931	15,079,263
Unrestricted	(18,125,155)	(19,327,351)	9,174,740	7,304,460	(8,950,415)	(12,022,891)
<b>Total Net Position</b>	<b>\$ 146,481,477</b>	<b>\$ 136,839,342</b>	<b>\$ 52,014,803</b>	<b>\$ 50,113,022</b>	<b>\$ 198,496,280</b>	<b>\$ 186,952,364</b>

\* - Restated

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



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

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

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

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

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

In accordance with GASB 68, the City's statements prepared on 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.

As a result of implementing GASB 68, the City is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2014 from \$170,882,117 to \$136,839,342 for Governmental Activities and from \$50,772,687 to \$50,113,022 for Business Type Activities.

**City of Strongsville, Ohio**  
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Net position may serve over time as useful indicator of a government's financial position. The City's total assets and deferred outflows of resources exceeded its total liabilities and deferred inflows of resources at the close of 2015 by \$198,496,280. Due to the implementation of GASB 68 and the addition of the City's net pension of liability of \$40,478,937, the City's unrestricted net position was a negative \$8,950,415 and the governmental activities unrestricted net position was a negative \$18,125,155, respectively. The unrestricted net position of the City's business-type activities was \$9,174,740, with net investment in capital assets accounting for \$42,840,063 or 82.36 percent of the total business-type activities' net position. It is important to note that the unrestricted net position of the City's business-type activities, \$9,174,740, may not be used to fund governmental activities.

The largest portion of the City's total net position (95.83 percent) reflects its investments in capital assets (e.g., land, construction in progress, buildings, land improvements, machinery and equipment, furniture and fixtures, vehicles, and infrastructure), less any related debt used to acquire those assets that is still outstanding along with any related deferred outflows/inflows of resources. The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

Total assets increased from 2014 to 2015 in the amount of \$6,352,527, while the City's total liabilities decreased by \$2,469,536. The increase in assets was primarily due to increases in capital assets along with an increase in cash, that have been set aside to fund certain capital projects in 2016. The decrease in liabilities can be attributed to a decrease in the City's current and other liabilities as a result of paying down the City's notes payable coupled with a reduction of accrued wages, due to the twenty-seventh pay which occurred in 2015 reducing the year end accrual.

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

**City of Strongsville, Ohio**  
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	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
<b>REVENUES</b>						
Program Revenues:						
Charges for services	\$ 7,687,931	\$ 6,822,727	\$ 6,726,483	\$ 6,198,988	\$ 14,414,414	\$ 13,021,715
Operating grants and contributions	2,052,825	2,276,455	486	23,684	2,053,311	2,300,139
Capital grants and contributions	7,030,152	11,876,948	1,984,382	1,357,513	9,014,534	13,234,461
Total Program Revenues	16,770,908	20,976,130	8,711,351	7,580,185	25,482,259	28,556,315
General Revenues:						
Property taxes	9,658,805	9,625,820	-	-	9,658,805	9,625,820
Municipal income taxes	34,865,591	33,866,305	-	-	34,865,591	33,866,305
Other taxes	1,315,435	1,255,066	-	-	1,315,435	1,255,066
Payments in lieu of taxes	2,149,150	1,377,939	-	-	2,149,150	1,377,939
Grants and entitlements	2,074,097	2,215,056	-	-	2,074,097	2,215,056
Investment income	85,319	158,257	45,513	49,557	130,832	207,814
All other revenues	112,597	97,843	30,000	75,000	142,597	172,843
Total General Revenues	50,260,994	48,596,286	75,513	124,557	50,336,507	48,720,843
<b>Total Revenues</b>	<b>67,031,902</b>	<b>69,572,416</b>	<b>8,786,864</b>	<b>7,704,742</b>	<b>75,818,766</b>	<b>77,277,158</b>
<b>EXPENSES</b>						
Program Expenses:						
Security of persons and property	24,419,872	25,052,042	-	-	24,419,872	25,052,042
Public health services	633,105	599,730	-	-	633,105	599,730
Leisure time activities	5,795,150	5,790,696	-	-	5,795,150	5,790,696
Community environment	1,555,688	1,721,146	-	-	1,555,688	1,721,146
Basic utility services	2,372,551	2,450,397	-	-	2,372,551	2,450,397
Transportation	16,398,784	15,952,366	-	-	16,398,784	15,952,366
General government	4,520,606	4,392,450	-	-	4,520,606	4,392,450
Interest and fiscal charges	1,694,011	1,853,013	104,593	119,014	1,798,604	1,972,027
Sanitary sewer	-	-	6,780,490	7,031,192	6,780,490	7,031,192
<b>Total Expenses</b>	<b>57,389,767</b>	<b>57,811,840</b>	<b>6,885,083</b>	<b>7,150,206</b>	<b>64,274,850</b>	<b>64,962,046</b>
Change in Net Position	9,642,135	11,760,576	1,901,781	554,536	11,543,916	12,315,112
Net Position - Beginning of Year, as Restated	136,839,342	N/A	50,113,022	N/A	186,952,364	N/A
<b>Net Position - End of Year</b>	<b>\$ 146,481,477</b>	<b>\$ 136,839,342</b>	<b>\$ 52,014,803</b>	<b>\$ 50,113,022</b>	<b>\$ 198,496,280</b>	<b>\$ 186,952,364</b>

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$3,645,735 for Governmental Activities and \$96,555 for Business Type Activities computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$4,007,402 for Governmental Activities and \$85,570 for Business Type Activities. Consequently, in order to compare 2015 program expenses to 2014, the following adjustments are needed:

**City of Strongsville, Ohio**  
*Management's Discussion and Analysis*  
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	Governmental Activities	Business-Type Activities	Total
Total 2015 program expenses under GASB 68	\$ 57,389,767	\$ 6,885,083	\$ 64,274,850
Pension expense under GASB 68	(4,007,402)	(85,570)	(4,092,972)
2015 contractually required pension contribution	3,768,691	102,486	3,871,177
Adjusted 2015 program expenses	57,151,056	6,901,999	64,053,055
Total 2014 program expenses under GASB 27	57,811,840	7,150,206	64,962,046
Decrease in program expenses not related to pension	<u>\$ (660,784)</u>	<u>\$ (248,207)</u>	<u>\$ (908,991)</u>

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### **Governmental Activities**

Governmental activities increased the City's net position by \$9,642,135 due to total revenues of \$67,031,902 exceeding total program expenses of \$57,389,767. Several types of revenues fund the City's governmental activities with the City's income tax being the biggest contributor. The income tax rate was 2.00 percent for 2015, the same as the prior year. Both residents of the City and non-residents who work inside the City are subject to the income tax. However, if residents work in a locality that has a municipal income tax, the City has provided a 75.00 percent credit up to 2.00 percent for those who pay income tax to another City. City Council could, by Ordinance, choose to vary that income tax credit and create additional revenues for the City.

The municipal income tax revenue for 2015 was \$34,865,591. Of the \$67,031,902 in total program and general revenues, municipal income tax accounts for 52.01 percent of that total. In 2015, the City experienced an increase in municipal income tax revenues when compared to 2014. This increase can be attributed to a variety of factors that are listed below:

- Increase in the prior years' collections received in 2015 (on a cash-basis) - \$474,731 due in part to the continuation of the Federal Tax Information (FTI) program that was implemented by RITA in 2010. This program matches income reported to the IRS with income reported to RITA to determine if taxpayers are reporting all of their income,
- Increase in income tax withholding collections due to the City's economic development and retention efforts which helped backfill vacant warehouse space, resulting in a 97% occupancy rate in the City's business parks.

Property taxes of \$9,658,805 account for 14.41 percent of total revenues; capital grants and contributions account for 10.49 percent of total revenues; operating grants and contributions, and general revenues from grants and entitlements account for 6.16 percent of total governmental revenues; and charges for services, investment earnings, other taxes, payments in lieu of taxes, and all other revenues make up the remaining 16.93 percent.

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

In total, the City's governmental activities experienced a 1.14 percent decrease in 2015 program expenses not related to pension (GASB 68) when compared to 2014 expenses. The largest program function for the City is security of persons and property. During 2015, 42.55 percent of all program expenses relate to security of persons and property, which includes Police and Fire protection. The expenses of this program experienced a 2.52 percent decrease from 2014 to 2015. This decrease was partly due to regionalism costs associated with the completion of the City's new regional dispatch center.

The second largest program function of the City is transportation. During 2015, 28.57 percent of program expenses relate to transportation, which includes road repairs and snow removal. The annual depreciation expense that is included in the total transportation expense is \$6,494,891.

### **Business-Type Activities**

The business-type activities of the City, which pertain to the City's sanitary sewer operations, increased the City's total net position by \$1,901,781. This is primarily due to the 2015 revenues exceeding 2014 revenues coupled with 2015 expenses being lower than 2014 expenses. Revenues increased due to a rate increase by the Northeast Ohio Regional Sewer District (NEORSB) that the City passes along to the customers the City provides treatment for. New customers are being added to the City's sanitary sewer system resulting from the City's efforts to convert and eliminate septic systems throughout the City.

### **Financial Analysis of Governmental Funds**

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

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

As of December 31, 2015, the City's governmental funds reported an ending combined fund balance of \$31,353,060, an increase of \$2,890,676 in comparison with the prior year. \$11,937,404 of the ending combined fund balance for 2015 constitutes *unassigned fund balance*, which is available for spending at the City's discretion. The remainder of fund balance is *nonspendable, restricted, or committed* to indicate that it is not available for new spending because it is not in spendable form or it has already been restricted or committed by external or internal constraints.

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All governmental funds had total revenues of \$60,447,075 and expenditures of \$58,009,306 (not including other financing sources and uses) with revenues exceeding expenditures by \$2,437,769. Total revenues decreased from the previous year primarily due to a decrease in intergovernmental revenue for capital grants for Pearl Road Phase II, the FEMA grant received from the May 12<sup>th</sup> and 13<sup>th</sup>, 2014 flooding event and the Assistance to Fire-fighters FEMA grant to aid in the build out of the regional dispatch center. While intergovernmental revenues decreased, Municipal income taxes, Payments in Lieu of Taxes and Charges for Services increased. Municipal income taxes increased from 2014 which can be attributed to the City's strong, diversified commercial tax base that is not reliant upon a small group of employers or a single industry. 2015 also saw an increase in Payments in Lieu of Taxes due to delinquent collections and new development. Additionally, charges for services increased primarily as a result of the additional billings associated with the City's regional dispatch center.

Total governmental funds expenditures decreased as a result of the completion of Pearl Road Phase II in 2014. Investment in roadway projects, concrete replacement and asphalt reconstruction along with drainage structure repairs continued in 2015 along with an investment in vehicles and equipment that included four one-ton snow plow trucks, four pickup trucks with plows, a tractor, asphalt hauler box trailer, nine police vehicles, two motorcycles and a new pumper.

**General Fund Analysis**

The General Fund is the chief operating fund of the City. At the beginning of the current year, total fund balance for the General Fund was \$16,871,346. General Fund expenditures (including transfers out) for the current year were \$36,913,943, with revenues and other financing sources of \$35,391,013, leaving a fund balance of \$15,348,416, and an unassigned balance of \$12,479,133 in the General Fund.

As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures (including transfers out). The General Fund's unassigned fund balance represents 33.81 percent of total General Fund expenditures (including transfers out) while total fund balance represents 41.58 percent of that same amount. In 2015, the fund balance of the City's General Fund decreased by \$1,522,930 when compared to 2014. The primary reason for this decrease was management's decision to increase amounts transferred out to other funds in order to provide additional resources for the 2016 street maintenance and repair program along with recreation facility and equipment needs. Also, during 2015, municipal income tax revenues experienced an increase of \$1,091,272 while charges for services increased \$448,515 for dispatch fees associated with the addition of the Cities of Berea and Olmsted Falls to the regional dispatch center.

**Other Major Governmental Funds Analysis**

The City's Street Construction, Maintenance and Repair Fund experienced an increase of \$327,813 in its 2015 fund balance when compared to 2014. This increase was due to an increase in income tax collections, as well as a FEMA State disaster relief reimbursement.

The City's Fire Levy Fund experienced an increase of \$193,899, in its 2015 fund balance when compared to 2014. This increase will be used to fund facilities renovations that will be completed in 2016.

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The City's General Bond Retirement Fund experienced an increase of \$826,289 in its 2015 fund balance when compared to 2014. The main contributor to this increase was the premium associated with the 2015 refunding of the callable portion of Series 2006 and 2009 outstanding bonds and the overall lower interest costs; as well as a reduction of transfers of \$302,992 related to the pay down of bond anticipation notes in 2014.

The City's Pearl Road TIF #1 Fund experienced an increase of \$1,617,272 in its 2015 fund balance when compared to 2014. The main contributor to this increase was due to an increase in payments in lieu of taxes due to delinquent collections and a new development; as well as a reduction of transfers of \$1,312,964 related to the pay down of bond anticipation notes in 2014.

The City's General Capital Improvement Fund experienced a decrease of \$703,804 in its 2015 fund balance when compared to 2014. The main contributor to this decrease was a reduction in transfers coupled with an increase in capital outlay expenditures related to road construction projects.

**General Fund Budgetary Highlights**

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts and disbursements. The most significant budgeted fund is the General Fund. During the course of 2015, the City amended its General Fund budget on various occasions. All recommendations for budget changes come to the Finance Committee of City Council for review before going to the whole Council for ordinance enactment on the change. The City does allow small interdepartmental budget changes that modify line items within departments within the same fund. The General Fund supports many of the City's major activities such as the Police Department, Fire Department, Service Department, and Recreation Department, as well as most legislative and executive activities. The General Fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

For the General Fund, original budgeted revenues (including other financing sources) were \$35,940,561. The final budgeted revenue amount (including other financing sources) was \$38,893,771. This increase was primarily due to an increase in the estimates for municipal income tax, fees licenses and permits, and the repayment of advances. The actual revenues (including other financing sources) were lower than the final budgeted amounts by \$207,866.

Original General Fund budgeted expenditures (including other financing uses) were \$34,808,700 and the final amended budgeted expenditures (including other financing uses) were \$40,185,400. Actual General Fund expenditures (including other financing uses) were \$38,493,997 or 4.21 percent less than the final budgeted amounts. This was most notable in security of persons and property and general government. The favorable variance when comparing actual expenditures to the final budget amounts is due to prudent fiscal management and a conservative budgeting strategy.

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**Capital Assets and Debt Administration**

**Capital Assets** - The City's investment in capital assets for governmental and business-type activities as of December 31, 2015, amounts to \$237,873,077 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, land improvements, machinery and equipment, furniture and fixtures, vehicles, streets, sidewalks, bridges, traffic signalization, and storm and sanitary sewers.

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 11,584,462	\$ 11,584,462	\$ 1,508,079	\$ 1,508,079	\$ 13,092,541	\$ 13,092,541
Construction in progress	1,255,950	8,648,648	44,401	13,750	1,300,351	8,662,398
<b>Total Non-Depreciable</b>	<b>12,840,412</b>	<b>20,233,110</b>	<b>1,552,480</b>	<b>1,521,829</b>	<b>14,392,892</b>	<b>21,754,939</b>
Buildings	40,511,286	41,058,402	4,068,357	4,243,100	44,579,643	45,301,502
Land improvements	1,752,131	1,782,401	265,602	228,004	2,017,733	2,010,405
Machinery and equipment	955,315	1,017,679	1,442,476	1,277,239	2,397,791	2,294,918
Furniture and fixtures	203,966	267,246	986	986	204,952	268,232
Vehicles	3,691,445	3,213,405	712,551	497,649	4,403,996	3,711,054
Infrastructure:						
Streets	68,051,174	65,238,373	-	-	68,051,174	65,238,373
Bridges	172,123	179,837	-	-	172,123	179,837
Storm sewers	57,449,626	48,978,814	-	-	57,449,626	48,978,814
Sidewalks	2,971,134	2,819,978	-	-	2,971,134	2,819,978
Traffic signalization	3,948,157	3,552,784	-	-	3,948,157	3,552,784
Sanitary sewers	-	-	37,283,856	37,747,137	37,283,856	37,747,137
<b>Total Depreciable,</b>						
<b>Net of Depreciation</b>	<b>179,706,357</b>	<b>168,108,919</b>	<b>43,773,828</b>	<b>43,994,115</b>	<b>223,480,185</b>	<b>212,103,034</b>
<b>Total Capital Assets,</b>						
<b>Net of Depreciation</b>	<b>\$ 192,546,769</b>	<b>\$ 188,342,029</b>	<b>\$ 45,326,308</b>	<b>\$ 45,515,944</b>	<b>\$ 237,873,077</b>	<b>\$ 233,857,973</b>

Major capital asset events during 2015 included the following:

- Total capital assets, net of accumulated depreciation, increased by \$4,015,104;
- Governmental activity capital assets increased by \$4,204,740 (net of accumulated depreciation). This increase is mainly due to a subdivision donation from a developer; and
- Business-type activity capital assets slightly decreased by \$189,636 (net of accumulated depreciation). The decrease was due to current year depreciation expense exceeding capital additions.

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



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**Debt** - The General Bond Retirement Debt Service Fund is funded primarily with 2.3 mills of the City's inside property tax millage and related intergovernmental revenues, special assessments, and General Fund transfers. At December 31, 2015, the City had \$46,967,518 of long-term bonds and loans outstanding, with \$44,481,273 in governmental activities and \$2,486,245 in business-type activities and is included herein.

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
General Obligation Bonds	\$ 42,138,543	\$ 44,316,084	\$ -	\$ -	\$ 42,138,543	\$ 44,316,084
Special Assessment Bonds	170,000	285,000	-	-	170,000	285,000
OPWC Loan	2,172,730	1,996,842	-	-	2,172,730	1,996,842
OWDA Loans	-	-	2,486,245	2,707,382	2,486,245	2,707,382
Total Outstanding Debt	<u>\$ 44,481,273</u>	<u>\$ 46,597,926</u>	<u>\$ 2,486,245</u>	<u>\$ 2,707,382</u>	<u>\$ 46,967,518</u>	<u>\$ 49,305,308</u>

In a continuing effort to be conscientious about how taxpayer dollars are spent, the City has received the Aaa rating from Moody's Investors Service. This rating was recently reaffirmed by Moody's in conjunction with the 2015 issuance of various purpose refunding debt. Strongsville remains one of the few cities in Ohio to have been awarded this rating.

The City is within all of its legal debt limitations. The Ohio Revised Code provides that the net debt (as defined in the Ohio Revised Code) of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5 percent of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5 percent of the total taxation value of property. The statutory limitations on debt are measured by the ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2015, the City's overall legal debt margin was at \$106,306,216 and the unvoted legal debt margin was at \$35,572,049. The aggregate amount of the City's unvoted debt is also subject to overlapping debt restrictions with other political subdivisions. The actual aggregate amount of the City's unvoted debt is limited to ten mills. This millage is measured against the property values in each overlapping district.

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

### **Economic Factors**

The City's elected and appointed officials consider many factors when setting the budget parameters for each year. Budget priorities include; public safety, regionalism, job creation and retention, maintaining infrastructure, and prudent fund balances to protect the City's Aaa bond rating. The City keeps these objectives in mind while diligently monitoring revenues and expenditures on a daily basis. The City continues to practice measures of cost containment and will pursue any grants or donations available to fund operations and specific capital projects.

In conclusion, the implementation of GASB Statement No. 68 requires the reader to perform additional calculations to determine the City's Total Net Position at December 31, 2015 without the implementation of GASB Statement No. 68. This is an important exercise, as the State Pension Systems (OPERS & OP&F) collect, hold and distributes pensions to our employees, not the City of Strongsville. These calculations are as follows:

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**Governmental Activities**

Total Net Position at December 31, 2015 (with GASB 68)	\$ 146,481,477
GASB 68 Calculations:	
Add: Deferred Inflows related to Pension	178,585
Add: Net Pension Liability	39,704,801
Less: Net Pension Asset	(20,042)
Less: Deferred Outflows related to Pension	(5,581,858)
Total Net Position (without GASB 68)	<u>\$ 180,762,963</u>

**Business-Type Activities**

Total Net Position at December 31, 2015 (with GASB 68)	\$ 52,014,803
GASB 68 Calculations:	
Add: Deferred Inflows related to Pension	14,082
Add: Net Pension Liability	774,136
Less: Net Pension Asset	(1,581)
Less: Deferred Outflows related to Pension	(143,888)
Total Net Position (without GASB 68)	<u>\$ 52,657,552</u>

**Request for Information**

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

# City of Strongsville, Ohio

## Statement of Net Position

December 31, 2015

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 28,726,748	\$ 6,310,611	\$ 35,037,359
Materials and Supplies Inventory	558,391	-	558,391
Accounts Receivable	675,231	2,433,795	3,109,026
Accrued Interest Receivable	51,955	9,152	61,107
Intergovernmental Receivable	3,632,707	-	3,632,707
Hotel Taxes Receivable	8,597	-	8,597
Franchise Taxes Receivable	205,611	-	205,611
Permissive Motor Vehicle Taxes Receivable	27,876	-	27,876
Prepaid Items	240,682	88,581	329,263
Municipal Income Taxes Receivable	9,765,038	-	9,765,038
Property Taxes Receivable	9,480,844	-	9,480,844
Special Assessments Receivable	209,915	1,330,033	1,539,948
Nondepreciable Capital Assets	12,840,412	1,552,480	14,392,892
Depreciable Capital Assets	179,706,357	43,773,828	223,480,185
Net Pension Asset	20,042	1,581	21,623
<b>Total Assets</b>	<b>246,150,406</b>	<b>55,500,061</b>	<b>301,650,467</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferral on Refunding	1,637,286	-	1,637,286
Pension	5,581,858	143,888	5,725,746
<b>Total Deferred Outflows of Resources</b>	<b>7,219,144</b>	<b>143,888</b>	<b>7,363,032</b>
<b>LIABILITIES</b>			
Accounts Payable	537,017	30,263	567,280
Contracts Payable	103,834	8,732	112,566
Accrued Wages and Benefits	380,428	14,150	394,578
Intergovernmental Payable	254,164	2,152	256,316
Matured Compensated Absences Payable	5,275	-	5,275
Accrued Interest Payable	129,258	-	129,258
Retainage Payable	122,091	1,730	123,821
Notes Payable	1,814,445	-	1,814,445
Long-term Liabilities:			
Due within one year	4,101,469	284,013	4,385,482
Due in more than one year:			
Net Pension Liability (See Note 12)	39,704,801	774,136	40,478,937
Other Amounts Due in more than one year	49,061,365	2,499,888	51,561,253
<b>Total Liabilities</b>	<b>96,214,147</b>	<b>3,615,064</b>	<b>99,829,211</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	9,082,217	-	9,082,217
Payments in Lieu of Taxes	1,413,124	-	1,413,124
Pension	178,585	14,082	192,667
<b>Total Deferred Inflows of Resources</b>	<b>10,673,926</b>	<b>14,082</b>	<b>10,688,008</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	147,391,701	42,840,063	190,231,764
Restricted for:			
Debt Service	2,468,996	-	2,468,996
Capital Projects	3,941,509	-	3,941,509
Police and Fire	3,871,636	-	3,871,636
Streets and Highways	6,300,908	-	6,300,908
Other Purposes	631,882	-	631,882
Unrestricted	(18,125,155)	9,174,740	(8,950,415)
<b>Total Net Position</b>	<b>\$ 146,481,477</b>	<b>\$ 52,014,803</b>	<b>\$ 198,496,280</b>

See accompanying notes to the basic financial statements

**City of Strongsville, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2015

		Program Revenues		
		Charges for	Operating	Capital
	Expenses	Services	Grants and Contributions	Grants and Contributions
<b>Primary Government:</b>				
<b>Governmental activities:</b>				
Security of Persons and Property	\$ 24,419,872	\$ 2,909,713	\$ 85,594	\$ 61,332
Public Health Services	633,105	49,700	-	-
Leisure Time Activities	5,795,150	3,031,393	-	-
Community Environment	1,555,688	1,392,174	3,894	-
Basic Utility Services	2,372,551	52,001	-	-
Transportation	16,398,784	1,600	1,963,337	6,968,820
General Government	4,520,606	251,350	-	-
Interest and Fiscal Charges	1,694,011	-	-	-
<b>Total Governmental activities</b>	<b>57,389,767</b>	<b>7,687,931</b>	<b>2,052,825</b>	<b>7,030,152</b>
<b>Business-type activities:</b>				
Sanitary Sewer	6,885,083	6,726,483	486	1,984,382
<b>Total Business-type activities</b>	<b>6,885,083</b>	<b>6,726,483</b>	<b>486</b>	<b>1,984,382</b>
<b>Total Primary Government</b>	<b>\$ 64,274,850</b>	<b>\$ 14,414,414</b>	<b>\$ 2,053,311</b>	<b>\$ 9,014,534</b>
<b>General Revenues:</b>				
Property Taxes levied for:				
General Purposes				
Debt Service Purpose				
Other Purposes				
Municipal Income Taxes levied for:				
General Purposes				
Other Purposes				
Hotel Taxes				
Permissive Motor Vehicle Taxes				
Franchise Taxes				
Payments in Lieu of Taxes				
Grants and Entitlements not Restricted to Specific Programs				
Investment Income				
Gain on Sale of Capital Assets				
All Other Revenues				
Total General Revenues				
Change in Net Position				
Net Position - Beginning of Year, as Restated				
<b>Net Position - End of Year</b>				

See accompanying notes to the basic financial statements

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<b>Net (Expense) Revenue and Changes in Net Position</b>		
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (21,363,233)	\$ -	\$ (21,363,233)
(583,405)	-	(583,405)
(2,763,757)	-	(2,763,757)
(159,620)	-	(159,620)
(2,320,550)	-	(2,320,550)
(7,465,027)	-	(7,465,027)
(4,269,256)	-	(4,269,256)
(1,694,011)	-	(1,694,011)
<u>(40,618,859)</u>	<u>-</u>	<u>(40,618,859)</u>
-	1,826,268	1,826,268
-	1,826,268	1,826,268
<u>(40,618,859)</u>	<u>1,826,268</u>	<u>(38,792,591)</u>
452,976	-	452,976
3,423,949	-	3,423,949
5,781,880	-	5,781,880
31,120,903	-	31,120,903
3,744,688	-	3,744,688
166,683	-	166,683
338,386	-	338,386
810,366	-	810,366
2,149,150	-	2,149,150
2,074,097	-	2,074,097
85,319	45,513	130,832
27,015	30,000	57,015
85,582	-	85,582
<u>50,260,994</u>	<u>75,513</u>	<u>50,336,507</u>
9,642,135	1,901,781	11,543,916
<u>136,839,342</u>	<u>50,113,022</u>	<u>186,952,364</u>
<u>\$ 146,481,477</u>	<u>\$ 52,014,803</u>	<u>\$ 198,496,280</u>

**City of Strongsville, Ohio**  
*Balance Sheet*  
**Governmental Funds**  
*December 31, 2015*

	General Fund	Street Construction, Maintenance & Repair	Fire Levy	General Bond Retirement	Pearl Road TIF #1	General Capital Improvement
<b>ASSETS</b>						
Equity in Pooled Cash and Cash Equivalents	\$ 10,574,395	\$ 4,078,707	\$ 2,573,934	\$ 1,726,861	\$ 488,297	\$ 2,977,737
Materials and Supplies Inventory	34,211	524,180	-	-	-	-
Accrued Interest Receivable	36,604	5,237	-	5,037	1,094	-
Accounts Receivable	513,431	-	-	-	-	-
Interfund Receivable	155,907	-	-	-	-	-
Intergovernmental Receivable	348,839	866,805	277,758	305,600	1,110,137	244,917
Prepaid Items	74,602	39,286	54,296	-	-	-
Municipal Income Taxes Receivable	8,719,202	1,045,836	-	-	-	-
Property Taxes Receivable	469,134	-	4,420,572	2,989,091	-	-
Special Assessments Receivable	-	-	-	170,120	-	39,795
Hotel Taxes Receivable	8,597	-	-	-	-	-
Franchise Taxes Receivable	-	-	-	-	-	205,611
Permissive Motor Vehicle Taxes Receivable	-	-	-	-	-	-
<b>Total Assets</b>	<u>\$ 20,934,922</u>	<u>\$ 6,560,051</u>	<u>\$ 7,326,560</u>	<u>\$ 5,196,709</u>	<u>\$ 1,599,528</u>	<u>\$ 3,468,060</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts Payable	\$ 346,940	\$ 44,469	\$ 25,555	\$ -	\$ -	\$ -
Accrued Wages and Benefits	223,063	51,655	76,079	-	-	-
Contracts Payable	-	-	-	-	-	28,897
Intergovernmental Payable	14,275	7,935	1,140	-	-	-
Matured Compensated Absences Payable	4,575	-	-	-	-	-
Accrued Interest Payable	-	-	-	-	2,903	2,322
Retainage Payable	-	-	-	-	-	67,282
Interfund Payable	-	-	-	-	-	-
Notes Payable	-	-	-	14,445	1,000,000	800,000
<b>Total Liabilities</b>	<u>588,853</u>	<u>104,059</u>	<u>102,774</u>	<u>14,445</u>	<u>1,002,903</u>	<u>898,501</u>
<b>Deferred Inflows of Resources:</b>						
Property Taxes and Payments in Lieu of Taxes	449,409	-	4,234,707	2,863,413	1,110,137	-
Unavailable Revenue - Delinquent Property Taxes	19,725	-	185,865	125,678	-	-
Unavailable Revenue - Income Taxes	4,258,215	510,757	-	-	-	-
Unavailable Revenue - Other	270,304	683,811	277,758	475,720	-	39,795
<b>Total Deferred Inflows of Resources</b>	<u>4,997,653</u>	<u>1,194,568</u>	<u>4,698,330</u>	<u>3,464,811</u>	<u>1,110,137</u>	<u>39,795</u>
<b>Fund Balances:</b>						
Nonspendable	108,813	563,466	54,296	-	-	-
Restricted	-	4,697,958	2,471,160	1,717,453	-	2,529,764
Committed	2,648,793	-	-	-	-	-
Assigned	111,677	-	-	-	-	-
Unassigned	12,479,133	-	-	-	(513,512)	-
<b>Total Fund Balances (Deficits)</b>	<u>15,348,416</u>	<u>5,261,424</u>	<u>2,525,456</u>	<u>1,717,453</u>	<u>(513,512)</u>	<u>2,529,764</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 20,934,922</u>	<u>\$ 6,560,051</u>	<u>\$ 7,326,560</u>	<u>\$ 5,196,709</u>	<u>\$ 1,599,528</u>	<u>\$ 3,468,060</u>

See accompanying notes to the basic financial statements

Other Governmental Funds	Total Governmental Funds	<i>Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities December 31, 2015</i>	
\$ 4,771,234	\$ 27,191,165	<b>Total Governmental Funds Balance</b>	\$ 31,353,060
-	558,391	<i>Amounts reported for Governmental Activities in the Statement of Net Position are different because:</i>	
3,983	51,955	Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds.	192,546,769
161,800	675,231	Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable revenue in the funds:	
-	155,907		
478,651	3,632,707	Delinquent property taxes	\$ 398,627
72,498	240,682	Municipal income taxes	4,768,972
-	9,765,038	Special assessments	209,915
1,602,047	9,480,844	Intergovernmental	1,623,421
-	209,915	Charges for services	160,529
-	8,597	Total	7,161,464
-	205,611	In the Statement of Activities, interest is accrued on outstanding bonds, whereas in Governmental funds, an interest expenditure is reported when due.	(124,033)
27,876	27,876	The net pension liability is not due and payable in the current period; therefore, the liability, asset and related deferred inflows/outflows are not reported in governmental funds:	
\$ 7,118,089	\$ 52,203,919	Deferred Outflows - Pension	5,581,858
		Deferred Inflows - Pension	(178,585)
		Net Pension Asset	20,042
		Net Pension Liability	(39,704,801)
		Total	(34,281,486)
\$ 120,053	\$ 537,017	Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
29,631	380,428	General obligation bonds	(42,460,000)
74,937	103,834	Special assessment bonds	(170,000)
46,482	69,832	OPWC loan	(2,172,730)
700	5,275	Unamortized bond premiums	(1,315,829)
-	5,225	Deferral on refunding	1,637,286
54,809	122,091	Compensated absences	(5,693,024)
155,907	155,907	Total	(50,174,297)
-	1,814,445		
482,519	3,194,054		
1,837,675	10,495,341		
67,359	398,627		
-	4,768,972		
246,477	1,993,865		
2,151,511	17,656,805		
72,498	799,073		
1,745,916	13,162,251		
2,693,862	5,342,655		
-	111,677		
(28,217)	11,937,404		
4,484,059	31,353,060		
\$ 7,118,089	\$ 52,203,919	<b>Net Position of Governmental Activities</b>	\$ 146,481,477

**City of Strongsville, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
**Governmental Funds**  
*For the Year Ended December 31, 2015*

	General Fund	Street Construction, Maintenance & Repair	Fire Levy	General Bond Retirement	Pearl Road TIF #1	General Capital Improvement
<b>REVENUES</b>						
Property Taxes	\$ 443,591	\$ -	\$ 4,160,337	\$ 3,377,932	\$ -	\$ -
Municipal Income Taxes	30,619,173	3,680,271	-	-	-	-
Hotel Taxes	166,683	-	-	-	-	-
Permissive Motor Vehicle Taxes	-	-	-	-	-	-
Franchise Taxes	-	-	-	-	-	810,366
Payments in Lieu of Taxes	-	-	-	-	1,836,389	-
Intergovernmental	717,802	1,844,440	563,556	679,202	-	244,917
Interest	38,702	5,013	-	27,683	1,233	8,433
Fees, Licenses, and Permits	1,201,339	-	1,950	-	-	-
Fines and Forfeitures	659,793	-	-	-	-	-
Charges for Services	1,286,973	300	20	-	-	1,300
Contributions and Donations	3,000	-	6,460	-	-	-
Special Assessments	-	-	-	115,000	-	10,257
All Other Revenues	220,608	67,734	-	-	-	-
<b>Total Revenues</b>	<b>35,357,664</b>	<b>5,597,758</b>	<b>4,732,323</b>	<b>4,199,817</b>	<b>1,837,622</b>	<b>1,075,273</b>
<b>EXPENDITURES</b>						
Security of Persons and Property	12,883,075	-	7,599,488	-	-	-
Public Health Services	308,039	-	-	-	-	-
Leisure Time Activities	274,077	-	-	-	-	-
Community Environment	1,488,000	-	-	-	-	-
Basic Utility Services	2,165,295	-	-	-	-	-
Transportation	10,784	8,604,572	-	-	-	1,200,985
General Government	4,308,016	-	-	-	-	-
Capital Outlay	203,808	673,173	38,936	-	-	3,175,770
Debt Service:						
Principal Retirement	-	-	-	2,265,000	70,000	-
Interest and Fiscal Charges	-	-	-	1,219,727	301,846	2,322
Debt Issuance Costs	-	-	-	205,660	-	-
<b>Total Expenditures</b>	<b>21,641,094</b>	<b>9,277,745</b>	<b>7,638,424</b>	<b>3,690,387</b>	<b>371,846</b>	<b>4,379,077</b>
Excess of Revenues (Under) Expenditures	<b>13,716,570</b>	<b>(3,679,987)</b>	<b>(2,906,101)</b>	<b>509,430</b>	<b>1,465,776</b>	<b>(3,303,804)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Sale of Capital Assets	33,349	7,800	-	-	-	-
OPWC Loans Issued	-	-	-	-	-	-
Refunding Bonds Issued	-	-	-	7,635,000	-	-
Premium on Debt Issuance	-	-	-	332,458	-	-
Payment to Refunded Bond Escrow Account	-	-	-	(7,778,399)	-	-
Transfers In	-	4,000,000	3,100,000	127,800	151,496	2,600,000
Transfers Out	(15,272,849)	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(15,239,500)</b>	<b>4,007,800</b>	<b>3,100,000</b>	<b>316,859</b>	<b>151,496</b>	<b>2,600,000</b>
Net Change in Fund Balances	<b>(1,522,930)</b>	<b>327,813</b>	<b>193,899</b>	<b>826,289</b>	<b>1,617,272</b>	<b>(703,804)</b>
Fund Balances - Beginning of Year	16,871,346	4,933,611	2,331,557	891,164	(2,130,784)	3,233,568
<b>Fund Balances - End of Year</b>	<b>\$ 15,348,416</b>	<b>\$ 5,261,424</b>	<b>\$ 2,525,456</b>	<b>\$ 1,717,453</b>	<b>\$ (513,512)</b>	<b>\$ 2,529,764</b>

See accompanying notes to the basic financial statements



		<i>Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended December 31, 2015</i>	
Other Governmental Funds	Total Governmental Funds		
\$ 1,501,757	\$ 9,483,617	<b>Net Change in Fund Balances-Total Governmental Funds</b>	\$ 2,890,676
-	34,299,444	<i>Amounts reported for Governmental Activities in the Statement of Activities are different because:</i>	
-	166,683	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 and donations exceeded depreciation in the current period.	
338,386	338,386	Capital outlay	\$ 6,379,419
-	810,366	Infrastructure donations	6,315,368
312,761	2,149,150	Depreciation	<u>(8,429,101)</u>
1,188,234	5,238,151	Total	4,265,686
4,255	85,319	In the Statement of Activities, only the loss on the disposal of capital assets is reported, whereas, in the Governmental Funds, the proceeds from the disposals increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets.	
143,546	1,346,835		(60,946)
67,528	727,321	Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	
4,055,523	5,344,116	Delinquent property taxes	175,188
600	10,060	Municipal income taxes	566,147
-	125,257	Special assessments	(126,521)
34,028	322,370	Intergovernmental	(404,641)
<u>7,646,618</u>	<u>60,447,075</u>	Charges for services	<u>32,272</u>
		Total	242,445
2,793,040	23,275,603	Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows	
326,317	634,356		3,768,691
4,894,901	5,168,978	Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.	
96,455	1,584,455		(4,007,402)
209,056	2,374,351	Repayment of bond principal and the refunding of debt are expenditures in the Governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	
207,254	10,023,595		10,134,272
69,978	4,377,994	Other financing sources in the Governmental funds increase long-term liabilities in the Statement of Net Position. These sources were attributed to the issuance of an OPWC loan and refunding debt.	
2,287,732	6,379,419		(8,143,346)
120,000	2,455,000	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.	
6,000	1,529,895	Compensated absences	411,388
-	205,660	Accrued interest on bonds	14,944
<u>11,010,733</u>	<u>58,009,306</u>	Amortization of bond premiums	244,644
<u>(3,364,115)</u>	<u>2,437,769</u>	Amortization of deferral on refunding	<u>(118,917)</u>
		Total	552,059
46,811	87,960	<b>Change in Net Position of Governmental Activities</b>	<u>\$ 9,642,135</u>
175,888	175,888		
-	7,635,000		
-	332,458		
-	(7,778,399)		
5,445,049	15,424,345		
<u>(151,496)</u>	<u>(15,424,345)</u>		
<u>5,516,252</u>	<u>452,907</u>		
<u>2,152,137</u>	<u>2,890,676</u>		
2,331,922	28,462,384		
<u>\$ 4,484,059</u>	<u>\$ 31,353,060</u>		

**City of Strongsville, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances –  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Municipal Income Taxes	\$ 29,700,000	\$ 30,500,000	\$ 30,450,736	\$ (49,264)
Property Taxes	447,617	443,591	443,591	-
Hotel Taxes	180,000	180,000	168,567	(11,433)
Intergovernmental Revenues	619,444	730,638	733,823	3,185
Charges for Services	1,253,400	1,294,498	1,302,730	8,232
Fees, Licenses, and Permits	614,300	1,193,800	1,201,339	7,539
Fines and Forfeitures	641,500	666,500	655,446	(11,054)
Interest Income	40,000	85,000	87,495	2,495
Contributions and Donations	1,000	3,000	3,000	-
Miscellaneous	616,700	679,300	677,792	(1,508)
<i>Total Revenues</i>	<u>34,113,961</u>	<u>35,776,327</u>	<u>35,724,519</u>	<u>(51,808)</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	13,363,400	13,737,500	13,096,007	641,493
Public Health Services	302,900	372,100	336,078	36,022
Leisure Time Activities	296,600	391,100	341,604	49,496
Community Environment	1,628,000	1,781,100	1,524,415	256,685
Basic Utility Services	2,311,500	2,311,500	2,159,941	151,559
General Government	5,531,300	5,419,200	4,863,103	556,097
<i>Total Expenditures</i>	<u>23,433,700</u>	<u>24,012,500</u>	<u>22,321,148</u>	<u>1,691,352</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	10,680,261	11,763,827	13,403,371	1,639,544
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	26,600	33,500	33,349	(151)
Advances In	1,800,000	3,083,944	2,928,037	(155,907)
Advances Out	-	(300,000)	(300,000)	-
Transfers Out	(11,375,000)	(15,872,900)	(15,872,849)	51
<i>Total Other Financing Sources (Uses)</i>	<u>(9,548,400)</u>	<u>(13,055,456)</u>	<u>(13,211,463)</u>	<u>(156,007)</u>
<i>Net Change in Fund Balance</i>	1,131,861	(1,291,629)	191,908	1,483,537
<i>Fund Balance - Beginning of Year</i>	<u>7,793,512</u>	<u>7,793,512</u>	<u>7,793,512</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u>\$ 8,925,373</u>	<u>\$ 6,501,883</u>	<u>\$ 7,985,420</u>	<u>\$ 1,483,537</u>

See accompanying notes to the basic financial statements

**City of Strongsville, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances –  
 Budget (Non-GAAP Basis) and Actual  
 Street Construction, Maintenance and Repair Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Municipal Income Taxes	\$ 3,500,000	\$ 3,700,000	\$ 3,655,227	\$ (44,773)
Intergovernmental Revenues	1,740,000	1,801,400	1,857,656	56,256
Charges for Services	-	500	300	(200)
Interest Income	8,000	11,000	11,813	813
Miscellaneous	-	74,600	72,868	(1,732)
<i>Total Revenues</i>	<u>5,248,000</u>	<u>5,587,500</u>	<u>5,597,864</u>	<u>10,364</u>
<b>Expenditures:</b>				
Current:				
Transportation	<u>9,640,500</u>	<u>10,172,100</u>	<u>9,457,926</u>	<u>714,174</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(4,392,500)	(4,584,600)	(3,860,062)	724,538
<b>Other Financing Sources</b>				
Sale of Capital Assets	-	8,000	7,800	(200)
Transfers In	<u>3,370,000</u>	<u>4,000,000</u>	<u>4,000,000</u>	<u>-</u>
<i>Total Other Financing Sources</i>	<u>3,370,000</u>	<u>4,008,000</u>	<u>4,007,800</u>	<u>(200)</u>
<i>Net Change in Fund Balance</i>	(1,022,500)	(576,600)	147,738	724,338
<i>Fund Balance - Beginning of Year</i>	<u>3,939,527</u>	<u>3,939,527</u>	<u>3,939,527</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u>\$ 2,917,027</u>	<u>\$ 3,362,927</u>	<u>\$ 4,087,265</u>	<u>\$ 724,338</u>

See accompanying notes to the basic financial statements

**City of Strongsville, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances –*  
*Budget (Non-GAAP Basis) and Actual*  
*Fire Levy Fund*  
*For the Year Ended December 31, 2015*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Property Taxes	\$ 4,125,985	\$ 4,160,337	\$ 4,160,337	\$ -
Intergovernmental Revenues	552,098	563,704	563,556	(148)
Charges for Services	100	100	20	(80)
Fees, Licenses, and Permits	1,800	2,300	1,950	(350)
Contributions and Donations	-	6,500	6,460	(40)
Miscellaneous	500	-	-	-
<i>Total Revenues</i>	<u>4,680,483</u>	<u>4,732,941</u>	<u>4,732,323</u>	<u>(618)</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	<u>8,092,100</u>	<u>8,863,300</u>	<u>7,855,853</u>	<u>1,007,447</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(3,411,617)	(4,130,359)	(3,123,530)	1,006,829
<b>Other Financing Sources</b>				
Transfers In	<u>2,665,000</u>	<u>3,100,000</u>	<u>3,100,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(746,617)	(1,030,359)	(23,530)	1,006,829
<i>Fund Balance - Beginning of Year</i>	<u>2,597,464</u>	<u>2,597,464</u>	<u>2,597,464</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u><u>\$ 1,850,847</u></u>	<u><u>\$ 1,567,105</u></u>	<u><u>\$ 2,573,934</u></u>	<u><u>\$ 1,006,829</u></u>

See accompanying notes to the basic financial statements

**City of Strongsville, Ohio**  
*Statement of Net Position*  
*Proprietary Funds*  
*December 31, 2015*

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Sanitary Sewer Fund</b>	<b>Internal Service Fund</b>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Equity in Pooled Cash and Cash Equivalents	\$ 6,310,611	\$ 1,535,583
Accrued Interest Receivable	9,152	-
Accounts Receivable	2,433,795	-
Prepaid Items	88,581	-
Special Assessments Receivable	1,330,033	-
<i>Total Current Assets</i>	<u>10,172,172</u>	<u>1,535,583</u>
<b>Noncurrent Assets:</b>		
Capital Assets:		
Land	1,508,079	-
Construction in Progress	44,401	-
Depreciable Assets, Net of Depreciation	43,773,828	-
Net Pension Asset	1,581	-
<i>Total Noncurrent Assets</i>	<u>45,327,889</u>	<u>-</u>
<b>Total Assets</b>	<u>55,500,061</u>	<u>1,535,583</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension	143,888	-
<b>Total Deferred Outflows of Resources</b>	<u>143,888</u>	<u>-</u>
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Accounts Payable	30,263	-
Accrued Wages and Benefits	14,150	-
Contracts Payable	8,732	-
Retainage Payable	1,730	-
Intergovernmental Payable	2,152	184,332
Compensated Absences Payable	53,522	-
Claims Payable	-	75,056
OWDA Loans Payable	230,491	-
<i>Total Current Liabilities</i>	<u>341,040</u>	<u>259,388</u>
<b>Noncurrent Liabilities:</b>		
Compensated Absences Payable	244,134	-
Claims Payable	-	1,276,195
OWDA Loans Payable	2,255,754	-
Net Pension Liability	774,136	-
<i>Total Noncurrent Liabilities</i>	<u>3,274,024</u>	<u>1,276,195</u>
<b>Total Liabilities</b>	<u>3,615,064</u>	<u>1,535,583</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension	14,082	-
<b>Total Deferred Inflows of Resources</b>	<u>14,082</u>	<u>-</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	42,840,063	-
Unrestricted	9,174,740	-
<b>Total Net Position</b>	<u>\$ 52,014,803</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements

**City of Strongsville, Ohio**  
*Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Proprietary Funds*  
*For the Year Ended December 31, 2015*

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Sanitary Sewer Fund</b>	<b>Internal Service Fund</b>
<b>OPERATING REVENUES</b>		
Charges for Services	\$ 6,551,618	\$ 338,600
Other Services	174,865	-
<b>Total Operating Revenues</b>	<b>6,726,483</b>	<b>338,600</b>
<b>OPERATING EXPENSES</b>		
Salaries	880,305	-
Fringe Benefits	330,911	-
Materials and Supplies	80,344	-
Utilities	41	-
Contractual Services	3,225,032	200,813
Depreciation	2,261,535	-
Claims	-	137,787
Other	2,322	-
<b>Total Operating Expense</b>	<b>6,780,490</b>	<b>338,600</b>
Operating Income (Loss)	<b>(54,007)</b>	<b>-</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Gain on Sale of Capital Assets	30,000	-
Interest	45,513	-
Interest and Fiscal Charges	(104,593)	-
Intergovernmental	486	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(28,594)</b>	<b>-</b>
Capital Contributions from Special Assessments	314,756	-
Capital Contributions from Developers	1,355,348	-
Capital Contributions from Tap In Fees	314,278	-
Change in Net Position	1,901,781	-
Net Position - Beginning of Year, as Restated	50,113,022	-
<b>Net Position - End of Year</b>	<b>\$ 52,014,803</b>	<b>\$ -</b>

See accompanying notes to the basic financial statements

**City of Strongsville, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
*For the Year Ended December 31, 2015*

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Sanitary Sewer Fund</b>	<b>Internal Service Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Charges for Services	\$ 6,607,844	\$ 338,600
Other Cash Receipts	978	12,069
Cash Payments to Employees for Services	(941,869)	-
Cash Payments for Employee Benefits	(352,656)	-
Cash Payments for Goods and Services	(3,326,043)	(218,946)
Cash Payments for Claims	-	(44,920)
Other Cash Payments	(2,322)	-
Net Cash Provided by Operating Activities	<u>1,985,932</u>	<u>86,803</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Operating Grants Received	<u>24,170</u>	<u>-</u>
Net Cash Provided by Noncapital Financing Activities	<u>24,170</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Capital Contributions from Tap In Fees	314,278	-
Capital Contributions from Special Assessments	121,291	-
Proceeds from Sale of Capital Assets	30,000	-
Principal Paid on Debt	(221,137)	-
Interest Paid on Debt	(104,593)	-
Payments for Capital Acquisitions	(719,839)	-
Net Cash Used for Capital and Related Financing Activities	<u>(580,000)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on Investments	<u>5,687</u>	<u>-</u>
Net Cash Provided by Investing Activities	<u>5,687</u>	<u>-</u>
 Net Increase in Cash and Cash Equivalents	 1,435,789	 86,803
Cash and Cash Equivalents - Beginning of Year	<u>4,874,822</u>	<u>1,448,780</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u><u>\$ 6,310,611</u></u>	<u><u>\$ 1,535,583</u></u>

(Continued)

See accompanying notes to the basic financial statements

**City of Strongsville, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds (continued)*  
*For the Year Ended December 31, 2015*

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Sanitary Sewer Fund</u>	<u>Internal Service Fund</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating Income (Loss)	\$ (54,007)	\$ -
Adjustments:		
Depreciation	2,261,535	-
(Increase) Decrease in Assets:		
Accounts Receivable	(118,639)	-
Prepaid Items	(11,147)	-
Net Pension Asset	(1,150)	
(Increase) in Deferred Outflows of Resources - Pension	(47,333)	
Increase (Decrease) in Liabilities::		
Accounts Payable	(8,501)	-
Accrued Wages	(31,581)	-
Intergovernmental Payable	(4,829)	(6,064)
Claims Payable	-	92,867
Compensated Absences Payable	(29,983)	-
Net Pension Liability	17,485	-
Increase in Deferred Inflow of Resources - Pension	14,082	-
<b>Net Cash Provided by Operating Activities</b>	<u><u>\$ 1,985,932</u></u>	<u><u>\$ 86,803</u></u>

**NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES**

During 2015, the Sanitary Sewer Fund received infrastructure donations from a developer in the amount of \$1,355,348.

See accompanying notes to the basic financial statements



**City of Strongsville, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Fiduciary Funds*  
*December 31, 2015*

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	<b>Agency Funds</b>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 618,193
Cash and Cash Equivalents:	
in Segregated Accounts	<u>62,804</u>
Total Assets	<u><u>\$ 680,997</u></u>
 <b>Liabilities</b>	
Deposits Held and Due to Others	<u>\$ 680,997</u>
Total Liabilities	<u><u>\$ 680,997</u></u>

See accompanying notes to the basic financial statements

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

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

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

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

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. This definition of reporting entity is found in GASB Statement No. 14, *The Financial Reporting Entity* as amended by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and 34*.

The City's primary government consists of all funds, departments, boards, and agencies that are not legally separate from the City. The City provides the following services as authorized by its Charter: police and fire protection, road maintenance and repair, snow removal, traffic signalization, street lighting, storm and sanitary sewers, waste collection and general administrative services. None of these services are provided by legally separate organizations; therefore, these operations are included in the primary government. The operation of each of these activities is directly controlled by Council through the budgetary process.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and 1) the City is able to significantly influence the programs or services performed or provided by the organization; or 2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations which are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. The reporting entity of the City does not include any component units.

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

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

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

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

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

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**A. Basis of Presentation**

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

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

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

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

**B. Fund Accounting**

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

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

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

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

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

*Fire Levy Fund* - This fund is used to account for the proceeds of two voted property tax levies (gross and effective millage are 3.50 and 3.496, respectively, for tax year 2014/collection year 2015) approved for the purpose of providing and maintaining a full-time Fire Department. Transfers from the General Fund are necessary to cover the operating costs in excess of operating revenues.

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

*Pearl Road TIF #1 Fund* - This fund accounts for the receipt of service payments in lieu of taxes (PILOTs) that are legally restricted for the payment of public improvements described in City ordinance. The general area affected by this TIF is Pearl Road between Route 82 and Boston Road and the area along Route 82 between Pearl and Howe Roads.

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

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

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

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

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

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

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

**C. Measurement Focus**

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

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

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

**D. Basis of Accounting**

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

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (see Note 8). Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

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

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes, pension and unavailable revenues. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2015, but which were levied to finance year 2016 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes (\$398,627), income taxes (\$4,768,972), intergovernmental grants (\$1,623,421), special assessments (\$209,915), and charges for services (\$160,529). These amounts are deferred and recognized as inflows of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 12).

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

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

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

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

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

Investments are reported at fair value which is based on quoted market prices. Non-participating contracts such as non-negotiable certificates of deposits are reported at cost.

During 2015, The City's investments were limited to non-negotiable and negotiable certificates of deposits, United States Agency debt securities and money market mutual funds.

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

Following Ohio statutes, the City has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2015 amounted to \$38,702, which includes \$30,351 assigned from other City funds.

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

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

***F. Receivables***

Receivables at December 31, 2015, consist of municipal income taxes, property taxes, other local taxes, amounts due from other governments, accounts (billings for user charged services), and special assessments. All are deemed collectible in full.

***G. Inventory***

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

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

Inventory consists of expendable supplies held for consumption.



**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

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***H. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2015, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

***I. Capital Assets***

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

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

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

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	15-20 years	15-20 years
Buildings	50 years	50 years
Furniture and Fixtures	7-10 years	7-10 years
Machinery and Equipment	5-20 years	5-20 years
Vehicles	3-6 years	3-6 years
Infrastructure	25-50 years	50 years

***J. Interfund Balances***

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "Interfund receivables/payables." Interfund balance amounts are eliminated in the Statement of Net Position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

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***K. Compensated Absences***

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

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

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

***L. Pensions***

For purposes of measuring the net pension liability/(asset), 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.

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

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences, and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and long-term loans are recognized as a liability on the governmental fund financial statements when due.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

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**N. Fund Balance**

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

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

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

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

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

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

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

**O. Net Position**

Net Position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

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The restricted component of net position is reported when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

The government-wide statement of net position reports \$17,214,931 of the restricted component of net position, none of which is restricted by enabling legislation. The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted components of net position are available.

***P. Grants and Intergovernmental Revenues***

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

***Q. Operating Revenues and Expenses***

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

***R. Contributions of Capital***

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

***S. Interfund Activity***

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

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

***T. Extraordinary and Special Items***

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2015.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
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***U. 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.

***V. Budgetary Process***

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during 2015.

***Encumbrances*** - Encumbrances outstanding at year end represent the estimated amount of expenditures that will ultimately result if unperformed contracts in process (for example, purchase orders and contracted services) are completed. Encumbrances outstanding at year end are reported as part of restricted, committed, or assigned fund balance for subsequent year expenditures in the governmental funds. The City had no outstanding encumbrances at December 31, 2015.

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

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

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
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**Note 3 – Changes in Accounting Principles and Restatement of Net Position**

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

	Governmental Activities	Business Type Activities
Net Position as of December 31, 2014	\$ 170,882,117	\$ 50,772,687
Adjustments:		
Net Pension Liability	(37,693,972)	(756,651)
Net Pension Asset	5,462	431
Deferred Outflow - Payments Subsequent to Measurement Date	3,645,735	96,555
Restated Net Position December 31, 2014	<u>\$ 136,839,342</u>	<u>\$ 50,113,022</u>

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

**Note 4 – Accountability**

Fund balances at December 31, 2015 included the following individual fund deficits:

	Deficit
Major Governmental Fund:	
Pearl Road TIF #1	\$ 513,512
Total Major Governmental Funds	<u>513,512</u>
Nonmajor Governmental Funds:	
Westwood Commons TIF	28,217
Total Nonmajor Governmental Funds	<u>28,217</u>
Total Governmental Funds:	<u>\$ 541,729</u>

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

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

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**Note 5 – Budgetary Basis of Accounting**

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

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

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

	General	Street Construction, Maintenance and Repair	Fire Levy
Net Change in Fund Balance - GAAP Basis	\$ (1,522,930)	\$ 327,813	\$ 193,899
Net Adjustment			
Revenue Accruals	3,904,348	106	-
Expenditure Accruals	(1,724,121)	(180,181)	(217,429)
Funds with Separate Legally Adopted Budgets	(465,389)	-	-
Net Change in Fund Balance - Budgetary Basis	<u>\$ 191,908</u>	<u>\$ 147,738</u>	<u>\$ (23,530)</u>

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
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**Note 6 – Fund Balance**

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

Fund Balances	General	Street Construction, Maintenance & Repair	Fire Levy	General Bond Retirement	Pearl Road TIF #1	General Capital Improvement	Other Governmental Funds	Total Governmental Funds
<i>Nonspendable</i>								
Prepaid Items	\$ 74,602	\$ 39,286	\$ 54,296	\$ -	\$ -	\$ -	\$ 72,498	\$ 240,682
Inventories	34,211	524,180	-	-	-	-	-	558,391
<i>Total Nonspendable</i>	<u>108,813</u>	<u>563,466</u>	<u>54,296</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,498</u>	<u>799,073</u>
<i>Restricted for</i>								
Police Pension	-	-	-	-	-	-	182,589	182,589
Fire Pension	-	-	-	-	-	-	117,798	117,798
Fire Services	-	-	2,471,160	-	-	-	-	2,471,160
Other Law Enforcement	-	-	-	-	-	-	89,367	89,367
Streets and Highways	-	4,697,958	-	-	-	-	788,631	5,486,589
Clerk of Court Computerization	-	-	-	-	-	-	165,648	165,648
Drainage Levy	-	-	-	-	-	-	150,965	150,965
General Bond Retirement	-	-	-	1,717,453	-	-	-	1,717,453
Royalton Road TIF	-	-	-	-	-	-	74,974	74,974
Pearl Road TIF #2	-	-	-	-	-	-	64,792	64,792
Pearl Road TIF #3	-	-	-	-	-	-	111,152	111,152
Capital Improvements	-	-	-	-	-	2,529,764	-	2,529,764
<i>Total Restricted</i>	<u>-</u>	<u>4,697,958</u>	<u>2,471,160</u>	<u>1,717,453</u>	<u>-</u>	<u>2,529,764</u>	<u>1,745,916</u>	<u>13,162,251</u>
<i>Committed to</i>								
Termination Benefits	2,648,793	-	-	-	-	-	-	2,648,793
Emergency Vehicles	-	-	-	-	-	-	1,670,132	1,670,132
Mulit-Purpose Complex	-	-	-	-	-	-	96,546	96,546
Tree Maintenance	-	-	-	-	-	-	229,029	229,029
Recreation Capital Impr.	-	-	-	-	-	-	698,155	698,155
<i>Total Committed</i>	<u>2,648,793</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,693,862</u>	<u>5,342,655</u>
<i>Assigned to</i>								
Subsequent year Appropriations	111,677	-	-	-	-	-	-	111,677
<i>Total Assigned</i>	<u>111,677</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>111,677</u>
<i>Unassigned (Deficit)</i>	<u>12,479,133</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(513,512)</u>	<u>-</u>	<u>(28,217)</u>	<u>11,937,404</u>
<i>Total Fund Balances</i>	<u>\$ 15,348,416</u>	<u>\$ 5,261,424</u>	<u>\$ 2,525,456</u>	<u>\$ 1,717,453</u>	<u>\$ (513,512)</u>	<u>\$ 2,529,764</u>	<u>\$ 4,484,059</u>	<u>\$ 31,353,060</u>



**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
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**Note 7 - Deposits and Investments**

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

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories.

Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts. Interim monies may be deposited or invested in the following securities:

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

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
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The City may also invest any monies not required to be used for a period of 6 months or more in the following:

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

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

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

**Cash on Hand**

At December 31, 2015, the City had \$9,477 in undeposited cash on hand, which is included on the balance sheet of the City as part of "Equity in Pooled Cash and Cash Equivalents."

**Deposits**

At December 31, 2015, the carrying amount of the City's deposits was \$19,805,556 (including \$13,000,000 in certificates of deposit and \$62,804 in cash in segregated accounts of the court). Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of December 31, 2015, \$13,128,703 of the City's bank balance of \$20,250,266 was covered by Federal Depository Insurance and \$7,121,563 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

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

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
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**Investments**

The City has a formal investment policy. The City follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all its investments at fair value. As of December 31, 2015, fair value was \$99,860 below the City's net cost for investments. Fair value is determined by quoted market prices and acceptable other pricing methodologies.

**Interest Rate Risk**

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

**Credit Risk**

The City has no investment policy that would further limit its investment choices other than the limitations imposed by the Ohio Revised Code. See the table below for the credit ratings of the City's investments provided by Standard and Poor's.

**Custodial Credit Risk**

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

**Concentration of Credit Risk**

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

As of December 31, 2015, the City had the following investments and investment maturities:

<u>Investment Type</u>	<u>Fair- Value</u>	<u>Credit Rating (*)</u>	<u>Investment Maturities (in Years)</u>		
			<u>&lt;1</u>	<u>1-3</u>	<u>3-5</u>
U.S. Agencies Debt Securities	\$ 11,168,013	AA+	\$ -	\$ 2,986,315	\$ 8,181,698
Money Market Mutual Fund	47,074	N/A	47,074	-	
Negotiable Certificate of Deposits	4,688,236	N/A	-	2,720,317	1,967,919
<b>Total Investments</b>	<b>\$ 15,903,323</b>		<b>\$ 47,074</b>	<b>\$ 5,706,632</b>	<b>\$ 10,149,617</b>

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

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

The following is a reconciliation of cash and investments as reported in the note above to cash and investments reported on the statement of net position as of December 31, 2015.

<b><u>Cash and Investments per Note</u></b>	
Investments	\$15,903,323
Carrying Amount of Deposits	19,805,556
Cash on Hand	<u>9,477</u>
<b>Total Cash and Investments per Note</b>	<b><u>\$35,718,356</u></b>
 <b><u>Cash and Investments per Statements</u></b>	
Governmental Activities	\$28,726,748
Business-Type Activities	6,310,611
Agency Funds	<u>680,997</u>
<b>Total Cash and Investments per Statements</b>	<b><u>\$35,718,356</u></b>

**Note 8 - Receivables**

Receivables at December 31, 2015, consisted primarily of municipal income taxes, property and other local taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, and accounts (billing for utility services). No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant.

**Property Taxes**

Property taxes include amounts levied against all real and public utility property, and tangible personal (used in business) property located in the City. Taxes collected on real property (other than public utility) in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values for real property are established by State law at 35 percent of appraised market value. All property is required to be reevaluated every six years. The latest update was completed in 2015 with the next reappraisal being scheduled in 2018. Public utility real and tangible personal property tax collected in one calendar year is levied in the preceding calendar year on assessed values determined as of December 31 of the year preceding the tax collection year, the lien date. Public utility tangible personal property currently is assessed by varying percentages of true value; public utility real property taxes are assessed at 35 percent of true value. 2015 public utility property taxes which became a lien at December 31, 2014, are levied after October 1, 2015, and are collected in 2016 with real property taxes.

The 2014 assessed value upon which the 2015 tax receipts were based on was \$1,414,683,340. The full tax rate for all City operations applied to taxable property for the year ended December 31, 2014, was \$9.8 per \$1,000 of assessed valuation.

Real and public utility property taxes are payable annually or semi-annually. If paid annually, payment is due December 31. If paid semi-annually, the first payment is due December 31, with the remainder payable by June 30. Under certain circumstances, State Statute permits earlier or later payment dates to be established.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

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

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

**Municipal Income Taxes**

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

The City utilizes the Regional Income Tax Agency (RITA) to collect and administer its local income tax. Employers within the City are required to withhold income tax on employee earnings and remit the tax to RITA at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. The tax is collected by RITA and remitted to the City on the 1<sup>st</sup> and 10<sup>th</sup> business days of each month.

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

**Special Assessments**

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

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

The City's assessments include sidewalk repair, sewer maintenance, sewer rehabilitation, paving and curbing, and water main tap-ins which are billed and collected by the County Fiscal Officer.

The County Fiscal Officer periodically remits these collections to the City. Special assessments collected in one calendar year are levied and certified in the preceding calendar year. Since all assessment collections are remitted to the City outside of the available period, the entire amount has been deferred on the fund financial statements.

At December 31, 2015, governmental and business-type activities reported special assessments receivable in the amounts of \$209,915 and \$1,330,033, respectively. Of these amounts reported, delinquent special assessments for governmental and business-type activities are \$120 and \$7,442, respectively.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

**Intergovernmental Receivables**

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
<b>Governmental Activities:</b>	
Local Government	\$ 262,749
Homestead and Rollback	595,712
Gasoline Tax	768,034
Auto Registration	169,052
Public Utility Reimb. and Commercial Activity Tax	117,786
Payment in Lieu of Taxes	1,413,124
Other	306,250
<i>Total Governmental Activities Intergovernmental Receivables</i>	<u><u>\$ 3,632,707</u></u>

**Payments in Lieu of Taxes**

In accordance with State law, the City has established six tax incremental financing districts within the City, under which the City has granted property tax exemptions and agreed to construct certain infrastructure improvements. The property owners have agreed to make payments to the City to help pay the costs of the infrastructure improvements. The amount of those payments would generally reflect all or a portion of the property taxes which the property owners would have paid if the property had not been declared exempt. The property owners' contractual promise to make these payments in lieu of taxes generally continues until the cost of the improvement has been paid or the agreement expires, whichever comes first.

**Note 9 – Interfund Balances and Transfers**

As of the year ended December 31, 2015, interfund balances are as follows:

	<u>Receivable</u>	<u>Payable</u>
Governmental Activities:		
<u>General</u>	\$ 155,907	\$ -
<u>Capital Projects Fund:</u>		
Pearl Road Capital Improvement	-	155,907
Total	<u><u>\$155,907</u></u>	<u><u>\$155,907</u></u>

The amount payable to the General Fund relates to a working capital loan made to the Pearl Road Capital Improvement Fund. This loan will be repaid in 2016.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

Transfers made during the year ended December 31, 2015 were as follows:

	<b>TRANSFERS OUT</b>				
	Governmental Activities				
	Major Funds			Nonmajor Fund	Total
	General	General Bond Retirement	Pearl Road TIF #1	Royalton Road TIF	
<b>TRANSFERS IN</b>					
Governmental Activities					
<u>Major Funds:</u>					
Street Construction, Maintenance and Repair	\$ 4,000,000	\$ -	\$ -	\$ -	\$ 4,000,000
Fire Levy	3,100,000	-	-	-	3,100,000
General Bond Retirement	127,800	-	-	-	127,800
Pearl Road TIF #1	-	-	-	151,496	151,496
General Capital Improvement	2,600,000	-	-	-	2,600,000
<u>Nonmajor Funds:</u>					
Police Pension	875,000	-	-	-	875,000
Fire Pension	935,000	-	-	-	935,000
Drainage Levy	300,000	-	-	-	300,000
Multi-Purpose Complex	2,125,000	-	-	-	2,125,000
Recreation Capital Improvement	900,000	-	-	-	900,000
Pearl Road Capital Improvement	310,049	-	-	-	310,049
Total Governmental Activities	<u>\$ 15,272,849</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 151,496</u>	<u>\$ 15,424,345</u>

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

During 2015, GAAP transfers were required to reflect the pay down of Bond Anticipation Notes in the amount of \$150,000 and related interest of \$1,496. These transfers were necessary to record the retirement in the proper governmental funds.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

**Note 10 - Capital Assets**

Capital asset activity for the year ended December 31, 2015, was as follows:

	Balance 1/1/2015	Additions	Deletions	Balance 12/31/15
<b>Governmental Activities</b>				
<b><i>Capital Assets, Not Being Depreciated:</i></b>				
Land	\$ 11,584,462	\$ -	\$ -	\$ 11,584,462
Construction in Progress	8,648,648	1,691,048	(9,083,746)	1,255,950
<b><i>Total Capital Assets, Not Being Depreciated</i></b>	<b><u>20,233,110</u></b>	<b><u>1,691,048</u></b>	<b><u>(9,083,746)</u></b>	<b><u>12,840,412</u></b>
<b><i>Capital Assets, Being Depreciated:</i></b>				
Buildings	52,311,680	447,480	-	52,759,160
Land Improvements	3,218,352	113,012	-	3,331,364
Machinery and Equipment	3,313,217	195,148	-	3,508,365
Furniture and Fixtures	952,169	-	-	952,169
Vehicles	13,364,882	1,454,710	(840,997)	13,978,595
Infrastructure:				
Streets	167,394,663	6,718,299	-	174,112,962
Bridges	203,000	-	-	203,000
Storm Sewers	88,940,252	10,171,031	-	99,111,283
Sidewalks	8,520,104	370,476	-	8,890,580
Traffic Signalization	5,825,719	617,329	-	6,443,048
<b><i>Total Capital Assets, Being Depreciated</i></b>	<b><u>344,044,038</u></b>	<b><u>20,087,485</u></b>	<b><u>(840,997)</u></b>	<b><u>363,290,526</u></b>
Less Accumulated Depreciation:				
Buildings	(11,253,278)	(994,596)	-	(12,247,874)
Land Improvements	(1,435,951)	(143,282)	-	(1,579,233)
Machinery and Equipment	(2,295,538)	(257,512)	-	(2,553,050)
Furniture and Fixtures	(684,923)	(63,280)	-	(748,203)
Vehicles	(10,151,477)	(915,724)	780,051	(10,287,150)
Infrastructure:				
Streets	(102,156,290)	(3,905,498)	-	(106,061,788)
Bridges	(23,163)	(7,714)	-	(30,877)
Storm Sewers	(39,961,438)	(1,700,219)	-	(41,661,657)
Sidewalks	(5,700,126)	(219,320)	-	(5,919,446)
Traffic Signalization	(2,272,935)	(221,956)	-	(2,494,891)
<b><i>Total Accumulated Depreciation</i></b>	<b><u>(175,935,119)</u></b>	<b><u>(8,429,101) *</u></b>	<b><u>780,051</u></b>	<b><u>(183,584,169)</u></b>
Total Capital Assets, Being Depreciated, Net	<u>168,108,919</u>	<u>11,658,384</u>	<u>(60,946)</u>	<u>179,706,357</u>
<b>Governmental Activities Capital Assets, Net</b>	<b><u>\$ 188,342,029</u></b>	<b><u>\$ 13,349,432</u></b>	<b><u>\$ (9,144,692)</u></b>	<b><u>\$ 192,546,769</u></b>



**City of Strongsville, Ohio**  
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\* Depreciation expense was charged to governmental functions as follows:

Governmental Activities				
Security of Persons and Property	\$1,117,117			
Leisure Time Activities	662,298			
Transportation	6,494,891			
General Government	154,795			
Total Depreciation Expense	<u>\$8,429,101</u>			

	Balance 1/1/2015	Additions	Deletions	Balance 12/31/15
<b>Business-Type Activities</b>				
<b><i>Capital Assets, Not Being Depreciated:</i></b>				
Land	\$ 1,508,079	\$ -	\$ -	\$ 1,508,079
Construction in Progress	13,750	30,651	-	44,401
<i>Total Capital Assets, Not Being Depreciated</i>	<u>1,521,829</u>	<u>30,651</u>	<u>-</u>	<u>1,552,480</u>
<b><i>Capital Assets, Being Depreciated:</i></b>				
Buildings	9,910,501	-	-	9,910,501
Land Improvements	3,852,402	40,775	-	3,893,177
Machinery and Equipment	9,426,617	319,553	-	9,746,170
Furniture and Fixtures	19,748	-	-	19,748
Vehicles	1,858,326	325,572	-	2,183,898
Infrastructure:				
Sanitary Sewers	100,398,590	1,355,348	-	101,753,938
<i>Total Capital Assets, Being Depreciated</i>	<u>125,466,184</u>	<u>2,041,248</u>	<u>-</u>	<u>127,507,432</u>
Less Accumulated Depreciation:				
Buildings	(5,667,401)	(174,743)	-	(5,842,144)
Land Improvements	(3,624,398)	(3,177)	-	(3,627,575)
Machinery and Equipment	(8,149,378)	(154,316)	-	(8,303,694)
Furniture and Fixtures	(18,762)	-	-	(18,762)
Vehicles	(1,360,677)	(110,670)	-	(1,471,347)
Infrastructure:				
Sanitary Sewers	(62,651,453)	(1,818,629)	-	(64,470,082)
<i>Total Accumulated Depreciation</i>	<u>(81,472,069)</u>	<u>(2,261,535)</u>	<u>-</u>	<u>(83,733,604)</u>
Total Capital Assets, Being Depreciated, Net	<u>43,994,115</u>	<u>(220,287)</u>	<u>-</u>	<u>43,773,828</u>
<b>Business-Type Activities Capital Assets, Net</b>	<u>\$ 45,515,944</u>	<u>\$ (189,636)</u>	<u>\$ -</u>	<u>\$ 45,326,308</u>

**City of Strongsville, Ohio**  
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**Note 11 – Risk Management**

**Commercial Insurance**

The City maintains comprehensive insurance coverage with private carriers for real property, building contents, vehicles, and general liability risks including public officials' liability.

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2015, the City contracted with The Fedeli Group to manage its insurance coverage through Travelers Insurance Companies as follows:

Type of Coverage	Coverage Limits		Deductible
	Per Occurrence	Aggregate	
Commercial and Personal Property Coverage			
(Includes Boiler and Machinery Coverage)	\$109,867,574		\$5,000
Ancillary Equipment (Rented)	\$150,000		\$1,000
Earthquake Damage	\$1,000,000		\$50,000
Flood Damage	\$1,000,000		\$50,000/\$100,000
Inland Marine	\$3,069,812		\$1,000
Crime Coverage			
Theft, Disappearance and Destruction	\$25,000		\$1,000
Employee Dishonesty	\$100,000		\$1,000
Forgery and Alteration	\$25,000		\$1,000
Computer Fraud	\$100,000		\$1,000
Comprehensive General Liability	\$1,000,000	\$2,000,000	\$0
Employee Benefits Liability	\$1,000,000	\$3,000,000	\$1,000
Stop Gap	\$1,000,000		\$0
Public Officials Liability	\$1,000,000	\$1,000,000	\$25,000
Police Professional Liability	\$1,000,000	\$1,000,000	\$25,000
Employment Practices Liability	\$1,000,000	\$1,000,000	\$25,000
Property Liability	\$1,000,000	\$2,000,000	\$0
Pesticide/Herbicide Liability	\$1,000,000	\$2,000,000	\$0
Cemetery Professional Liability	\$1,000,000	\$2,000,000	\$0
EMT/Paramedic Malpractice Liability	\$1,000,000	\$2,000,000	\$0
Sewer Liability	\$1,000,000	\$2,000,000	\$0
Certified Acts of Terrorism	Included		\$0
Automobile Liability and Physical Damage Coverage	\$1,000,000		\$0
Auto Liability Comprehensive			
Fire Vehicles	Agreed Value		\$1,000/\$2,000
Other Vehicles	Actual Cash Value		\$1,000/\$2,000
Auto Liability Collision			
Fire Vehicles	Agreed Value		\$1,000/\$2,000
Other Vehicles	Actual Cash Value		\$1,000/\$2,000
Hired Vehicle Rentals	Actual Cash Value		\$1,000
Miscellaneous			
Umbrella Coverage	\$10,000,000		\$10,000
Cyber Liability	\$1,000,000		\$10,000

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
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The City also carries flood insurance through the National Flood Insurance Plan (NFIP). A portion of the City has been mapped and designated an “A” area (an area close to a river, lake, or stream) by the Federal Emergency Management Agency, and thus the City is eligible to purchase coverage of \$500,000 for both Building and Contents with a \$1,250 deductible.

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

**Workers’ Compensation**

The City has established a formal self-insurance program for liabilities arising from the City’s participation in the Ohio Bureau of Workers’ Compensation Individual Retrospective Rating Plan that covers workers’ compensation claims occurring between January 1, 2006 to December 31, 2014. In 2015, the City chose to be a state funded risk, paid a premium of \$184,332 and transferred all risk to the Ohio Bureau of Workers’ Compensation for calendar year 2015. The City made the change because the premium of \$184,332 was one half of what it would have been because the Bureau offered a fifty percent transition credit as they are transitioning to prospective billing. This exposure is accounted for in the Workers Compensation Reserve Internal Service Fund, which is responsible for collecting interfund premiums from other City funds and departments, and paying claim settlements.

The claims liability of \$1,351,251 reported in the fund at December 31, 2015, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claim, be reported. The estimate was not affected by incremental claims adjustment expense and does not include other allocated or unallocated claims adjustment expense. Changes in the fund’s claims liability amount in 2014 and 2015 were as follows:

	Balance at Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Balance at End of Year
2014	\$ 1,067,597	\$ 231,955	\$ 41,168	\$ 1,258,384
2015	1,258,384	137,787	44,920	1,351,251

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
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**Note 12 – Defined Benefit Pension Plans**

***Net Pension Liability***

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

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

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

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

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

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

Plan Description - City employees, 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.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
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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 member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS' CAFR referenced above for additional information):

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

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

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

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

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

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
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	State and Local
<b>2015 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee	10.0 %
<b>2015 Actual Contribution Rates</b>	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	2.0
	<hr/>
Total Employer	<hr/> 14.0 % <hr/>
Employee	<hr/> 10.0 % <hr/>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contributions was \$1,402,168 for 2015.

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

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

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

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

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

Under normal service retirement, retired members who are at least 55 years old and have been receiving OPF benefits for at least one year may be eligible for a cost-of-living allowance adjustment.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
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The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

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

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

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

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$2,469,009 for 2015.

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

The net pension liability and asset for OPERS was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2014, and was determined by rolling forward the total pension liability as of January 1, 2014, to December 31, 2014. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities.

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Following is information related to the proportionate share:

	OPERS Traditional Pension Plan	OPERS Combined Pension Plan	OPF Police	OPF Fire	Total
Proportionate Share of the Net Pension Liability/(Asset)	\$10,591,350	(\$21,623)	\$14,291,279	\$ 15,596,308	\$40,457,314
Proportion of the Net Pension Liability/Asset	0.087814%	0.05616%	0.2758712%	0.3010628%	
Pension Expense	1,156,370	14,368	1,394,390	1,527,844	4,092,972

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

	OPERS	OPF Police	OPF Fire	Total
<b>Deferred Outflows of Resources</b>				
Differences between expected and actual experience	\$566,442	\$615,941	\$672,186	\$1,854,569
City contributions subsequent to the measurement date	1,402,168	1,168,468	1,300,541	3,871,177
Total Deferred Outflows of Resources	<u>\$1,968,610</u>	<u>\$1,784,409</u>	<u>\$1,972,727</u>	<u>\$5,725,746</u>
<b>Deferred Inflows of Resources</b>				
Net difference between projected and actual earnings on pension plan investments	<u>\$192,667</u>	<u>\$0</u>	<u>\$0</u>	<u>\$192,667</u>

\$3,871,177 reported as deferred outflows of resources related to pension resulting from City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS	OPF Police	OPF Fire	Total
2016	\$54,973	\$153,985	\$168,047	\$377,005
2017	54,973	153,985	168,047	\$377,005
2018	126,463	153,985	168,047	\$448,495
2019	140,826	153,986	168,045	\$462,857
2020	(785)	0	0	(785)
Thereafter	<u>(2,675)</u>	<u>0</u>	<u>0</u>	<u>(2,675)</u>
Total	<u>\$373,775</u>	<u>\$615,941</u>	<u>\$672,186</u>	<u>\$1,661,902</u>



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**Actuarial Assumptions - OPERS**

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

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

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

The total pension asset in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 to 8.05 percent including wage inflation
COLA or Ad Hoc COLA	3 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.

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Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 6.95 percent for 2014.

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

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	19.90	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	19.10	7.40
Other investments	18.00	4.59
Total	100.00 %	5.28 %

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

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 8 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (7 percent) or one-percentage-point higher (9 percent) than the current rate:

City's proportionate share of the net pension liability/(asset)	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Traditional Pension Plan	\$19,485,048	\$10,591,350	\$3,100,712
Combined Plan	\$2,808	(\$21,623)	(\$40,997)

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***Actuarial Assumptions – OPF***

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

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

Valuation Date	January 1, 2014
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent

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

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

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

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

\* levered 2x

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

**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	\$41,339,054	\$29,887,587	\$20,191,676

**City of Strongsville, Ohio**  
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**Note 13 – Post-Employment Benefits**

**Ohio Public Employees Retirement System**

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

OPERS maintains two cost-sharing multiple-employer defined benefit post-employment health care trusts, which fund multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursement, 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 post-employment health care coverage, age and service retirees under the Traditional Pension and Combined Plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45. Please see the Plan Statement in the OPERS 2014 CAFR for details.

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 in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting [www.opers.org/investments/cafr.shtml](http://www.opers.org/investments/cafr.shtml), by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling (614) 222-5601 or (800) 222-7377.

*Funding Policy* - The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care coverage. Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2015, State and Local employers contributed at a rate of 14.00 percent of earnable salary and Public Safety and Law Enforcement employers contributed at 18.10 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

OPERS maintains three health care trusts. The two cost-sharing, multiple-employer trusts, the 401(h) Health Care Trust and the 115 Health Care trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined Plans. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.00 percent during calendar year 2015. As recommended by the OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 remained at 2.00 percent for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA participants in the Member-

**City of Strongsville, Ohio**  
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Directed Plan for 2015 was 4.50 percent. The City's actual employer contributions for December 31, 2015, 2014 and 2013 which were used to fund post-employment benefits were \$236,898, \$222,065, and \$106,461, respectively; 100 percent has been contributed for 2015, 2014 and 2013.

**Ohio Police and Fire Pension Fund**

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

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

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

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

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 Trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was 0.50 percent of covered payroll from January 1, 2015 thru December 31, 2015. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of the Sections 115 and 401(h).

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

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The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$30,653 and \$27,582 for the year ended December 31, 2015, \$30,396 and \$26,796 for the year ended December 31, 2014, and \$215,635 and \$182,984 for the year ended December 31, 2013, respectively. The full amount has been contributed for 2015, 2014 and 2013.

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

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

	Balance 1/1/2015	Additions	Deletions	Balance 12/31/2015
<b>Governmental Activities:</b>				
<i>Various Purpose Improvement Notes, Series 2014</i>				
2010 Street Improvements - 1.00%, 10/15/2015 - 4th Renewal	\$ 1,000,000	\$ -	\$ (1,000,000)	\$ -
2013 Street Improvements - 1.00%, 10/15/2015 - 2nd Renewal	1,300,000	-	(1,300,000)	-
<i>Library Refunding Notes, Series 2014</i>				
2011 Library - 1.50%, 10/15/2015 - 3rd Renewal	650,000	-	(650,000)	-
<i>Various Purpose Improvement Notes, Series 2015</i>				
2013 Street Improvements - 1.375%, 10/13/2016 - 3rd Renewal	-	1,000,000	-	1,000,000
2015 Street Improvements - 1.375%, 10/13/2016 - New	-	800,000	-	800,000
Unamortized Premiums on Notes	21,206	18,324	(25,085)	14,445
<b>Total Governmental Activities</b>	<u>\$ 2,971,206</u>	<u>\$ 1,818,324</u>	<u>\$ (2,975,085)</u>	<u>\$ 1,814,445</u>

In 2015, the City issued \$1,800,000 in Various Purpose Improvement Notes. Note proceeds of \$1,000,000 were used to retire the 2013 Street Improvement Notes that matured in 2015. New notes in the amount of \$800,000 were issued in 2015 for the 2015 street program. These notes will mature on October 13, 2016. The original proceeds the 2013 Street Improvement Note was not used for capital related activities. The proceeds from the 2015 Street Improvement Note will be used for capital related activities. As of December 31, 2015, the City has unspent proceeds of \$126,205.

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

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

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

	Original Issuance Date	Maturity Date	Interest Rate	Original Issuance Amount
<b>Governmental Activities:</b>				
<u>General Obligation Bonds</u>				
<i>Various Purpose Improvements, Series 2005:</i>				
Service Department Vehicles/Equipment	6/29/2005	12/1/2010	3.000 - 3.200%	\$ 790,000
Aerial Platform Fire Truck	6/29/2005	12/1/2015	3.000 - 5.000%	835,000
Street Improvements	6/29/2005	12/1/2015	3.000 - 5.000%	1,305,000
Foltz Industrial Parkway Extension	6/29/2005	12/1/2025	3.000 - 5.000%	1,285,000
Royalton Road Improvements	6/29/2005	12/1/2025	3.000 - 5.000%	2,470,000
<i>Total Various Purpose Improvements, Series 2005</i>				<u>6,685,000</u>
<i>Various Purpose Improvements, Series 2006:</i>				
Service Department Vehicles/Equipment	9/14/2006	12/1/2011	3.75%	755,000
Technology Project	9/14/2006	12/1/2016	3.750 - 4.000%	860,000
Safety System (911 Equipment and Generator)	9/14/2006	12/1/2016	3.750 - 4.000%	575,000
Police/City Hall	9/14/2006	12/1/2026	3.750 - 5.125%	550,000
Municipal Service Center	9/14/2006	12/1/2026	3.750 - 5.125%	1,000,000
New Fire Station Ward 4	9/14/2006	12/1/2026	3.750 - 5.125%	8,000,000
<i>Total Various Purpose Improvements, Series 2006</i>				<u>11,740,000</u>
<i>Various Purpose Improvements, Series 2009-01:</i>				
Street Improvement Refunding	5/13/2009	12/1/2009	2.50%	460,000
Police Station, Jail, and Mayor's Court	5/13/2009	12/1/2034	2.250 - 5.000%	13,000,000
Intersection of Drake & Howe Roads	5/13/2009	12/1/2029	2.250 - 5.000%	1,550,000
Recreation Land Acquisition (Lunn Road)	5/13/2009	12/1/2029	2.250 - 5.000%	1,455,000
Intersection of Royalton Road and W. 130th	5/13/2009	12/1/2029	2.250 - 5.000%	445,000
<i>Total Various Purpose Improvements, Series 2009-01</i>				<u>16,910,000</u>
<i>Various Purpose Improvements, Series 2009-02:</i>				
Street Improvements (Pearl Road Widening)	12/8/2009	12/1/2029	1.500 - 5.000%	7,000,000
<i>Various Purpose Refundings, Series 2011:</i>				
Multi-Purpose Complex	9/6/2011	12/1/2021	2.000 - 4.000%	8,300,000
Police & Fire Communications Equipment	9/6/2011	12/1/2016	2.00%	485,000
Service Center Complex Renovations	9/6/2011	12/1/2021	2.000 - 4.000%	365,000
Fire Station #3	9/6/2011	12/1/2021	2.000 - 4.000%	1,585,000
<i>Total Various Purpose Refundings, Series 2011</i>				<u>10,735,000</u>



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	Original Issuance Date	Maturity Date	Interest Rate	Original Issuance Amount
<b>Governmental Activities:</b>				
<u>General Obligation Bonds</u> (Continued)				
<i>Various Purpose Refundings, Series 2014:</i>				
Foltz Industrial Parkway Extension (refunded series 2005)	4/1/2014	12/1/2025	1.500 - 3.000%	\$ 1,095,000
Royalton Road Improvements (refunded series 2005)	4/1/2014	12/1/2025	1.500 - 3.000%	2,150,000
Police/City Hall (refunded series 2006)	4/1/2014	12/1/2026	1.500 - 3.000%	305,000
Municipal Service Center (refunded series 2006)	4/1/2014	12/1/2026	1.500 - 3.000%	545,000
New Fire Station Ward 4 (refunded series 2006)	4/1/2014	12/1/2026	1.500 - 3.000%	5,390,000
<i>Total Various Purpose Refundings, Series 2014</i>				9,485,000
<i>Various Purpose Improvement Refundings, Series 2015:</i>				
Police/City Hall (refunded series 2006)	10/22/2015	12/1/2023	1.500 - 2.125%	80,000
Municipal Service Center (refunded series 2006)	10/22/2015	12/1/2023	1.500 - 2.125%	165,000
New Fire Station Ward 4 (refunded series 2006)	10/22/2015	12/1/2023	1.500 - 2.125%	2,250,000
Police Station, Jail, and Mayor's Court (refunded series 2009)	10/22/2015	12/1/2026	1.500 - 3.000%	3,705,000
Intersection of Drake & Howe Roads (refunded series 2009)	10/22/2015	12/1/2026	1.500 - 3.000%	605,000
Recreation Land Acquisition (Lunn Road) (refunded series 2009)	10/22/2015	12/1/2026	1.500 - 3.000%	660,000
Intersection of Royalton Road and W. 130th (refunded series 2009)	10/22/2015	12/1/2026	1.500 - 3.000%	170,000
<i>Total Various Purpose Refundings, Series 2015</i>				7,635,000
<u>Special Assessment Bonds</u>				
<i>Various Purpose Improvements, Series 1996:</i>				
Drake Road	8/15/1996	12/1/2016	4.000 - 6.700%	35,000
Lunn Road	8/15/1996	12/1/2016	4.000 - 6.700%	488,000
Howe and Royalton Roads	8/15/1996	12/1/2016	4.000 - 6.700%	732,000
<i>Total Various Purpose Improvements, Series 1996:</i>				1,255,000
<i>Street Improvements, Series 1998:</i>				
Foltz Parkway	8/15/1998	12/1/2018	4.550 - 5.500%	305,000
<u>Ohio Public Works Commission (OPWC) Loans</u>				
Pearl Road Widening - Phase II	7/1/2013	1/1/2036	0%	2,172,730
<b>Business-Type Activities:</b>				
<u>Ohio Water Development Authority (OWDA) Loans</u>				
Westwood Park Sanitary Sewer	6/27/2002	7/1/2022	4.700%	948,523
Force Main, Pump Station and Sanitary Sewers	1/30/2003	7/1/2023	4.400%	2,259,707
Sewer Construction	5/27/2010	7/1/2030	3.390%	544,038
Drake Road East Sanitary Extension	12/9/2010	7/1/2032	2.870%	655,678
				4,407,946

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Changes in the long-term obligations of the City during 2015 were as follows:

	Restated Balance 1/1/2015	Additions	Deletions	Balance 12/31/2015	Amounts Due in One Year
<b>Governmental Activities:</b>					
<u>General Obligation Bonds</u>					
<i>Various Purpose Improvements, Series 2005:</i>					
Aerial Platform Fire Truck	\$ 120,000	\$ -	\$ (120,000)	\$ -	\$ -
Street Improvements	180,000	-	(180,000)	-	-
Foltz Industrial Parkway Extension	55,000	-	(55,000)	-	-
Royalton Road Improvements	100,000	-	(100,000)	-	-
<i>Total Various Purpose Improvements, Series 2005</i>	<u>455,000</u>	<u>-</u>	<u>(455,000)</u>	<u>-</u>	<u>-</u>
<i>Various Purpose Improvements, Series 2006:</i>					
Technology Project	330,000	-	(135,000)	195,000	195,000
Safety System (911 Equipment and Generator)	130,000	-	(65,000)	65,000	65,000
Police/City Hall	130,000	-	(105,000)	25,000	25,000
Municipal Service Center	250,000	-	(200,000)	50,000	50,000
New Fire Station Ward 4	2,440,000	-	(2,275,000)	165,000	165,000
<i>Total Various Purpose Improvements, Series 2006</i>	<u>3,280,000</u>	<u>-</u>	<u>(2,780,000)</u>	<u>500,000</u>	<u>500,000</u>
<i>Various Purpose Improvements, Series 2009-01:</i>					
Police Station, Jail, and Mayor's Court	12,950,000	-	(3,380,000)	9,570,000	10,000
Intersection of Drake & Howe Roads	1,470,000	-	(575,000)	895,000	35,000
Recreation Land Acquisition (Lunn Road)	1,405,000	-	(605,000)	800,000	10,000
Intersection of Royalton Road and W. 130th	395,000	-	(140,000)	255,000	10,000
<i>Total Various Purpose Improvements, Series 2009-01</i>	<u>16,220,000</u>	<u>-</u>	<u>(4,700,000)</u>	<u>11,520,000</u>	<u>65,000</u>
<i>Various Purpose Improvements, Series 2009-02:</i>					
Street Improvements (Pearl Road Widening)	6,760,000	-	(70,000)	6,690,000	335,000
<i>Various Purpose Refundings, Series 2011:</i>					
Multi-Purpose Complex Refunding, Series 2001	6,490,000	-	(865,000)	5,625,000	875,000
Police & Fire Communications Equipment	185,000	-	(95,000)	90,000	90,000
Service Center Complex Renovations	225,000	-	(35,000)	190,000	35,000
Fire Station #3	1,255,000	-	(105,000)	1,150,000	65,000
<i>Total Various Purpose Refunding, Series 2011</i>	<u>8,155,000</u>	<u>-</u>	<u>(1,100,000)</u>	<u>7,055,000</u>	<u>1,065,000</u>
<i>Various Purpose Refundings, Series 2014:</i>					
Foltz Industrial Parkway Extension	1,070,000	-	(15,000)	1,055,000	90,000
Royalton Road Improvements	2,105,000	-	(30,000)	2,075,000	170,000
Police/City Hall	300,000	-	(5,000)	295,000	5,000
Municipal Service Center	530,000	-	(5,000)	525,000	5,000
New Fire Station Ward 4	5,280,000	-	(70,000)	5,210,000	70,000
<i>Total Various Purpose Refunding, Series 2014</i>	<u>9,285,000</u>	<u>-</u>	<u>(125,000)</u>	<u>9,160,000</u>	<u>340,000</u>
<i>Various Purpose Refundings, Series 2015:</i>					
Police/City Hall	-	80,000	-	80,000	-
Municipal Service Center	-	165,000	-	165,000	-
New Fire Station Ward 4	-	2,250,000	(5,000)	2,245,000	5,000
Police Station, Jail, and Mayor's Court	-	3,705,000	(60,000)	3,645,000	25,000
Intersection of Drake & Howe Roads	-	605,000	(15,000)	590,000	5,000
Recreation Land Acquisition (Lunn Road)	-	660,000	(15,000)	645,000	5,000
Intersection of Royalton Road and W. 130th	-	170,000	(5,000)	165,000	5,000
<i>Total Various Purpose Refunding, Series 2015</i>	<u>-</u>	<u>7,635,000</u>	<u>(100,000)</u>	<u>7,535,000</u>	<u>45,000</u>
<i>Total General Obligation Bonds</i>	<u>44,155,000</u>	<u>7,635,000</u>	<u>(9,330,000)</u>	<u>42,460,000</u>	<u>2,350,000</u>

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	Restated Balance 1/1/2015	Additions	Deletions	Balance 12/31/2015	Amounts Due in One Year
<b>Governmental Activities (Continued):</b>					
<u>Special Assessment Bonds</u>					
<i>Various Purpose Improvements, Series 1996:</i>					
Drake Road	\$ 6,000	\$ -	\$ (3,000)	\$ 3,000	\$ 3,000
Lunn Road	76,000	-	(37,000)	39,000	39,000
Howe and Royalton Roads	113,000	-	(55,000)	58,000	58,000
<i>Total Various Purpose Improvements, Series 1996:</i>	195,000	-	(95,000)	100,000	100,000
<i>Street Improvements, Series 1998:</i>					
Foltz Parkway	90,000	-	(20,000)	70,000	20,000
<i>Total Special Assessment Bonds</i>	285,000	-	(115,000)	170,000	120,000
<u>Ohio Public Works Commission (OPWC) Loan</u>					
Pearl Road Widening - Phase II	1,996,842	175,888	-	2,172,730	108,636
<u>Net Pension Liability</u>					
OPERS	9,595,476	221,738	-	9,817,214	-
OP&F	28,098,496	1,789,091	-	29,887,587	-
<i>Total Net Pension Liability</i>	37,693,972	2,010,829	-	39,704,801	-
<u>Other Long-Term Obligations</u>					
Unamortized Bond Premiums	1,228,015	332,458	(244,644)	1,315,829	-
Workers' Compensation Claims	1,258,384	137,787	(44,920)	1,351,251	75,056
Compensated Absences	6,104,412	948,996	(1,360,384)	5,693,024	1,447,777
<i>Total Other Long-Term Obligations</i>	8,590,811	1,419,241	(1,649,948)	8,360,104	1,522,833
<b>Total Governmental Activities Long-Term Obligations</b>	<b>\$ 92,721,625</b>	<b>\$ 11,240,958</b>	<b>\$ (11,094,948)</b>	<b>\$ 92,867,635</b>	<b>\$ 4,101,469</b>
<b>Business-Type Activities:</b>					
<u>Ohio Water Development Authority (OWDA) Loans</u>					
Westwood Park Sanitary Sewer	\$ 461,170	\$ -	\$ (52,611)	\$ 408,559	\$ 55,112
Force Main, Pump Station and Sanitary Sewers	1,202,194	-	(119,463)	1,082,731	124,778
Sewer Construction	451,369	-	(22,567)	428,802	23,339
Drake Road East Sanitary Sewer Extension	592,649	-	(26,496)	566,153	27,262
<i>Total OWDA Loans</i>	2,707,382	-	(221,137)	2,486,245	230,491
<u>Net Pension Liability</u>					
OPERS	756,651	17,485	-	774,136	-
<u>Other Long-Term Obligations</u>					
Compensated Absences	327,639	20,163	(50,146)	297,656	53,522
<i>Total Other Long-Term Obligations</i>	327,639	20,163	(50,146)	297,656	53,522
<b>Total Business-Type Activities Long-Term Obligations</b>	<b>\$ 3,791,672</b>	<b>\$ 37,648</b>	<b>\$ (271,283)</b>	<b>\$ 3,558,037</b>	<b>\$ 284,013</b>
<b>Total Entity-Wide Long-Term Obligations</b>	<b>\$ 96,513,297</b>	<b>\$ 11,278,606</b>	<b>\$ (11,366,231)</b>	<b>\$ 96,425,672</b>	<b>\$ 4,385,482</b>

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

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The Ohio Water Development Authority (OWDA) loans are revenue obligations (not general obligations) of the City, payable from the revenue of the systems that are improved with the OWDA loans and from special assessments that relate to those improvements. The OWDA does not require that the City generate “coverage” (revenues in excess of the amounts needed for system operations and loan payments), nor does the OWDA require the creation or funding of any reserve funds. The OWDA loans will be paid from the Sanitary Sewer Fund. The Ohio Public Works Commission (OPWC) loan will be paid from the General Bond Retirement Fund. General obligation bonds will be paid from the General Bond Retirement Fund and Pearl Road TIF #1 Fund. Special assessment bonds will be paid from the proceeds of special assessments levied against benefitted property owners paid from the General Bond Retirement Fund. In the event that a property owner would fail to pay the assessment, payment would be made by the City. Workers’ Compensation claims will be paid from the Workers’ Compensation Reserve Fund (refer to Note 11 for further information). The compensated absences liability will primarily be paid from the General Fund.

In July 2013, the City entered into a loan agreement with the Ohio Public Works Commission (OPWC) for a zero percent interest loan for the Pearl Road Widening project. In 2015 the City made its final drawdown on the loan for a total amount of \$2,172,730. The twenty-year loan will be repaid with forty semi-annual payments of \$54,318 commencing July 1, 2016. The loan will be repaid from the General Bond Retirement Fund.

**Current Defeased Debt**

On October 22, 2015, the City issued \$7,635,000 in bonds for the purpose of refunding the callable portion of the City’s outstanding various purpose improvement bonds, series 2006 and series 2009. The refunding bonds were issued to refund those bonds at a lower overall interest cost. The advance refunding met the requirements of an in-substance debt defeasance and the bonds were removed from the City’s government-wide financial statements. The aggregate debt service on the Series 2006 and 2009 bonds were \$9,974,462 versus \$9,272,469 for the refunding bonds. As a result of the advance refunding, the City’s cash savings attributable to this refunding transaction was \$701,993. The present value of the difference between the two debt streams using the arbitrage yield was \$650,648 which constitutes the economic gain on the transaction. As of December 31, 2015, the amount of defeased debt outstanding but removed from the government-wide financial statements amounted to \$6,990,000.

**Prior Years’ Debt Defeasance**

In prior years, the City has defeased various bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. Government securities that were placed in the irrevocable trust fund. The investment and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the City’s government-wide financial statements. As of December 31, 2015, the amount of defeased debt (related to the 2014 refunding) outstanding but removed from the government-wide financial statements amounted to \$ 5,550,000.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

**Principal and Interest Requirements**

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

Governmental Activities							
Years	General Obligation Bonds		Special Assessment Bonds		OPWC Loan	Total	
	Principal	Interest	Principal	Interest	Principal	Principal	Interest
2016	\$2,350,000	\$1,443,951	\$120,000	\$9,801	\$108,636	\$2,578,636	\$1,453,752
2017	2,560,000	1,386,649	25,000	2,750	108,636	2,693,636	1,389,399
2018	2,620,000	1,319,676	25,000	1,375	108,636	2,753,636	1,321,051
2019	2,710,000	1,262,375	0	0	108,636	2,818,636	1,262,375
2020	2,840,000	1,176,493	0	0	108,636	2,948,636	1,176,493
2021-2025	14,030,000	4,626,526	0	0	543,183	14,573,183	4,626,526
2026-2030	10,520,000	2,344,000	0	0	543,183	11,063,183	2,344,000
2031-2035	4,830,000	571,188	0	0	543,184	5,373,184	571,188
Total	<u>\$42,460,000</u>	<u>\$14,130,858</u>	<u>\$170,000</u>	<u>\$13,926</u>	<u>\$2,172,730</u>	<u>\$44,802,730</u>	<u>\$14,144,784</u>

Business-Type Activities		
Years	OWDA Loans	
	Principal	Interest
2016	\$230,491	\$95,238
2017	240,247	85,482
2018	250,427	75,304
2019	261,045	64,685
2020	272,125	53,606
2021-2025	820,682	122,456
2026-2030	348,074	38,064
2031-2034	63,154	1,821
Total	<u>\$2,486,245</u>	<u>\$536,656</u>

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

As of December 31, 2015, the City had the following significant commitments with respect to capital-related projects:

	Remaining Construction Commitment
<u>Special Revenue Fund</u>	
Pebblebrook Culvert	\$ 12,474
<u>Capital Project Fund</u>	
Concrete Road Program Phase III	53,970
<u>Enterprise Fund</u>	
Bowman Drive Sewer Replacement	533,100
W. 130th Street Pump Station	460,450
<b>Total Government-wide Construction Commitments</b>	<u><u>\$ 1,059,994</u></u>

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

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**Operating Lease**

In September 2002, the City entered in a 15 year lease agreement for the use of portions of a privately owned ice rink facility. The lease expires on August 31, 2017 and the City has the option to renew the lease at that time. Based on accounting for leases, this lease is accounted for as an operating lease. Operating leases do not give rise to property rights or lease obligations. During 2015, expenditures for the operating lease totaled \$275,000.

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

<u>Year Ending December 31,</u>	<u>Amount</u>
2016	\$ 275,000
2017	206,250
Total	<u>\$ 481,250</u>

**Note 17 – Contingent Liabilities**

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

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

**Note 18 - Jointly Governed Organizations**

**Southwest General Health Center**

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

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

The Board exercises total control over the operation of the Health Center including budgeting, appropriating, contracting and designating management. Each City's control is limited to its representation on the Board. In 2015, the City of Strongsville contributed \$326,317 to the Health Center. Financial information may be obtained by writing to the Southwest General Health Center, 18697 Bagley Road, Middleburg Heights, Ohio 44130-3497.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

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**Regional Income Tax Agency**

In 1971, thirty-eight municipalities joined together to organize a Regional Council of Governments (RCOG) to administer tax collection and enforcement concerns facing the cities and villages. The first official act of the RCOG was to form the Regional Income Tax Agency (RITA). Today RITA serves as the income tax collection agency for 248 municipalities throughout the State of Ohio. The City was one of the original members of RCOG. Financial information may be obtained by writing to RITA, 10107 Brecksville Road, Brecksville, Ohio, 44141.

**Southwest Council of Governments**

The Southwest Council of Governments helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions, and regional development. The Council's Board is comprised of one member from each of the participating cities. The Board exercises total control over the operation of the Council including budgeting, appropriating, contracting, and designating management. Budgets are adopted by the Board. Each City's degree of control is limited to its representation on the Board. The Council has established two subsidiary organizations, the Hazardous Material Response Team ("HAZMAT"), which provides hazardous material protection and assistance, and the Southwest Enforcement Bureau, which provides extra assistance to cities in the form of a SWAT team. In 2015, the City of Strongsville contributed \$15,000 to the Council. Financial information may be obtained by writing to the Finance Director of the City of Berea, at 11 Berea Commons, Berea, Ohio 44017.

**Northeast Ohio Public Energy Council**

The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of energy. NOPEC is currently comprised of over 200 communities who have been authorized by ballot to purchase energy on behalf of their citizens. The intent of NOPEC is to provide energy at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide energy 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 eleven-member NOPEC Board of Directors. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. Financial information should be directed to NOPEC, 31360 Solon Road, Suite 33, Solon, Ohio 44139.

**Southwest Regional Communications**

The Southwest Regional Communications is a jointly-governed organization between the City and seven other communities. Formed as a Regional Council of Governments as permitted under Ohio Revised Code Section 167.01, the intent of the Southwest Regional Communications is to establish, own, operate, maintain, and administer, a regional communications network for public safety and public service purposes for the mutual benefit of the participating communities. This organization is controlled by a governing body consisting of each participating community's mayor or his/her delegate or representative. The degree of control exercised by any member is limited to its representation on the governing board.

**City of Strongsville, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

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All members agree to contribute the sums of money on a shared basis as agreed per the requirements set forth in the Articles of Understanding. In accordance with GASB Statement No. 14 and amended by GASB Statement No. 61, the City does not have an equity interest in the organization. Financial information may be obtained by writing to the Finance Director of the City of Brook Park, at 6161 Engle Road, Brook Park, Ohio 44142 or by calling 216-433-1300.



## **Required Supplementary Information**

**City of Strongsville, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net Pension Liability*  
*Ohio Public Employees Retirement System*  
*Last Two Years (1)*

<b>Traditional Plan</b>	<b>2014</b>	<b>2013</b>
City's Proportion of the Net Pension Liability	0.087814%	0.087814%
City's Proportionate Share of the Net Pension Liability	\$10,591,350	\$10,352,127
City's Covered-Employee Payroll	\$10,801,667	\$10,433,501
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	98.05%	99.22%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.45%	86.36%
<b>Combined Plan</b>	<b>2014</b>	<b>2013</b>
City's Proportion of the Net Pension (Asset)	0.056160%	0.056160%
City's Proportionate Share of the Net Pension (Asset)	(\$21,623)	(\$5,893)
City's Covered-Employee Payroll	\$206,833	\$212,553
City's Proportionate Share of the Net Pension (Asset) as a Percentage of its Covered Employee Payroll	10.45%	2.77%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	114.83%	104.33%

(1) Information prior to 2013 is not available.

Amounts presented as of the City's measurement date  
which is the prior year end.

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

<b>Police</b>	<b>2014</b>	<b>2013</b>
City's Proportion of the Net Pension Liability	0.2758712%	0.2758712%
City's Proportionate Share of the Net Pension Liability	\$14,291,279	\$13,435,793
City's Covered-Employee Payroll	\$6,078,132	\$6,080,280
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	235.13%	220.97%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.20%	73.00%
<b>Fire</b>	<b>2014</b>	<b>2013</b>
City's Proportion of the Net Pension Liability	0.3010628%	0.3010628%
City's Proportionate Share of the Net Pension Liability	\$15,596,308	\$14,662,703
City's Covered-Employee Payroll	\$5,389,043	\$5,225,596
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	289.41%	280.59%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.20%	73.00%

(1) Information prior to 2013 is not available.

Amounts presented as of the City's measurement date  
which is the prior year end.

**City of Strongsville, Ohio**  
*Required Supplementary Information*  
*Schedule of City Contributions*  
*Ohio Public Employees Retirement System*  
*Last Three Years (1)*

	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>Contractually Required Contributions</u>			
Traditional Plan	\$1,372,523	\$1,296,200	\$1,356,355
Combined Plan	<u>\$29,645</u>	<u>\$24,820</u>	<u>27,632</u>
Total Required Contributions	\$1,402,168	\$1,321,020	\$1,383,987
Contributions in Relation to the Contractually Required Contribution	<u>(\$1,402,168)</u>	<u>(\$1,321,020)</u>	<u>(\$1,383,987)</u>
Contribution Deficiency / (Excess)	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
City's Covered-Employee Payroll			
Traditional Plan	\$11,437,692	\$10,801,667	\$10,433,501
Combined Plan	\$247,042	\$206,833	\$212,553
<u>Pension Contributions as a Percentage of Covered-Employee Payroll</u>			
Traditional Plan	12.00%	12.00%	13.00%
Combined Plan	12.00%	12.00%	13.00%

(1) – Information prior to 2013 is not available.

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u>Contractually Required Contributions</u>										
Police	\$1,168,468	\$1,154,845	\$956,428	\$729,404	\$751,204	\$696,232	\$731,106	\$692,906	\$676,100	\$514,404
Fire	<u>\$1,300,541</u>	<u>\$1,266,425</u>	<u>\$1,057,138</u>	<u>\$895,979</u>	<u>\$927,285</u>	<u>\$811,840</u>	<u>\$866,840</u>	<u>\$837,528</u>	<u>\$796,452</u>	<u>\$678,628</u>
Total Required Contributions	\$2,469,009	\$2,421,270	\$2,013,566	\$1,625,383	\$1,678,489	\$1,508,072	\$1,597,946	\$1,530,434	\$1,472,552	\$1,193,032
Contributions in Relation to the Contractually Required Contribution	<u>(\$2,469,009)</u>	<u>(\$2,421,270)</u>	<u>(\$2,013,566)</u>	<u>(\$1,625,383)</u>	<u>(\$1,678,489)</u>	<u>(\$1,508,072)</u>	<u>(\$1,597,946)</u>	<u>(\$1,530,434)</u>	<u>(\$1,472,552)</u>	<u>(\$1,193,032)</u>
Contribution Deficiency / (Excess)	<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>
City's Covered-Employee Payroll										
Police	\$6,149,832	\$6,078,132	\$6,080,280	\$5,720,816	\$5,891,796	\$5,460,643	\$5,734,165	\$5,434,557	\$5,302,745	\$4,377,906
Fire	\$5,534,217	\$5,389,043	\$5,225,596	\$5,194,081	\$5,375,565	\$4,706,319	\$5,025,159	\$4,855,235	\$4,617,113	\$4,176,172
<u>Pension Contributions as a Percentage of Covered- Employee Payroll</u>										
Police	19.00%	19.00%	[2]	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	11.75%
Fire	23.50%	23.50%	[2]	17.25%	17.25%	17.25%	17.25%	17.25%	17.25%	16.25%

[2] – The portion of the City's contributions to fund pension obligations from January 1, 2013 thru May 31, 2013, for both police officers and firefighters was 14.81 percent and 19.31 percent, respectively. The portion of the City's contributions to fund pension obligations from June 1, 2013 thru December 31, 2013 for both police officers and firefighters was 16.65 percent and 21.15 percent, respectively.

## **Combining Statements**

## *Fund Descriptions – Nonmajor Governmental Funds*

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### *Non-Major Special Revenue Funds*

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

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

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

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

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

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

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

*Drainage Levy Fund* - This fund accounts for the revenue received from a voted property tax levy (gross millage 0.4, effective millage 0.4 for tax year 2013/collection year 2014) approved for the purpose of constructing, reconstructing and renovating storm sewers and storm drainage facilities.

*FEMA Grant Fund* - This fund accounts for a Federal Grant passed through the City of Olmsted Falls to the City of Strongsville, as well as a grant from the Cuyahoga County 9-1-1 Consolidation Shared Services Fund to create and equip a new regional emergency dispatch center that includes the City of Strongsville as well as the cities of North Royalton, Olmsted Falls and Berea.

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

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

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

*Southwest General Hospital Levy Fund* - This fund accounts for the revenue received from a voted property tax levy (gross millage 1.0, effective millage 0.193252 for tax year 2013/collection year 2014) approved for the use, maintenance and support of Southwest General Hospital by the residents of Strongsville.

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

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

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

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

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

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

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

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

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

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



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

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

*Pearl Road TIF #3 Fund* – This fund accounts for the revenue received by Service Payments in Lieu of Taxes (PILOTs) that are legally restricted for the payment of the public improvements described in Ordinance 2011-191. The general area affected by this TIF is Pearl, Royalton, Howe and Prospect Roads.

*Westwood Commons TIF Fund* – This fund accounts for the revenue received by Service Payments in Lieu of Taxes (PILOTs) that are legally restricted for the payment of the public improvements described in Ordinance 2015-195. The City will reimburse the Developer for the public infrastructure improvements that directly benefit the City, its residents and the property. The area affected by this TIF is the northeastern corner of Pearl Road and Westwood Drive. Budget was not adopted in 2015 due to no cash activity.

*Giant Eagle TIF Fund* – This fund accounts for the revenue received by Service Payments in Lieu of Taxes (PILOTs) that are legally restricted for the payment of the public improvements described in Ordinance 2013-250. The general area affected by this TIF is Pearl and Royalton Roads. Budget was not adopted in 2015 due to no cash activity.

### ***Non-Major Capital Project Funds***

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

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

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

**City of Strongsville, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2015*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 3,664,621	\$ 252,551	\$ 854,062	\$ 4,771,234
Accrued Interest Receivable	3,833	150	-	3,983
Accounts Receivable	161,800	-	-	161,800
Intergovernmental Receivable	175,664	302,987	-	478,651
Prepaid Items	72,498	-	-	72,498
Property Taxes Receivable	1,602,047	-	-	1,602,047
Permissive Motor Vehicle Taxes Receivable	27,876	-	-	27,876
<b>Total Assets</b>	<u><u>\$ 5,708,339</u></u>	<u><u>\$ 555,688</u></u>	<u><u>\$ 854,062</u></u>	<u><u>\$ 7,118,089</u></u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 90,053	\$ 30,000	\$ -	\$ 120,053
Accrued Wages and Benefits	29,631	-	-	29,631
Contracts Payable	74,937	-	-	74,937
Intergovernmental Payable	46,482	-	-	46,482
Matured Compensated Absences Payable	700	-	-	700
Retainage Payable	54,809	-	-	54,809
Interfund Payable	-	-	155,907	155,907
<b>Total Liabilities</b>	<u>296,612</u>	<u>30,000</u>	<u>155,907</u>	<u>482,519</u>
<b>Deferred Inflows of Resources:</b>				
Property Taxes and Payments in Lieu of Taxes	1,534,688	302,987	-	1,837,675
Unavailable Revenue - Delinquent Property Taxes	67,359	-	-	67,359
Unavailable Revenue - Other	246,477	-	-	246,477
<b>Total Deferred Inflows of Resources</b>	<u>1,848,524</u>	<u>302,987</u>	<u>-</u>	<u>2,151,511</u>
<b>Fund Balances:</b>				
Nonspendable	72,498	-	-	72,498
Restricted	1,494,998	250,918	-	1,745,916
Committed	1,995,707	-	698,155	2,693,862
Unassigned	-	(28,217)	-	(28,217)
<b>Total Fund Balances</b>	<u>3,563,203</u>	<u>222,701</u>	<u>698,155</u>	<u>4,484,059</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u><u>\$ 5,708,339</u></u>	<u><u>\$ 555,688</u></u>	<u><u>\$ 854,062</u></u>	<u><u>\$ 7,118,089</u></u>

**City of Strongsville, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2015*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>REVENUES</b>				
Property Taxes	\$ 1,501,757	\$ -	\$ -	\$ 1,501,757
Permissive Motor Vehicle Taxes	338,386	-	-	338,386
Payments in Lieu of Taxes	-	312,761	-	312,761
Intergovernmental	778,435	-	409,799	1,188,234
Interest	4,108	147	-	4,255
Fees, Licenses, and Permits	143,546	-	-	143,546
Fines and Forfeitures	67,528	-	-	67,528
Charges for Services	3,988,323	-	67,200	4,055,523
Contributions and Donations	600	-	-	600
All Other Revenues	17,937	-	16,091	34,028
<b>Total Revenues</b>	<u>6,840,620</u>	<u>312,908</u>	<u>493,090</u>	<u>7,646,618</u>
<b>EXPENDITURES</b>				
Security of Persons and Property	2,793,040	-	-	2,793,040
Public Health Services	326,317	-	-	326,317
Leisure Time Activities	4,894,901	-	-	4,894,901
Community Environment	96,455	-	-	96,455
Basic Utility Services	209,056	-	-	209,056
Transportation	207,254	-	-	207,254
General Government	38,878	31,100	-	69,978
Capital Outlay	1,445,876	-	841,856	2,287,732
Debt Service:				
Principal Retirement	120,000	-	-	120,000
Interest and Fiscal Charges	6,000	-	-	6,000
<b>Total Expenditures</b>	<u>10,137,777</u>	<u>31,100</u>	<u>841,856</u>	<u>11,010,733</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,297,157)</u>	<u>281,808</u>	<u>(348,766)</u>	<u>(3,364,115)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	46,811	-	-	46,811
OPWC Loans Issued	-	-	175,888	175,888
Transfers In	4,235,000	-	1,210,049	5,445,049
Transfers Out	-	(151,496)	-	(151,496)
<b>Total Other Financing Sources (Uses)</b>	<u>4,281,811</u>	<u>(151,496)</u>	<u>1,385,937</u>	<u>5,516,252</u>
Net Change in Fund Balances	984,654	130,312	1,037,171	2,152,137
 Fund Balances - Beginning of Year	 2,578,549	 92,389	 (339,016)	 2,331,922
<b>Fund Balances - End of Year</b>	<u><u>\$ 3,563,203</u></u>	<u><u>\$ 222,701</u></u>	<u><u>\$ 698,155</u></u>	<u><u>\$ 4,484,059</u></u>

**City of Strongsville, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2015*

	<b>Police Pension</b>	<b>State Highway Maintenance</b>	<b>Motor Vehicle License Tax</b>	<b>Emergency Vehicle</b>	<b>Fire Pension</b>
<b>ASSETS</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 206,397	\$ 282,935	\$ 462,027	\$ 1,609,182	\$ 135,897
Accrued Interest Receivable	-	353	603	2,877	-
Accounts Receivable	-	-	-	161,800	-
Intergovernmental Receivable	24,498	70,281	-	3,500	24,498
Prepaid Items	-	-	-	-	-
Property Taxes Receivable	389,882	-	-	-	389,882
Permissive Motor Vehicle Taxes Receivable	-	-	27,876	-	-
<b>Total Assets</b>	<b>\$ 620,777</b>	<b>\$ 353,569</b>	<b>\$ 490,506</b>	<b>\$ 1,777,359</b>	<b>\$ 550,277</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ -	\$ -	\$ -	\$ 16,857	\$ -
Accrued Wages and Benefits	-	-	-	-	-
Contracts Payable	-	-	-	-	-
Intergovernmental Payable	23,808	-	-	-	18,099
Matured Compensated Absences Payable	-	-	-	-	-
Retainage Payable	-	-	-	-	-
<b>Total Liabilities</b>	<b>23,808</b>	<b>-</b>	<b>-</b>	<b>16,857</b>	<b>18,099</b>
<b>Deferred Inflows of Resources:</b>					
Property Taxes	373,489	-	-	-	373,489
Unavailable Revenue - Delinquent Property Taxes	16,393	-	-	-	16,393
Unavailable Revenue - Other	24,498	55,444	-	90,370	24,498
<b>Total Deferred Inflows of Resources</b>	<b>414,380</b>	<b>55,444</b>	<b>-</b>	<b>90,370</b>	<b>414,380</b>
<b>Fund Balances:</b>					
Nonspendable	-	-	-	-	-
Restricted	182,589	298,125	490,506	-	117,798
Committed	-	-	-	1,670,132	-
<b>Total Fund Balances (Deficit)</b>	<b>182,589</b>	<b>298,125</b>	<b>490,506</b>	<b>1,670,132</b>	<b>117,798</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 620,777</b>	<b>\$ 353,569</b>	<b>\$ 490,506</b>	<b>\$ 1,777,359</b>	<b>\$ 550,277</b>

<b>Clerk of Courts Computerization</b>	<b>Drainage Levy</b>	<b>Multi- Purpose Complex</b>	<b>Southwest General Hospital Levy</b>	<b>Law Enforcement Federal Seizure</b>	<b>Law Enforcement State Seizure</b>	<b>Law Enforcement Drug Fine</b>
\$ 166,834	\$ 295,951	\$ 187,152	\$ -	\$ 13,285	\$ 51,606	\$ 1,112
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,070	32,015	-	19,652	-	-	-
-	-	72,498	-	-	-	-
-	509,528	-	312,755	-	-	-
-	-	-	-	-	-	-
<u>\$ 167,904</u>	<u>\$ 837,494</u>	<u>\$ 259,650</u>	<u>\$ 332,407</u>	<u>\$ 13,285</u>	<u>\$ 51,606</u>	<u>\$ 1,112</u>
\$ 2,256	\$ 15,240	\$ 55,700	\$ -	\$ -	\$ -	\$ -
-	-	29,631	-	-	-	-
-	74,937	-	-	-	-	-
-	-	4,575	-	-	-	-
-	-	700	-	-	-	-
-	54,809	-	-	-	-	-
<u>2,256</u>	<u>144,986</u>	<u>90,606</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	488,105	-	299,605	-	-	-
-	21,423	-	13,150	-	-	-
-	32,015	-	19,652	-	-	-
<u>-</u>	<u>541,543</u>	<u>-</u>	<u>332,407</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	72,498	-	-	-	-
165,648	150,965	-	-	13,285	51,606	1,112
-	-	96,546	-	-	-	-
<u>165,648</u>	<u>150,965</u>	<u>169,044</u>	<u>-</u>	<u>13,285</u>	<u>51,606</u>	<u>1,112</u>
<u>\$ 167,904</u>	<u>\$ 837,494</u>	<u>\$ 259,650</u>	<u>\$ 332,407</u>	<u>\$ 13,285</u>	<u>\$ 51,606</u>	<u>\$ 1,112</u>

(Continued)

**City of Strongsville, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2015*

	Law Enforcement DUI/DWI	Tree	Community Diversion	Total Nonmajor Special Revenue Funds
<b>ASSETS</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 21,314	\$ 229,029	\$ 1,900	\$ 3,664,621
Accrued Interest Receivable	-	-	-	3,833
Accounts Receivable	-	-	-	161,800
Intergovernmental Receivable	150	-	-	175,664
Prepaid Items	-	-	-	72,498
Property Taxes Receivable	-	-	-	1,602,047
Permissive Motor Vehicle Taxes Receivable	-	-	-	27,876
<b>Total Assets</b>	<u>\$ 21,464</u>	<u>\$ 229,029</u>	<u>\$ 1,900</u>	<u>\$ 5,708,339</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ 90,053
Accrued Wages and Benefits	-	-	-	29,631
Contracts Payable	-	-	-	74,937
Intergovernmental Payable	-	-	-	46,482
Matured Compensated Absences Payable	-	-	-	700
Retainage Payable	-	-	-	54,809
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>296,612</u>
<b>Deferred Inflows of Resources:</b>				
Property Taxes	-	-	-	1,534,688
Unavailable Revenue - Delinquent Property Taxes	-	-	-	67,359
Unavailable Revenue - Other	-	-	-	246,477
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,848,524</u>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	72,498
Restricted	21,464	-	1,900	1,494,998
Committed	-	229,029	-	1,995,707
<b>Total Fund Balances (Deficit)</b>	<u>21,464</u>	<u>229,029</u>	<u>1,900</u>	<u>3,563,203</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 21,464</u>	<u>\$ 229,029</u>	<u>\$ 1,900</u>	<u>\$ 5,708,339</u>

**City of Strongsville, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2015*

	<b>Police Pension</b>	<b>State Highway Maintenance</b>	<b>Motor Vehicle License Tax</b>	<b>Emergency Vehicle</b>	<b>Fire Pension</b>
<b>REVENUES</b>					
Property Taxes	\$ 361,915	\$ -	\$ -	\$ -	\$ 361,915
Permissive Motor Vehicle Taxes	-	-	338,386	-	-
Intergovernmental	51,261	144,868	-	3,500	51,261
Interest	-	364	790	2,954	-
Fees, Licenses, and Permits	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Charges for Services	-	-	-	1,036,364	-
Contributions and Donations	-	-	-	-	-
All Other Revenues	-	12,299	-	5,238	-
<b>Total Revenues</b>	<b>413,176</b>	<b>157,531</b>	<b>339,176</b>	<b>1,048,056</b>	<b>413,176</b>
<b>EXPENDITURES</b>					
Security of Persons and Property	1,196,502	-	-	180,411	1,328,215
Public Health Services	-	-	-	-	-
Leisure Time Activities	-	-	-	-	-
Community Environment	-	-	-	-	-
Basic Utility Services	-	-	-	-	-
Transportation	-	112,389	94,865	-	-
General Government	-	-	-	-	-
Capital Outlay	-	-	-	874,000	-
Debt Service:					
Principal Retirement	-	-	-	120,000	-
Interest and Fiscal Charges	-	-	-	6,000	-
<b>Total Expenditures</b>	<b>1,196,502</b>	<b>112,389</b>	<b>94,865</b>	<b>1,180,411</b>	<b>1,328,215</b>
Excess of Revenues Over (Under) Expenditures	(783,326)	45,142	244,311	(132,355)	(915,039)
<b>OTHER FINANCING SOURCES</b>					
Sale of Capital Assets	-	-	-	45,437	-
Transfer In	875,000	-	-	-	935,000
<b>Total Other Financing Sources</b>	<b>875,000</b>	<b>-</b>	<b>-</b>	<b>45,437</b>	<b>935,000</b>
Net Change in Fund Balances	91,674	45,142	244,311	(86,918)	19,961
Fund Balances (Deficit) - Beginning of Year	90,915	252,983	246,195	1,757,050	97,837
<b>Fund Balances (Deficit) - End of Year</b>	<b>\$ 182,589</b>	<b>\$ 298,125</b>	<b>\$ 490,506</b>	<b>\$ 1,670,132</b>	<b>\$ 117,798</b>

(Continued)

**City of Strongsville, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Year Ended December 31, 2015*

	<b>Clerk of Courts Computerization</b>	<b>Drainage Levy</b>	<b>FEMA Grants</b>	<b>Multi- Purpose Complex</b>
<b>REVENUES</b>				
Property Taxes	\$ -	\$ 482,200	\$ -	\$ -
Permissive Motor Vehicle Taxes	-	-	-	-
Intergovernmental	-	247,938	239,511	-
Interest	-	-	-	-
Fees, Licenses, and Permits	-	-	-	-
Fines and Forfeitures	17,856	-	-	-
Charges for Services	-	-	-	2,951,959
Contributions and Donations	-	-	-	600
All Other Revenues	-	400	-	-
<b>Total Revenues</b>	<u>17,856</u>	<u>730,538</u>	<u>239,511</u>	<u>2,952,559</u>
<b>EXPENDITURES</b>				
Security of Persons and Property	-	-	60,358	-
Public Health Services	-	-	-	-
Leisure Time Activities	-	-	-	4,894,901
Community Environment	-	-	-	-
Basic Utility Services	-	209,056	-	-
Transportation	-	-	-	-
General Government	38,878	-	-	-
Capital Outlay	-	571,876	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
<b>Total Expenditures</b>	<u>38,878</u>	<u>780,932</u>	<u>60,358</u>	<u>4,894,901</u>
Excess of Revenues Over (Under) Expenditures	<u>(21,022)</u>	<u>(50,394)</u>	<u>179,153</u>	<u>(1,942,342)</u>
<b>OTHER FINANCING SOURCES</b>				
Sale of Capital Assets	-	-	-	1,374
Transfer In	-	300,000	-	2,125,000
<b>Total Other Financing Sources</b>	<u>-</u>	<u>300,000</u>	<u>-</u>	<u>2,126,374</u>
Net Change in Fund Balances	<u>(21,022)</u>	<u>249,606</u>	<u>179,153</u>	<u>184,032</u>
Fund Balances (Deficit) - Beginning of Year	186,670	(98,641)	(179,153)	(14,988)
<b>Fund Balances (Deficit) - End of Year</b>	<u>\$ 165,648</u>	<u>\$ 150,965</u>	<u>\$ -</u>	<u>\$ 169,044</u>



<b>Southwest General Hospital Levy</b>	<b>Law Enforcement Federal Seizure</b>	<b>Law Enforcement State Seizure</b>	<b>Law Enforcement Drug Fine</b>	<b>Law Enforcement DUI/DWI</b>	<b>Tree</b>	<b>Community Diversion</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ 295,727	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,501,757
-	-	-	-	-	-	-	338,386
30,590	-	-	-	-	1,106	8,400	778,435
-	-	-	-	-	-	-	4,108
-	-	-	-	-	143,546	-	143,546
-	4,765	39,772	430	1,055	-	3,650	67,528
-	-	-	-	-	-	-	3,988,323
-	-	-	-	-	-	-	600
-	-	-	-	-	-	-	17,937
<u>326,317</u>	<u>4,765</u>	<u>39,772</u>	<u>430</u>	<u>1,055</u>	<u>144,652</u>	<u>12,050</u>	<u>6,840,620</u>
-	3,340	12,199	395	337	-	11,283	2,793,040
326,317	-	-	-	-	-	-	326,317
-	-	-	-	-	-	-	4,894,901
-	-	-	-	-	96,455	-	96,455
-	-	-	-	-	-	-	209,056
-	-	-	-	-	-	-	207,254
-	-	-	-	-	-	-	38,878
-	-	-	-	-	-	-	1,445,876
-	-	-	-	-	-	-	120,000
-	-	-	-	-	-	-	6,000
<u>326,317</u>	<u>3,340</u>	<u>12,199</u>	<u>395</u>	<u>337</u>	<u>96,455</u>	<u>11,283</u>	<u>10,137,777</u>
<u>-</u>	<u>1,425</u>	<u>27,573</u>	<u>35</u>	<u>718</u>	<u>48,197</u>	<u>767</u>	<u>(3,297,157)</u>
-	-	-	-	-	-	-	46,811
-	-	-	-	-	-	-	4,235,000
-	-	-	-	-	-	-	4,281,811
-	1,425	27,573	35	718	48,197	767	984,654
-	11,860	24,033	1,077	20,746	180,832	1,133	2,578,549
<u>\$ -</u>	<u>\$ 13,285</u>	<u>\$ 51,606</u>	<u>\$ 1,112</u>	<u>\$ 21,464</u>	<u>\$ 229,029</u>	<u>\$ 1,900</u>	<u>\$ 3,563,203</u>

**City of Strongsville, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Debt Service Funds*  
*December 31, 2015*

	<b>Royalton Road TIF</b>	<b>Pearl Road TIF #2</b>	<b>Pearl Road TIF #3</b>	<b>Westwood Commons TIF</b>	<b>Giant Eagle TIF</b>	<b>Total Nonmajor Debt Service Funds</b>
<b>ASSETS</b>						
Equity in Pooled Cash and Cash Equivalents	\$ 74,824	\$ 64,792	\$ 112,935	\$ -	\$ -	\$ 252,551
Accrued Interest Receivable	150	-	-	-	-	150
Intergovernmental Receivable	178,528	18,929	32,088	-	73,442	302,987
<b>Total Assets</b>	<u>253,502</u>	<u>83,721</u>	<u>\$ 145,023</u>	<u>\$ -</u>	<u>\$ 73,442</u>	<u>\$ 555,688</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts Payable	\$ -	\$ -	\$ 1,783	\$ 28,217	\$ -	\$ 30,000
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>1,783</u>	<u>28,217</u>	<u>-</u>	<u>30,000</u>
<b>Deferred Inflows of Resources:</b>						
Payments in Lieu of Taxes	178,528	18,929	32,088	-	73,442	302,987
<b>Total Deferred Inflows of Resources</b>	<u>178,528</u>	<u>18,929</u>	<u>32,088</u>	<u>-</u>	<u>73,442</u>	<u>302,987</u>
<b>Fund Balances:</b>						
Restricted	74,974	64,792	111,152	-	-	250,918
Unassigned	-	-	-	(28,217)	-	(28,217)
<b>Total Fund Balances</b>	<u>74,974</u>	<u>64,792</u>	<u>111,152</u>	<u>(28,217)</u>	<u>-</u>	<u>222,701</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 253,502</u>	<u>\$ 83,721</u>	<u>\$ 145,023</u>	<u>\$ -</u>	<u>\$ 73,442</u>	<u>\$ 555,688</u>

**City of Strongsville, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Debt Service Funds*  
*For the Year Ended December 31, 2015*

	<b>Royalton Road TIF</b>	<b>Pearl Road TIF #2</b>	<b>Pearl Road TIF #3</b>	<b>Westwood Commons TIF</b>	<b>Total Nonmajor Debt Service Funds</b>
<b>REVENUES</b>					
Payment in Lieu of Taxes	\$ 192,078	\$ 7,748	\$ 112,935	\$ -	\$ 312,761
Interest	147	-	-	-	147
<b>Total Revenues</b>	<u>192,225</u>	<u>7,748</u>	<u>112,935</u>	<u>-</u>	<u>312,908</u>
<b>EXPENDITURES</b>					
General Government	1,100	-	1,783	28,217	31,100
<b>Total Expenditures</b>	<u>1,100</u>	<u>-</u>	<u>1,783</u>	<u>28,217</u>	<u>31,100</u>
Excess Revenues Over Expenditures	<u>191,125</u>	<u>7,748</u>	<u>111,152</u>	<u>(28,217)</u>	<u>281,808</u>
<b>OTHER FINANCING (USES)</b>					
Transfer Out	(151,496)	-	-	-	(151,496)
<b>Total Other Financing (Uses)</b>	<u>(151,496)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(151,496)</u>
Net Change in Fund Balances	<u>39,629</u>	<u>7,748</u>	<u>111,152</u>	<u>(28,217)</u>	<u>130,312</u>
 Fund Balances - Beginning of Year	 35,345	 57,044	 -	 -	 92,389
<b>Fund Balances - End of Year</b>	<u><u>\$ 74,974</u></u>	<u><u>\$ 64,792</u></u>	<u><u>\$ 111,152</u></u>	<u><u>\$ (28,217)</u></u>	<u><u>\$ 222,701</u></u>

**City of Strongsville, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2015*

	<b>Recreation Capital Improvement</b>	<b>Pearl Road Capital Improvement</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 698,155	\$ 155,907	\$ 854,062
<b>Total Assets</b>	<u>\$ 698,155</u>	<u>\$ 155,907</u>	<u>\$ 854,062</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Interfund Payable	\$ -	\$ 155,907	\$ 155,907
<b>Total Liabilities</b>	<u>-</u>	<u>155,907</u>	<u>155,907</u>
<b>Fund Balances:</b>			
Committed	698,155	-	698,155
<b>Total Fund Balances</b>	<u>698,155</u>	<u>-</u>	<u>698,155</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 698,155</u>	<u>\$ 155,907</u>	<u>\$ 854,062</u>

**City of Strongsville, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2015*

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	<b>Recreation Capital Improvement</b>	<b>Pearl Road Capital Improvement</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ 409,799	\$ 409,799
Charges for Services	67,200	-	67,200
All Other Revenues	16,091	-	16,091
<b>Total Revenues</b>	<u>83,291</u>	<u>409,799</u>	<u>493,090</u>
<b>EXPENDITURES</b>			
Capital Outlay	406,759	435,097	841,856
<b>Total Expenditures</b>	<u>406,759</u>	<u>435,097</u>	<u>841,856</u>
Excess of Revenues (Under) Expenditures	<u>(323,468)</u>	<u>(25,298)</u>	<u>(348,766)</u>
<b>OTHER FINANCING SOURCES</b>			
OPWC Loans Issued	-	175,888	175,888
Transfer In	900,000	310,049	1,210,049
<b>Total Other Financing Sources</b>	<u>900,000</u>	<u>485,937</u>	<u>1,385,937</u>
Net Change in Fund Balances	576,532	460,639	1,037,171
 Fund Balances - Beginning of Year	 121,623	 (460,639)	 (339,016)
<b>Fund Balances - End of Year</b>	<u><u>\$ 698,155</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 698,155</u></u>

## ***Fund Descriptions – Fiduciary Funds***

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### ***Fiduciary Funds***

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

### ***Agency Funds***

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

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

**City of Strongsville, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
*For the Year Ended December 31, 2015*

	Balance 1/1/2015	Additions	Deletions	Balance 12/31/2015
<b>Bond Escrow</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 591,125	\$ 1,404,089	\$ 1,377,021	\$ 618,193
<b>Liabilities</b>				
Deposits Held and Due to Others	\$ 591,125	\$ 1,404,089	\$ 1,377,021	\$ 618,193
<b>Mayor's Court</b>				
<b>Assets</b>				
Cash and Cash Equivalents: in Segregated Accounts	\$ 48,131	\$ 808,242	\$ 793,569	\$ 62,804
<b>Liabilities</b>				
Deposits Held and Due to Others	\$ 48,131	\$ 808,242	\$ 793,569	\$ 62,804
<b>Total - All Agency Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 591,125	\$ 1,404,089	\$ 1,377,021	\$ 618,193
Cash and Cash Equivalents: in Segregated Accounts	48,131	808,242	793,569	62,804
Total Assets	\$ 639,256	\$ 2,212,331	\$ 2,170,590	\$ 680,997
<b>Liabilities</b>				
Deposits Held and Due to Others	\$ 639,256	\$ 2,212,331	\$ 2,170,590	\$ 680,997

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



**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Municipal Income Taxes	\$ 29,700,000	\$ 30,500,000	\$ 30,450,736	\$ (49,264)
Property Taxes	447,617	443,591	443,591	-
Hotel Taxes	180,000	180,000	168,567	(11,433)
Intergovernmental Revenues	619,444	730,638	733,823	3,185
Charges for Services	1,253,400	1,294,498	1,302,730	8,232
Fees, Licenses, and Permits	614,300	1,193,800	1,201,339	7,539
Fines and Forfeitures	641,500	666,500	655,446	(11,054)
Interest Income	40,000	85,000	87,495	2,495
Contributions and Donations	1,000	3,000	3,000	-
Miscellaneous	616,700	679,300	677,792	(1,508)
<b>Total Revenues</b>	<b>34,113,961</b>	<b>35,776,327</b>	<b>35,724,519</b>	<b>(51,808)</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Public Safety Director:				
Personal Services	153,300	157,600	156,845	755
Other	6,000	6,000	788	5,212
<b>Total Public Safety Director</b>	<b>159,300</b>	<b>163,600</b>	<b>157,633</b>	<b>5,967</b>
Police:				
Personal Services	8,813,600	8,908,500	8,681,205	227,295
Other	972,100	1,112,300	874,791	237,509
<b>Total Police</b>	<b>9,785,700</b>	<b>10,020,800</b>	<b>9,555,996</b>	<b>464,804</b>
Corrections Officers:				
Personal Services	764,400	764,400	703,740	60,660
Other	138,700	140,500	97,397	43,103
<b>Total Corrections Officers</b>	<b>903,100</b>	<b>904,900</b>	<b>801,137</b>	<b>103,763</b>
Joint Dispatch Center:				
Personal Services	2,092,500	2,125,400	2,050,140	75,260
Other	56,100	156,100	151,471	4,629
<b>Total Joint Dispatch Center</b>	<b>2,148,600</b>	<b>2,281,500</b>	<b>2,201,611</b>	<b>79,889</b>
Street Lighting:				
Other	366,700	366,700	379,630	(12,930)
<b>Total Security of Persons and Property</b>	<b>13,363,400</b>	<b>13,737,500</b>	<b>13,096,007</b>	<b>641,493</b>

(Continued)

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2015*  
*(Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Public Health Services:				
Cemetery:				
Personal Services	113,500	125,100	113,604	11,496
Other	13,900	71,500	47,054	24,446
Total Cemetery	127,400	196,600	160,658	35,942
County Board of Health:				
Other	175,500	175,500	175,420	80
Total Public Health Services	302,900	372,100	336,078	36,022
Leisure Time Activities:				
Parks:				
Personal Services	103,500	104,000	103,937	63
Other	193,100	287,100	237,667	49,433
Total Leisure Time Activities	296,600	391,100	341,604	49,496
Community Environment:				
Building:				
Personal Services	981,600	1,029,600	966,151	63,449
Other	175,700	270,700	208,754	61,946
Total Building	1,157,300	1,300,300	1,174,905	125,395
Architectural Board of Review:				
Other	6,000	6,000	1,320	4,680
Planning Commission:				
Personal Services	105,000	105,000	102,716	2,284
Other	61,000	67,000	62,907	4,093
Total Planning Commission	166,000	172,000	165,623	6,377
Board of Appeals:				
Other	11,000	11,000	7,727	3,273
Economic Development:				
Personal Services	143,100	143,100	140,565	2,535
Other	144,600	148,700	34,275	114,425
Total Economic Development	287,700	291,800	174,840	116,960
Total Community Environment	1,628,000	1,781,100	1,524,415	256,685

(Continued)

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2015*  
*(Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Basic Utility Services:				
Rubbish:				
Other	2,311,500	2,311,500	2,159,941	151,559
Total Basic Utility Services	2,311,500	2,311,500	2,159,941	151,559
General Government:				
Council:				
Personal Services	321,900	321,900	316,916	4,984
Other	26,000	33,500	20,557	12,943
Total Council	347,900	355,400	337,473	17,927
Mayor's Office:				
Personal Services	339,700	344,000	338,217	5,783
Other	15,300	18,800	10,742	8,058
Total Mayor's Office	355,000	362,800	348,959	13,841
Human Resources:				
Personal Services	225,000	227,200	226,078	1,122
Other	91,100	96,000	47,297	48,703
Total Human Resources	316,100	323,200	273,375	49,825
Finance:				
Personal Services	506,600	506,600	476,719	29,881
Other	23,400	32,000	21,158	10,842
Total Finance	530,000	538,600	497,877	40,723
Law:				
Personal Services	462,900	462,900	446,032	16,868
Other	136,400	140,300	59,007	81,293
Total Legal	599,300	603,200	505,039	98,161
Communication and Technology:				
Personal Services	644,500	644,500	630,022	14,478
Other	760,500	881,400	793,652	87,748
Total Communication and Technology	1,405,000	1,525,900	1,423,674	102,226
Mayor's Court:				
Personal Services	137,300	119,400	111,172	8,228
Other	80,000	80,000	68,141	11,859
Total Mayor's Court	217,300	199,400	179,313	20,087
Civil Service:				
Other	47,000	47,000	35,598	11,402

(Continued)

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2015*  
*(Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
General Miscellaneous:				
Other	1,713,700	1,463,700	1,261,795	201,905
Total General Government	5,531,300	5,419,200	4,863,103	556,097
<i>Total Expenditures</i>	<u>23,433,700</u>	<u>24,012,500</u>	<u>22,321,148</u>	<u>1,691,352</u>
<i>Excess of Revenues Over</i> <i>(Under) Expenditures</i>	10,680,261	11,763,827	13,403,371	1,639,544
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	26,600	33,500	33,349	(151)
Advances In	1,800,000	3,083,944	2,928,037	(155,907)
Advances Out	-	(300,000)	(300,000)	-
Transfers Out	(11,375,000)	(15,872,900)	(15,872,849)	51
<i>Total Other Financing Sources (Uses)</i>	<u>(9,548,400)</u>	<u>(13,055,456)</u>	<u>(13,211,463)</u>	<u>(156,007)</u>
<i>Net Change in Fund Balance</i>	1,131,861	(1,291,629)	191,908	1,483,537
<i>Fund Balance - Beginning of Year</i>	7,793,512	7,793,512	7,793,512	-
<i>Fund Balance - End of Year</i>	<u>\$ 8,925,373</u>	<u>\$ 6,501,883</u>	<u>\$ 7,985,420</u>	<u>\$ 1,483,537</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Street Construction, Maintenance and Repair Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Municipal Income Taxes	\$ 3,500,000	\$ 3,700,000	\$ 3,655,227	\$ (44,773)
Intergovernmental Revenues	1,740,000	1,801,400	1,857,656	56,256
Charges for Services	-	500	300	(200)
Interest Income	8,000	11,000	11,813	813
Miscellaneous	-	74,600	72,868	(1,732)
<i>Total Revenues</i>	<u>5,248,000</u>	<u>5,587,500</u>	<u>5,597,864</u>	<u>10,364</u>
<b>Expenditures:</b>				
Current:				
Transportation:				
Street Repairs:				
Personal Services	4,410,400	4,410,400	4,155,676	254,724
Other	2,416,100	2,528,500	2,446,523	81,977
Total Street Repairs	<u>6,826,500</u>	<u>6,938,900</u>	<u>6,602,199</u>	<u>336,701</u>
Traffic Signal Maintenance:				
Personal Services	225,800	225,800	169,293	56,507
Other	230,500	230,500	187,303	43,197
Total Traffic Signal Maintenance	<u>456,300</u>	<u>456,300</u>	<u>356,596</u>	<u>99,704</u>
Snow Removal:				
Other	<u>796,000</u>	<u>1,185,000</u>	<u>1,001,190</u>	<u>183,810</u>
Municipal Garage:				
Personal Services	676,700	685,900	679,677	6,223
Other	885,000	906,000	818,264	87,736
Total Municipal Garage	<u>1,561,700</u>	<u>1,591,900</u>	<u>1,497,941</u>	<u>93,959</u>
Total Expenditures	<u>9,640,500</u>	<u>10,172,100</u>	<u>9,457,926</u>	<u>714,174</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(4,392,500)</u>	<u>(4,584,600)</u>	<u>(3,860,062)</u>	<u>724,538</u>
<b>Other Financing Sources</b>				
Sale of Capital Assets	-	8,000	7,800	(200)
Transfers In	3,370,000	4,000,000	4,000,000	-
<i>Total Other Financing Sources</i>	<u>3,370,000</u>	<u>4,008,000</u>	<u>4,007,800</u>	<u>(200)</u>
<i>Net Change in Fund Balance</i>	<u>(1,022,500)</u>	<u>(576,600)</u>	<u>147,738</u>	<u>724,338</u>
<i>Fund Balance - Beginning of Year</i>	<u>3,939,527</u>	<u>3,939,527</u>	<u>3,939,527</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u>\$ 2,917,027</u>	<u>\$ 3,362,927</u>	<u>\$ 4,087,265</u>	<u>\$ 724,338</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Fire Levy Fund*  
*For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 4,125,985	\$ 4,160,337	\$ 4,160,337	\$ -
Intergovernmental Revenues	552,098	563,704	563,556	(148)
Charges for Services	100	100	20	(80)
Fees, Licenses, and Permits	1,800	2,300	1,950	(350)
Contributions and Donations	-	6,500	6,460	(40)
Miscellaneous	500	-	-	-
<i>Total Revenues</i>	<u>4,680,483</u>	<u>4,732,941</u>	<u>4,732,323</u>	<u>(618)</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Fire:				
Personal Services	7,319,100	7,687,300	7,179,261	508,039
Other	526,000	568,100	443,162	124,938
Total Fire	<u>7,845,100</u>	<u>8,255,400</u>	<u>7,622,423</u>	<u>632,977</u>
Fire Station Ward 1:				
Other	<u>39,000</u>	<u>66,000</u>	<u>48,896</u>	<u>17,104</u>
Fire Station Ward 2:				
Other	<u>81,000</u>	<u>81,000</u>	<u>70,550</u>	<u>10,450</u>
Fire Station Ward 3:				
Other	<u>31,000</u>	<u>331,000</u>	<u>24,930</u>	<u>306,070</u>
Fire Station Ward 4:				
Other	<u>96,000</u>	<u>129,900</u>	<u>89,054</u>	<u>40,846</u>
<i>Total Expenditures</i>	<u>8,092,100</u>	<u>8,863,300</u>	<u>7,855,853</u>	<u>1,007,447</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(3,411,617)	(4,130,359)	(3,123,530)	1,006,829
<b>Other Financing Sources</b>				
Transfers In	<u>2,665,000</u>	<u>3,100,000</u>	<u>3,100,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(746,617)	(1,030,359)	(23,530)	1,006,829
<i>Fund Balance - Beginning of Year</i>	<u>2,597,464</u>	<u>2,597,464</u>	<u>2,597,464</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u>\$ 1,850,847</u>	<u>\$ 1,567,105</u>	<u>\$ 2,573,934</u>	<u>\$ 1,006,829</u>

# City of Strongsville, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual General Bond Retirement Fund For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 3,354,643	\$ 3,377,932	\$ 3,377,932	\$ -
Intergovernmental Revenues	679,635	679,203	679,203	-
Special Assessments	218,700	138,300	137,620	(680)
Interest Income	7,000	11,000	11,361	361
<i>Total Revenues</i>	<u>4,259,978</u>	<u>4,206,435</u>	<u>4,206,116</u>	<u>(319)</u>
<b>Expenditures:</b>				
Current:				
Debt Service:				
Principal	2,942,788	3,042,788	2,915,000	127,788
Interest & Fiscal Charges	1,390,737	1,249,675	1,246,816	2,859
Debt Issuance Costs	42,000	217,000	205,660	11,340
<i>Total Expenditures</i>	<u>4,375,525</u>	<u>4,509,463</u>	<u>4,367,476</u>	<u>141,987</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(115,547)	(303,028)	(161,360)	141,668
<b>Other Financing Sources (Uses)</b>				
Refunding Bonds Issued	-	7,635,000	7,635,000	-
Premium on Debt Issuance	-	350,800	350,782	(18)
Payment to Refunded Bond Escrow Account	-	(7,780,000)	(7,778,399)	1,601
Transfers In	-	127,800	127,800	-
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>333,600</u>	<u>335,183</u>	<u>1,583</u>
<i>Net Change in Fund Balance</i>	(115,547)	30,572	173,823	143,251
<i>Fund Balance - Beginning of Year</i>	<u>1,561,269</u>	<u>1,561,269</u>	<u>1,561,269</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u>\$ 1,445,722</u>	<u>\$ 1,591,841</u>	<u>\$ 1,735,092</u>	<u>\$ 143,251</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Pearl Road TIF #1 Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Payment in Lieu of Taxes	\$ 1,180,000	\$ 1,838,000	\$ 1,836,389	\$ (1,611)
Interest Income	2,000	2,500	2,469	(31)
<i>Total Revenues</i>	<u>1,182,000</u>	<u>1,840,500</u>	<u>1,838,858</u>	<u>(1,642)</u>
<b>Expenditures:</b>				
Current:				
General Government:				
Other	-	15,000	-	15,000
Debt Service:				
Principal	2,220,000	2,220,000	2,220,000	-
Interest & Fiscal Charges	306,360	306,360	302,175	4,185
<i>Total Expenditures</i>	<u>2,526,360</u>	<u>2,541,360</u>	<u>2,522,175</u>	<u>19,185</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,344,360)	(700,860)	(683,317)	17,543
<b>Other Financing Sources (Uses)</b>				
General Obligation Notes Issued	1,200,000	1,000,000	1,000,000	-
Advance In	-	300,000	300,000	-
Advance Out	-	(300,000)	(300,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>1,200,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(144,360)	299,140	316,683	17,543
<i>Fund Balance - Beginning of Year</i>	173,402	173,402	173,402	-
<i>Fund Balance - End of Year</i>	<u>\$ 29,042</u>	<u>\$ 472,542</u>	<u>\$ 490,085</u>	<u>\$ 17,543</u>



**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Capital Improvement Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Franchise Taxes	\$ 722,000	\$ 800,000	\$ 797,279	\$ (2,721)
Intergovernmental Revenues	-	250,000	-	(250,000)
Special Assessments	20,100	20,100	18,690	(1,410)
Charges for Services	-	1,300	1,300	-
Contributions and Donations	-	6,316,000	6,315,368	(632)
<i>Total Revenues</i>	<u>742,100</u>	<u>7,387,400</u>	<u>7,132,637</u>	<u>(254,763)</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Fire:				
Other	<u>35,000</u>	<u>35,000</u>	<u>-</u>	<u>35,000</u>
Transportation:				
Street Repairs:				
Other	<u>496,000</u>	<u>1,410,100</u>	<u>1,203,046</u>	<u>207,054</u>
General Government:				
Communication and Technology:				
Other	<u>-</u>	<u>2,000</u>	<u>1,800</u>	<u>200</u>
Capital Outlay	<u>2,000,000</u>	<u>9,680,000</u>	<u>9,394,958</u>	<u>285,042</u>
<i>Total Expenditures</i>	<u>2,531,000</u>	<u>11,127,100</u>	<u>10,599,804</u>	<u>527,296</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,788,900)</u>	<u>(3,739,700)</u>	<u>(3,467,167)</u>	<u>272,533</u>
<b>Other Financing Sources</b>				
General Obligation Notes Issued	-	800,000	800,000	-
Transfers In	<u>1,300,000</u>	<u>2,600,000</u>	<u>2,600,000</u>	<u>-</u>
<i>Total Other Financing Sources</i>	<u>1,300,000</u>	<u>3,400,000</u>	<u>3,400,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	<u>(488,900)</u>	<u>(339,700)</u>	<u>(67,167)</u>	<u>272,533</u>
<i>Fund Balance - Beginning of Year</i>	<u>3,044,904</u>	<u>3,044,904</u>	<u>3,044,904</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u>\$ 2,556,004</u>	<u>\$ 2,705,204</u>	<u>\$ 2,977,737</u>	<u>\$ 272,533</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Sanitary Sewer Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 24,200	\$ 24,170	\$ (30)
Charges for Services	5,737,800	6,486,200	6,432,979	(53,221)
Interest Income	12,000	21,000	20,643	(357)
Other Services	127,900	197,000	174,865	(22,135)
Miscellaneous	-	1,100	978	(122)
<b>Total Revenues</b>	<b>5,877,700</b>	<b>6,729,500</b>	<b>6,653,635</b>	<b>(75,865)</b>
<b>Expenses</b>				
Sanitary Sewer:				
Engineering and Administration:				
Personal Services	468,400	518,100	480,975	37,125
Fringe Benefits	171,600	174,100	159,119	14,981
Contractual Services	830,000	831,400	784,108	47,292
Materials and Supplies	8,500	18,200	17,292	908
Other	9,500	9,400	2,208	7,192
<b>Total Engineering and Administration</b>	<b>1,488,000</b>	<b>1,551,200</b>	<b>1,443,702</b>	<b>107,498</b>
Plant:				
Utilities	3,500	3,500	41	3,459
Contractual Services	1,995,500	2,008,700	1,880,354	128,346
Other	12,000	12,000	-	12,000
Capital Outlay	-	306,800	306,390	410
<b>Total Plant</b>	<b>2,011,000</b>	<b>2,331,000</b>	<b>2,186,785</b>	<b>144,215</b>
Line:				
Personal Services	485,500	497,500	460,894	36,606
Fringe Benefits	198,000	199,900	193,537	6,363
Contractual Services	275,000	270,400	124,805	145,595
Materials and Supplies	150,000	140,000	63,434	76,566
Capital Outlay	340,000	379,600	379,510	90
<b>Total Line</b>	<b>1,448,500</b>	<b>1,487,400</b>	<b>1,222,180</b>	<b>265,220</b>
Sewer Capital Improvements:				
Contractual Services	520,000	504,000	457,259	46,741
Other	-	200	114	86
Capital Outlay	500,000	1,871,800	1,388,037	483,763
<b>Total Capital Improvements</b>	<b>1,020,000</b>	<b>2,376,000</b>	<b>1,845,410</b>	<b>530,590</b>

(Continued)

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Sanitary Sewer Fund  
 For the Year Ended December 31, 2015  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Debt Service:				
Principal	221,140	221,140	221,137	3
Interest & Fiscal Charges	104,594	104,594	104,593	1
Total Debt Service	325,734	325,734	325,730	4
<i>Total Expenses</i>	<u>6,293,234</u>	<u>8,071,334</u>	<u>7,023,807</u>	<u>1,047,527</u>
<i>Excess of Revenues Over     (Under) Expenses</i>	(415,534)	(1,341,834)	(370,172)	971,662
<b>Other Financing Sources</b>				
Capital Contribution - Tap-in Fees	150,000	315,000	314,278	(722)
Capital Contributions - Special Assessments	73,700	121,500	121,291	(209)
Capital Contributions - Developers	-	1,356,000	1,355,348	(652)
Sale of Capital Assets	-	30,000	30,000	-
<i>Total Other Financing Sources</i>	<u>223,700</u>	<u>1,822,500</u>	<u>1,820,917</u>	<u>(1,583)</u>
<i>Net Change in Fund Equity</i>	(191,834)	480,666	1,450,745	970,079
<i>Fund Equity - Beginning of Year</i>	4,874,822	4,874,822	4,874,822	-
<i>Fund Equity - End of Year</i>	<u>\$ 4,682,988</u>	<u>\$ 5,355,488</u>	<u>\$ 6,325,567</u>	<u>\$ 970,079</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Police Pension Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 359,418	\$ 361,914	\$ 361,915	\$ 1
Intergovernmental Revenues	55,055	54,999	51,261	(3,738)
<i>Total Revenues</i>	<u>414,473</u>	<u>416,913</u>	<u>413,176</u>	<u>(3,737)</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Police:				
Personal Services	<u>1,282,000</u>	<u>1,301,300</u>	<u>1,237,406</u>	<u>63,894</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(867,527)</u>	<u>(884,387)</u>	<u>(824,230)</u>	<u>60,157</u>
<b>Other Financing Sources</b>				
Transfers In	<u>840,000</u>	<u>875,000</u>	<u>875,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	<u>(27,527)</u>	<u>(9,387)</u>	<u>50,770</u>	<u>60,157</u>
<i>Fund Balance - Beginning of Year</i>	<u>155,627</u>	<u>155,627</u>	<u>155,627</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u><u>\$ 128,100</u></u>	<u><u>\$ 146,240</u></u>	<u><u>\$ 206,397</u></u>	<u><u>\$ 60,157</u></u>

# City of Strongsville, Ohio

## *Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual State Highway Maintenance Fund For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 140,000	\$ 141,300	\$ 145,940	\$ 4,640
Interest Income	600	800	797	(3)
Miscellaneous	-	13,000	12,299	(701)
<i>Total Revenues</i>	<u>140,600</u>	<u>155,100</u>	<u>159,036</u>	<u>3,936</u>
<b>Expenditures:</b>				
Current:				
Transportation:				
State Highway Maintenance:				
Other	<u>150,000</u>	<u>160,000</u>	<u>112,389</u>	<u>47,611</u>
<i>Net Change in Fund Balance</i>	(9,400)	(4,900)	46,647	51,547
<i>Fund Balance - Beginning of Year</i>	<u>236,865</u>	<u>236,865</u>	<u>236,865</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u>\$ 227,465</u>	<u>\$ 231,965</u>	<u>\$ 283,512</u>	<u>\$ 51,547</u>

# City of Strongsville, Ohio

## *Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Motor Vehicle License Tax Fund For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Permissive Motor Vehicle Taxes	\$ 330,000	\$ 337,700	\$ 337,566	\$ (134)
Interest Income	800	1,300	1,359	59
<i>Total Revenues</i>	<u>330,800</u>	<u>339,000</u>	<u>338,925</u>	<u>(75)</u>
<b>Expenditures:</b>				
Current:				
Transportation:				
Motor Vehicle License Tax:				
Other	<u>300,000</u>	<u>400,000</u>	<u>94,865</u>	<u>305,135</u>
<i>Net Change in Fund Balance</i>	30,800	(61,000)	244,060	305,060
<i>Fund Balance - Beginning of Year</i>	<u>218,952</u>	<u>218,952</u>	<u>218,952</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u>\$ 249,752</u>	<u>\$ 157,952</u>	<u>\$ 463,012</u>	<u>\$ 305,060</u>

# City of Strongsville, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Emergency Vehicle Fund For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for Services	\$ 800,000	\$ 1,000,000	\$ 1,040,233	\$ 40,233
Interest Income	5,000	6,500	6,490	(10)
Miscellaneous	-	7,200	5,238	(1,962)
<i>Total Revenues</i>	<u>805,000</u>	<u>1,013,700</u>	<u>1,051,961</u>	<u>38,261</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Emergency Vehicle:				
Other	<u>1,619,000</u>	<u>1,499,000</u>	<u>1,042,970</u>	<u>456,030</u>
Debt Service:				
Principal	-	120,000	120,000	-
Interest & Fiscal Charges	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>-</u>
Total Debt Service	<u>6,000</u>	<u>126,000</u>	<u>126,000</u>	<u>-</u>
<i>Total Expenditures</i>	<u>1,625,000</u>	<u>1,625,000</u>	<u>1,168,970</u>	<u>456,030</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(820,000)	(611,300)	(117,009)	494,291
<b>Other Financing Sources</b>				
Sale of Capital Assets	-	45,500	45,437	(63)
<i>Total Other Financing Sources</i>	<u>-</u>	<u>45,500</u>	<u>45,437</u>	<u>(63)</u>
<i>Net Change in Fund Balance</i>	(820,000)	(565,800)	(71,572)	494,228
<i>Fund Balance - Beginning of Year</i>	<u>1,685,456</u>	<u>1,685,456</u>	<u>1,685,456</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u>\$ 865,456</u>	<u>\$ 1,119,656</u>	<u>\$ 1,613,884</u>	<u>\$ 494,228</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Fire Pension Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 359,418	\$ 361,914	\$ 361,915	\$ 1
Intergovernmental Revenues	55,055	54,999	51,261	(3,738)
<i>Total Revenues</i>	<u>414,473</u>	<u>416,913</u>	<u>413,176</u>	<u>(3,737)</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Fire:				
Personal Services	<u>1,362,100</u>	<u>1,436,300</u>	<u>1,375,160</u>	<u>61,140</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(947,627)</u>	<u>(1,019,387)</u>	<u>(961,984)</u>	<u>57,403</u>
<b>Other Financing Sources</b>				
Transfers In	<u>900,000</u>	<u>935,000</u>	<u>935,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	<u>(47,627)</u>	<u>(84,387)</u>	<u>(26,984)</u>	<u>57,403</u>
<i>Fund Balance - Beginning of Year</i>	<u>162,881</u>	<u>162,881</u>	<u>162,881</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u><u>\$ 115,254</u></u>	<u><u>\$ 78,494</u></u>	<u><u>\$ 135,897</u></u>	<u><u>\$ 57,403</u></u>



# City of Strongsville, Ohio

## *Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Clerk of Court Computerization Fund For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Fines and Forfeitures	\$ 15,000	\$ 18,500	\$ 18,080	\$ (420)
<b>Expenditures:</b>				
Current:				
General Government:				
Clerk of Courts:				
Other	35,000	50,000	39,126	10,874
<i>Net Change in Fund Balance</i>	(20,000)	(31,500)	(21,046)	10,454
<i>Fund Balance - Beginning of Year</i>	187,880	187,880	187,880	-
<i>Fund Balance - End of Year</i>	<u>\$ 167,880</u>	<u>\$ 156,380</u>	<u>\$ 166,834</u>	<u>\$ 10,454</u>

# City of Strongsville, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Drainage Levy Fund For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 478,707	\$ 482,200	\$ 482,200	\$ -
Intergovernmental Revenues	73,764	253,194	247,938	(5,256)
Miscellaneous	-	1,000	400	(600)
<i>Total Revenues</i>	<u>552,471</u>	<u>736,394</u>	<u>730,538</u>	<u>(5,856)</u>
<b>Expenditures:</b>				
Current:				
Basic Utility Services:				
Drainage Levy:				
Other	310,000	318,000	219,854	98,146
Capital Outlay	-	536,500	442,130	94,370
<i>Total Expenditures</i>	<u>310,000</u>	<u>854,500</u>	<u>661,984</u>	<u>192,516</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>242,471</u>	<u>(118,106)</u>	<u>68,554</u>	<u>186,660</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	300,000	300,000	-
Advances Out	(300,000)	(360,000)	(360,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(300,000)</u>	<u>(60,000)</u>	<u>(60,000)</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	<u>(57,529)</u>	<u>(178,106)</u>	<u>8,554</u>	<u>186,660</u>
<i>Fund Balance - Beginning of Year</i>	<u>287,397</u>	<u>287,397</u>	<u>287,397</u>	<u>-</u>
<i>Fund Balance - End of Year</i>	<u>\$ 229,868</u>	<u>\$ 109,291</u>	<u>\$ 295,951</u>	<u>\$ 186,660</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 FEMA Grant Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 234,100	\$ 234,099	\$ (1)
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Joint Dispatch Center:				
Other	-	60,359	60,358	1
<i>Excess of Revenues Over (Under) Expenditures</i>	-	173,741	173,741	-
<b>Other Financing (Uses)</b>				
Advances Out	-	(223,944)	(223,944)	-
<i>Total Other Financing (Uses)</i>	-	(223,944)	(223,944)	-
<i>Net Change in Fund Balance</i>	-	(50,203)	(50,203)	-
<i>Fund Balance - Beginning of Year</i>	50,203	50,203	50,203	-
<i>Fund Balance - End of Year</i>	<u>\$ 50,203</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Multi-Purpose Complex Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for Services	\$ 3,181,900	\$ 3,181,900	\$ 2,999,622	\$ (182,278)
Contributions and Donations	10,500	8,000	600	(7,400)
Miscellaneous	-	1,000	905	(95)
<i>Total Revenues</i>	<u>3,192,400</u>	<u>3,190,900</u>	<u>3,001,127</u>	<u>(189,773)</u>
<b>Expenditures:</b>				
Current:				
Leisure Time Activities:				
Sports Programs:				
Personal Services	268,800	266,000	252,159	13,841
Other	168,600	166,600	160,255	6,345
Total Sports Programs	<u>437,400</u>	<u>432,600</u>	<u>412,414</u>	<u>20,186</u>
Recreation Administration:				
Personal Services	462,100	448,100	433,729	14,371
Other	626,900	746,900	714,838	32,062
Total Recreation Administration	<u>1,089,000</u>	<u>1,195,000</u>	<u>1,148,567</u>	<u>46,433</u>
Fitness Programs:				
Personal Services	437,600	460,600	447,307	13,293
Other	134,900	154,900	153,518	1,382
Total Fitness Programs	<u>572,500</u>	<u>615,500</u>	<u>600,825</u>	<u>14,675</u>
Ice Rink:				
Other	<u>282,500</u>	<u>281,000</u>	<u>279,815</u>	<u>1,185</u>
Aquatics Programs:				
Personal Services	737,400	686,200	636,720	49,480
Other	102,300	152,300	144,662	7,638
Total Aquatics Programs	<u>839,700</u>	<u>838,500</u>	<u>781,382</u>	<u>57,118</u>
Recreation Programs:				
Personal Services	219,000	232,300	221,671	10,629
Other	32,800	30,200	26,626	3,574
Total Recreation Programs	<u>251,800</u>	<u>262,500</u>	<u>248,297</u>	<u>14,203</u>

(Continued)

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Multi-Purpose Complex Fund  
For the Year Ended December 31, 2015  
(Continued)*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Special Events:				
Other	17,100	16,200	15,029	1,171
Total Special Events	17,100	16,200	15,029	1,171
Old Town Hall:				
Personal Services	10,200	10,200	7,212	2,988
Other	12,300	17,100	15,461	1,639
Total Old Town Hall	22,500	27,300	22,673	4,627
Senior Services:				
Personal Services	569,800	571,300	560,987	10,313
Other	319,000	307,400	282,206	25,194
Total Senior Services	888,800	878,700	843,193	35,507
Recreation Maintenance:				
Personal Services	512,800	528,400	487,363	41,037
Other	168,000	207,000	199,406	7,594
Total Recreation Maintenance	680,800	735,400	686,769	48,631
Program Refunds:				
Other	50,000	42,200	36,029	6,171
Total Expenditures	5,132,100	5,324,900	5,074,993	249,907
Excess of Revenues Over (Under) Expenditures	(1,939,700)	(2,134,000)	(2,073,866)	60,134
<b>Other Financing Sources</b>				
Sale of Capital Assets	-	1,500	1,374	(126)
Transfers In	1,900,000	2,125,000	2,125,000	-
Total Other Financing Sources	1,900,000	2,126,500	2,126,374	(126)
Net Change in Fund Balance	(39,700)	(7,500)	52,508	60,008
Fund Balance - Beginning of Year	134,644	134,644	134,644	-
Fund Balance - End of Year	\$ 94,944	\$ 127,144	\$ 187,152	\$ 60,008

# City of Strongsville, Ohio

## *Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Southwest General Hospital Levy Fund For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 298,011	\$ 295,727	\$ 295,727	\$ -
Intergovernmental Revenues	36,891	39,175	30,590	(8,585)
<i>Total Revenues</i>	<u>334,902</u>	<u>334,902</u>	<u>326,317</u>	<u>(8,585)</u>
<b>Expenditures:</b>				
Current:				
Public Health Services:				
Other	<u>334,902</u>	<u>334,902</u>	<u>326,317</u>	<u>8,585</u>
<i>Net Change in Fund Balance</i>	-	-	-	-
<i>Fund Balance - Beginning of Year</i>	-	-	-	-
<i>Fund Balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

# City of Strongsville, Ohio

## *Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Law Enforcement Federal Seizures Fund For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Fines and Forfeitures	\$ 1,000	\$ 5,000	\$ 4,765	\$ (235)
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Other	2,000	5,500	3,340	2,160
<i>Net Change in Fund Balance</i>	(1,000)	(500)	1,425	1,925
<i>Fund Balance - Beginning of Year</i>	11,860	11,860	11,860	-
<i>Fund Balance - End of Year</i>	<u>\$ 10,860</u>	<u>\$ 11,360</u>	<u>\$ 13,285</u>	<u>\$ 1,925</u>

# City of Strongsville, Ohio

## *Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Law Enforcement State Seizures Fund For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Fines and Forfeitures	\$ 3,000	\$ 40,000	\$ 39,772	\$ (228)
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Other	2,000	16,000	12,199	3,801
<i>Net Change in Fund Balance</i>	1,000	24,000	27,573	3,573
<i>Fund Balance - Beginning of Year</i>	24,033	24,033	24,033	-
<i>Fund Balance - End of Year</i>	<u>\$ 25,033</u>	<u>\$ 48,033</u>	<u>\$ 51,606</u>	<u>\$ 3,573</u>



# City of Strongsville, Ohio

## *Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Law Enforcement Drug Fine Fund For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Fines and Forfeitures	\$ 400	\$ 400	\$ 430	\$ 30
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Other	400	400	395	5
<i>Net Change in Fund Balance</i>	-	-	35	35
<i>Fund Balance - Beginning of Year</i>	1,077	1,077	1,077	-
<i>Fund Balance - End of Year</i>	<u>\$ 1,077</u>	<u>\$ 1,077</u>	<u>\$ 1,112</u>	<u>\$ 35</u>

# City of Strongsville, Ohio

## *Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Law Enforcement DWI/DUI Fund For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Fines and Forfeitures	\$ 2,000	\$ 2,000	\$ 1,005	\$ (995)
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Other	10,000	10,000	337	9,663
<i>Net Change in Fund Balance</i>	(8,000)	(8,000)	668	8,668
<i>Fund Balance - Beginning of Year</i>	20,646	20,646	20,646	-
<i>Fund Balance - End of Year</i>	<u>\$ 12,646</u>	<u>\$ 12,646</u>	<u>\$ 21,314</u>	<u>\$ 8,668</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Tree Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental Revenues	\$ -	\$ 1,200	\$ 1,106	\$ (94)
Fees, Licenses, and Permits	50,000	147,000	143,546	(3,454)
<i>Total Revenues</i>	<u>50,000</u>	<u>148,200</u>	<u>144,652</u>	<u>(3,548)</u>
<b>Expenditures:</b>				
Current:				
Community Environment:				
Tree Maintenance:				
Other	100,000	106,000	96,455	9,545
<i>Net Change in Fund Balance</i>	(50,000)	42,200	48,197	5,997
<i>Fund Balance - Beginning of Year</i>	180,832	180,832	180,832	-
<i>Fund Balance - End of Year</i>	<u>\$ 130,832</u>	<u>\$ 223,032</u>	<u>\$ 229,029</u>	<u>\$ 5,997</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Community Diversion Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 8,900	\$ 8,900	\$ 8,400	\$ (500)
Fines and Forfeitures	3,500	3,500	3,650	150
<i>Total Revenues</i>	<u>12,400</u>	<u>12,400</u>	<u>12,050</u>	<u>(350)</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Personal Services	10,200	10,200	9,783	417
Other	1,500	1,500	1,500	-
<i>Total Expenditures</i>	<u>11,700</u>	<u>11,700</u>	<u>11,283</u>	<u>417</u>
<i>Net Change in Fund Balance</i>	700	700	767	67
<i>Fund Balance - Beginning of Year</i>	1,133	1,133	1,133	-
<i>Fund Balance - End of Year</i>	<u>\$ 1,833</u>	<u>\$ 1,833</u>	<u>\$ 1,900</u>	<u>\$ 67</u>

# City of Strongsville, Ohio

## *Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Earned Benefits Fund For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for Services	\$ -	\$ 10,000	\$ 9,456	\$ (544)
<b>Expenditures:</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Personal Services	150,000	550,000	-	550,000
Fire Department:				
Personal Services	150,000	150,000	127,327	22,673
Total Security of Persons and Property	300,000	700,000	127,327	572,673
Transportation:				
Service:				
Personal Services	100,000	100,000	16,740	83,260
Total Expenditures	400,000	800,000	144,067	655,933
Excess of Revenues Over (Under) Expenditures	(400,000)	(790,000)	(134,611)	655,389
<b>Other Financing Sources</b>				
Transfers In	400,000	600,000	600,000	-
Net Change in Fund Balance	-	(190,000)	465,389	655,389
Fund Balance - Beginning of Year	2,183,404	2,183,404	2,183,404	-
Fund Balance - End of Year	\$ 2,183,404	\$ 1,993,404	\$ 2,648,793	\$ 655,389

# City of Strongsville, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Royalton Road TIF Fund For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Payment in Lieu of Taxes	\$ 186,000	\$ 193,000	\$ 192,078	\$ (922)
Interest Income	300	400	338	(62)
<i>Total Revenues</i>	<u>186,300</u>	<u>193,400</u>	<u>192,416</u>	<u>(984)</u>
<b>Expenditures:</b>				
Current:				
General Government:				
Other	5,000	5,000	1,100	3,900
Debt Service:				
Principal	150,000	150,000	150,000	-
Interest & Fiscal Charges	1,875	1,875	1,496	379
<i>Total Expenditures</i>	<u>156,875</u>	<u>156,875</u>	<u>152,596</u>	<u>4,279</u>
<i>Net Change in Fund Balance</i>	29,425	36,525	39,820	3,295
<i>Fund Balance - Beginning of Year</i>	35,249	35,249	35,249	-
<i>Fund Balance - End of Year</i>	<u>\$ 64,674</u>	<u>\$ 71,774</u>	<u>\$ 75,069</u>	<u>\$ 3,295</u>

# City of Strongsville, Ohio

## *Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Pearl Road TIF #2 Fund For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Payment in Lieu of Taxes	\$ 22,000	\$ 7,750	\$ 7,748	\$ (2)
<b>Expenditures:</b>				
Current:				
General Government:				
Other	-	1,000	-	1,000
<i>Net Change in Fund Balance</i>	22,000	6,750	7,748	998
<i>Fund Balance - Beginning of Year</i>	57,044	57,044	57,044	-
<i>Fund Balance - End of Year</i>	<u>\$ 79,044</u>	<u>\$ 63,794</u>	<u>\$ 64,792</u>	<u>\$ 998</u>

## City of Strongsville, Ohio

*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Pearl Road TIF #3 Fund  
For the Year Ended December 31, 2015*

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	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Payment in Lieu of Taxes	\$ -	\$ 112,950	\$ 112,935	\$ (15)
<i>Net Change in Fund Balance</i>	-	112,950	112,935	(15)
<i>Fund Balance - Beginning of Year</i>	-	-	-	-
<i>Fund Balance - End of Year</i>	<u>\$ -</u>	<u>\$ 112,950</u>	<u>\$ 112,935</u>	<u>\$ (15)</u>



# City of Strongsville, Ohio

## *Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Recreation Capital Improvement Fund For the Year Ended December 31, 2015*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Charges for Services	\$ 40,000	\$ 70,000	\$ 67,200	\$ (2,800)
Miscellaneous	-	17,000	16,091	(909)
<i>Total Revenues</i>	<u>40,000</u>	<u>87,000</u>	<u>83,291</u>	<u>(3,709)</u>
<b>Expenditures:</b>				
Current:				
Capital Outlay	<u>100,000</u>	<u>912,500</u>	<u>406,759</u>	<u>505,741</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(60,000)	(825,500)	(323,468)	502,032
<b>Other Financing Sources</b>				
Transfers In	<u>-</u>	<u>900,000</u>	<u>900,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(60,000)	74,500	576,532	502,032
<i>Fund Balance - Beginning of Year</i>	121,623	121,623	121,623	-
<i>Fund Balance - End of Year</i>	<u>\$ 61,623</u>	<u>\$ 196,123</u>	<u>\$ 698,155</u>	<u>\$ 502,032</u>

# City of Strongsville, Ohio

## *Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Pearl Road Capital Improvement Fund For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 1,920,000	\$ 1,364,900	\$ 1,090,699	\$ (274,201)
<b>Expenditures:</b>				
Current:				
Capital Outlay	741,763	841,763	800,987	40,776
<i>Excess of Revenues Over (Under) Expenditures</i>	1,178,237	523,137	289,712	(233,425)
<b>Other Financing Sources (Uses)</b>				
Advances Out	(1,500,000)	(2,200,000)	(2,044,093)	155,907
Transfers In	-	310,100	310,049	(51)
OPWC Loan - Pearl Road	425,000	425,000	348,283	(76,717)
<i>Total Other Financing Sources (Uses)</i>	<u>(1,075,000)</u>	<u>(1,464,900)</u>	<u>(1,385,761)</u>	<u>79,139</u>
<i>Net Change in Fund Balance</i>	103,237	(941,763)	(1,096,049)	(154,286)
<i>Fund Balance - Beginning of Year</i>	1,251,956	1,251,956	1,251,956	-
<i>Fund Balance - End of Year</i>	<u>\$ 1,355,193</u>	<u>\$ 310,193</u>	<u>\$ 155,907</u>	<u>\$ (154,286)</u>

**City of Strongsville, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Workers' Compensation Reserve Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for Services	\$ 250,000	\$ 340,000	\$ 338,600	\$ (1,400)
Miscellaneous	6,100	13,000	12,069	(931)
<i>Total Revenues</i>	<u>256,100</u>	<u>353,000</u>	<u>350,669</u>	<u>(2,331)</u>
<b>Expenses:</b>				
Contractual Services	249,100	253,400	218,946	34,454
Claims	70,900	66,600	44,920	21,680
<i>Total Expenses</i>	<u>320,000</u>	<u>320,000</u>	<u>263,866</u>	<u>56,134</u>
<i>Net Change in Fund Equity</i>	(63,900)	33,000	86,803	53,803
<i>Fund Equity - Beginning of Year</i>	<u>1,448,780</u>	<u>1,448,780</u>	<u>1,448,780</u>	<u>-</u>
<i>Fund Equity - End of Year</i>	<u>\$ 1,384,880</u>	<u>\$ 1,481,780</u>	<u>\$ 1,535,583</u>	<u>\$ 53,803</u>

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## **STATISTICAL SECTION**



# City of Strongsville, Ohio

## Statistical Section

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

### **Contents**

### **Page(s)**

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Net Position by Component – Last Ten Years .....	S4
Changes in Net Position – Last Ten Years.....	S6
Fund Balances, Governmental Funds - Last Ten Years.....	S12
Changes in Fund Balances, Governmental Funds – Last Ten Years .....	S14

#### **Revenue Capacity**

These schedules contain information to help the reader assess the City's most significant local revenue sources, property taxes and municipal income taxes.

Assessed Valuations and Estimated Actual Values of Taxable Property – Last Ten Years .....	S18
Property Tax Rates – Direct and Overlapping Governments – Last Ten Years .....	S20
Effective Property Tax Rates – Direct and Overlapping Governments – Last Ten Years.....	S22
Property Tax Levies and Collections – Last Ten Years.....	S24
Principal Taxpayers – Real Estate Tax – 2015 and 2011 .....	S26
Income Tax Revenue Base and Collections (Cash Basis) – Last Ten Years .....	S27

# City of Strongsville, Ohio

## Statistical Section (Continued)

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### Debt Capacity

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.

Ratio of Outstanding Debt to Total Personal Income and Debt Per Capita - Last Ten Years .....	S28
Ratio of Net General Obligation Bonded Debt to Estimated Actual Value and Net Bonded Debt Per Capita - Last Ten Years .....	S29
Computation of Direct and Overlapping General Obligation Bonded Debt .....	S30
Legal Debt Margin - Last Ten Years .....	S32

### Economic and Demographic Information

These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.

Demographic and Economic Statistics – Last Ten Years .....	S34
Principal Municipal Income Tax Withholders – Current and Nine Years Ago .....	S36

### Operating Information

These schedules contain service data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Full-Time City Employees by Function/Program - Last Nine Years.....	S37
Operating Indicators by Function/Program - Last Nine Years.....	S38
Capital Assets Statistics by Function/Program – Last Nine Years .....	S48

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





## City of Strongsville, Ohio

*Net Position by Component*

*Accrual Basis of Accounting*

***Last Ten Years***

	<u>2015</u>	<u>2014 (1)</u>	<u>2013</u>	<u>2012</u>
Governmental Activities				
Net Investment in Capital Assets	\$147,391,701	\$141,087,430	\$130,311,512	\$132,674,654
Restricted	17,214,931	15,079,263	12,867,552	12,312,614
Unrestricted	<u>(18,125,155)</u>	<u>(19,327,351)</u>	<u>15,942,477</u>	<u>13,679,441</u>
<i>Total Governmental Activities Net Position</i>	<u><u>\$146,481,477</u></u>	<u><u>\$136,839,342</u></u>	<u><u>\$159,121,541</u></u>	<u><u>\$158,666,709</u></u>
Business Type - Activities				
Net Investment in Capital Assets	\$42,840,063	\$42,808,562	\$42,665,297	\$43,649,981
Unrestricted	<u>9,174,740</u>	<u>7,304,460</u>	<u>7,552,854</u>	<u>6,893,848</u>
<i>Total Business-Type Activities Net Position</i>	<u><u>\$52,014,803</u></u>	<u><u>\$50,113,022</u></u>	<u><u>\$50,218,151</u></u>	<u><u>\$50,543,829</u></u>
Primary Government				
Net Investment in Capital Assets	\$190,231,764	\$183,895,992	\$172,976,809	\$176,324,635
Restricted	17,214,931	15,079,263	12,867,552	12,312,614
Unrestricted	<u>(8,950,415)</u>	<u>(12,022,891)</u>	<u>23,495,331</u>	<u>20,573,289</u>
<i>Total Primary Government Net Position</i>	<u><u>\$198,496,280</u></u>	<u><u>\$186,952,364</u></u>	<u><u>\$209,339,692</u></u>	<u><u>\$209,210,538</u></u>

( 1 ) - Restated for GASB Statement No. 68 Implementation

**Table 1**

2011	2010	2009	2008	2007	2006
\$135,950,267	\$132,311,472	\$125,782,137	\$143,431,182	\$140,167,160	\$127,579,183
13,792,283	16,619,046	24,275,156	11,326,386	15,960,953	24,010,977
9,614,650	12,359,330	13,247,353	11,150,219	13,042,068	11,785,162
<u>\$159,357,200</u>	<u>\$161,289,848</u>	<u>\$163,304,646</u>	<u>\$165,907,787</u>	<u>\$169,170,181</u>	<u>\$163,375,322</u>
\$46,143,739	\$46,710,018	\$49,376,535	\$49,248,305	\$49,079,857	\$46,347,516
4,299,529	4,998,720	3,897,142	5,485,942	4,679,290	6,027,143
<u>\$50,443,268</u>	<u>\$51,708,738</u>	<u>\$53,273,677</u>	<u>\$54,734,247</u>	<u>\$53,759,147</u>	<u>\$52,374,659</u>
\$182,094,006	\$179,021,490	\$175,158,672	\$192,679,487	\$189,247,017	\$173,926,699
13,792,283	16,619,046	24,275,156	11,326,386	15,960,953	24,010,977
13,914,179	17,358,050	17,144,495	16,636,161	17,721,358	17,812,305
<u>\$209,800,468</u>	<u>\$212,998,586</u>	<u>\$216,578,323</u>	<u>\$220,642,034</u>	<u>\$222,929,328</u>	<u>\$215,749,981</u>

## City of Strongsville, Ohio

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General Government	\$251,350	\$228,753	\$240,556	\$248,566
Security of Persons and Property	2,909,713	2,223,037	1,576,135	1,864,219
Public Health Services	49,700	57,325	57,869	56,200
Leisure Time Activities	3,031,393	2,905,030	2,927,501	3,085,539
Community Environment	1,392,174	1,356,188	914,601	826,526
Basic Utility Services	52,001	41,471	94,651	42,703
Transportation	1,600	10,923	3,000	2,200
Subtotal - Charges for Services	<u>7,687,931</u>	<u>6,822,727</u>	<u>5,814,313</u>	<u>6,125,953</u>
Operating Grants and Contributions:				
General Government	0	0	0	0
Security of Persons and Property	85,594	80,009	107,294	95,342
Leisure Time Activities	0	3,402	18,827	6,675
Community Environment	3,894	31,106	13,750	4,000
Basic Utility Services	0	193,868	6,898	0
Transportation	1,963,337	1,968,070	1,967,759	1,909,109
Subtotal - Operating Grants and Contributions	<u>2,052,825</u>	<u>2,276,455</u>	<u>2,114,528</u>	<u>2,015,126</u>
Capital Grants and Contributions:				
Security of Persons and Property	61,332	528,306	1,939	38,341
Leisure Time Activities	0	40,963	30,672	15,000
Community Environment	0	0	0	0
Basic Utility Services	0	0	1,039,470	0
Transportation	6,968,820	11,307,679	6,998	220,100
Subtotal - Capital Grants and Contributions	<u>7,030,152</u>	<u>11,876,948</u>	<u>1,079,079</u>	<u>273,441</u>
<i>Total Governmental Activities Program Revenues</i>	<u>16,770,908</u>	<u>20,976,130</u>	<u>9,007,920</u>	<u>8,414,520</u>
Business-Type Activities:				
Charges for Services:				
Sanitary Sewer	6,726,483	6,198,988	5,738,519	5,688,046
Operating Grants and Contributions				
Sanitary Sewer	486	23,684	0	0
Capital Grants and Contributions				
Sanitary Sewer	1,984,382	1,357,513	396,085	1,101,103
<i>Total Business-Type Activities Program Revenues</i>	<u>8,711,351</u>	<u>7,580,185</u>	<u>6,134,604</u>	<u>6,789,149</u>
<i>Total Primary Government Program Revenues</i>	<u>\$25,482,259</u>	<u>\$28,556,315</u>	<u>\$15,142,524</u>	<u>\$15,203,669</u>

**Table 2**

2011	2010	2009	2008	2007	2006
\$188,192	\$1,732,960	\$2,317,001	\$2,684,589	\$2,437,564	\$3,515,444
1,683,289	1,106,800	894,314	885,578	953,819	759,474
44,925	50,778	60,244	48,089	60,876	83,896
3,068,427	3,126,816	3,151,756	3,138,885	3,008,295	2,836,202
874,340	74,865	57,393	52,172	0	181,432
70,961	0	457	0	0	30,198
1,400	25,258	12,793	131,402	57,820	268,943
<u>5,931,534</u>	<u>6,117,477</u>	<u>6,493,958</u>	<u>6,940,715</u>	<u>6,518,374</u>	<u>7,675,589</u>
0	0	0	0	0	4,722
58,953	32,195	496,956	196,699	97,091	526,860
4,176	0	0	728	0	50,811
29,750	3,500	0	102,883	10,000	0
0	0	0	0	0	0
<u>1,993,922</u>	<u>1,881,165</u>	<u>1,822,652</u>	<u>1,950,319</u>	<u>1,455,121</u>	<u>1,886,351</u>
<u>2,086,801</u>	<u>1,916,860</u>	<u>2,319,608</u>	<u>2,250,629</u>	<u>1,562,212</u>	<u>2,468,744</u>
0	624,893	0	0	0	0
486,787	190,500	0	0	0	0
0	0	0	0	170,663	0
0	0	300,761	112,682	16,467	980,643
<u>5,287,070</u>	<u>4,900,599</u>	<u>620,630</u>	<u>1,563,836</u>	<u>0</u>	<u>203,138</u>
<u>5,773,857</u>	<u>5,715,992</u>	<u>921,391</u>	<u>1,676,518</u>	<u>187,130</u>	<u>1,183,781</u>
<u>13,792,192</u>	<u>13,750,329</u>	<u>9,734,957</u>	<u>10,867,862</u>	<u>8,267,716</u>	<u>11,328,114</u>
5,225,116	5,420,941	5,104,311	6,027,451	6,113,473	8,947,352
0	0	0	0	0	0
<u>538,368</u>	<u>904,765</u>	<u>206,265</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>5,763,484</u>	<u>6,325,706</u>	<u>5,310,576</u>	<u>6,027,451</u>	<u>6,113,473</u>	<u>8,947,352</u>
<u>\$19,555,676</u>	<u>\$20,076,035</u>	<u>\$15,045,533</u>	<u>\$16,895,313</u>	<u>\$14,381,189</u>	<u>\$20,275,466</u>

(Continued)

## City of Strongsville, Ohio

### Changes in Net Position (continued)

#### Accrual Basis of Accounting

#### ***Last Ten Years***

	2015	2014	2013	2012
<b>Expenses</b>				
Governmental Activities:				
General Government	\$4,520,606	\$4,392,450	\$4,345,550	\$4,302,219
Security of Persons and Property:	24,419,872	25,052,042	22,032,268	21,838,362
Public Health Services	633,105	599,730	609,757	588,830
Leisure Time Activities	5,795,150	5,790,696	5,579,473	5,436,655
Community Environment	1,555,688	1,721,146	1,573,803	1,718,686
Basic Utility Services	2,372,551	2,450,397	2,310,738	2,047,268
Transportation	16,398,784	15,952,366	16,510,864	15,681,631
Interest and Fiscal Charges	1,694,011	1,853,013	1,966,448	2,103,662
<i>Total Governmental Activities Expenses</i>	<u>57,389,767</u>	<u>57,811,840</u>	<u>54,928,901</u>	<u>53,717,313</u>
Business-Type Activities				
Sanitary Sewer	6,885,083	7,150,206	6,502,969	6,714,808
<i>Total Business-Type Activities Expenses</i>	<u>6,885,083</u>	<u>7,150,206</u>	<u>6,502,969</u>	<u>6,714,808</u>
<i>Total Primary Government Program Expenses</i>	<u>64,274,850</u>	<u>64,962,046</u>	<u>61,431,870</u>	<u>60,432,121</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(40,618,859)	(36,835,710)	(45,920,981)	(45,302,793)
Business-Type Activities	1,826,268	429,979	(368,365)	74,341
<i>Total Primary Government Net Expense</i>	<u>(38,792,591)</u>	<u>(36,405,731)</u>	<u>(46,289,346)</u>	<u>(45,228,452)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	\$452,976	\$449,300	\$449,334	\$419,991
Other Purposes	5,781,880	5,740,574	5,412,835	5,253,644
Debt Service	3,423,949	3,435,946	3,440,487	3,401,469
Municipal Income Taxes Levied For:				
General Purposes	31,120,903	30,267,292	28,221,681	26,677,393
Other Purposes	3,744,688	3,599,013	3,319,369	3,157,012
Other Local Taxes Levied For:				
General Purposes	0	0	0	0
Other Purposes	0	0	0	0
Hotel Taxes	166,683	189,728	179,090	181,064
Permissive Motor Vehicle Taxes	338,386	330,566	328,246	324,002
Franchise Taxes	810,366	734,772	704,713	706,163
Payments in Lieu of Taxes	2,149,150	1,377,939	1,490,423	866,597

**Table 2**

2011	2010	2009	2008	2007	2006
\$5,530,388	\$6,269,187	\$6,508,706	\$7,098,680	\$6,786,628	\$6,733,553
21,516,765	19,977,428	19,224,379	19,002,791	18,018,132	15,574,728
601,590	576,471	664,106	673,737	691,325	1,159,001
5,748,672	5,765,092	5,699,830	5,683,148	5,489,674	4,692,170
1,746,987	1,160,407	1,342,951	1,315,155	1,412,973	1,185,523
2,076,197	2,552,751	2,527,962	2,535,449	2,512,831	2,534,684
19,356,513	19,202,006	15,647,804	15,736,157	14,221,684	4,964,705
2,339,292	2,637,914	2,586,722	2,128,048	1,983,198	1,817,551
58,916,404	58,141,256	54,202,460	54,173,165	51,116,445	38,661,915
7,068,791	6,435,645	6,771,146	7,196,930	7,865,730	10,576,957
7,068,791	6,435,645	6,771,146	7,196,930	7,865,730	10,576,957
65,985,195	64,576,901	60,973,606	61,370,095	58,982,175	49,238,872
(45,124,212)	(44,390,927)	(44,467,503)	(43,305,303)	(42,848,729)	(27,333,801)
(1,305,307)	(109,939)	(1,460,570)	(1,169,479)	(1,752,257)	(1,629,605)
(46,429,519)	(44,500,866)	(45,928,073)	(44,474,782)	(44,600,986)	(28,963,406)
\$424,295	\$434,211	\$557,971	\$500,118	\$522,343	\$560,017
5,324,748	5,405,637	5,664,398	4,464,616	4,610,482	4,849,411
3,460,320	3,585,239	3,893,170	3,745,667	3,853,875	3,559,667
26,251,391	22,863,432	23,250,680	24,737,583	24,573,922	24,161,083
2,625,174	2,622,417	2,680,482	2,880,291	2,831,795	3,247,691
0	722,501	1,237,868	1,105,006	2,385,214	1,423,291
0	318,728	313,231	290,111	317,247	312,444
171,572	0	0	0	0	0
325,245	0	0	0	0	0
645,974	0	0	0	0	0
848,939	609,562	349,651	0	0	0

(Continued)

## City of Strongsville, Ohio

### *Changes in Net Position (continued)*

#### *Accrual Basis of Accounting*

#### ***Last Ten Years***

	2015	2014	2013	2012
Grants and Entitlements not Restricted to Specific Programs	2,074,097	2,215,056	2,638,081	3,376,078
Investment Income	85,319	158,257	107,997	143,795
Gain (Loss) on Sale of Capital Assets	27,015	3,453	12,456	104,369
All Other Revenue	85,582	94,390	71,101	725
Transfers	0	0	0	0
<i>Total Governmental Activities</i>	<u>50,260,994</u>	<u>48,596,286</u>	<u>46,375,813</u>	<u>44,612,302</u>
Business-Type Activities				
Investment Income	45,513	49,557	42,687	26,220
Gain on Sale of Capital Assets	30,000	75,000	0	0
Transfers	0	0	0	0
<i>Total Business-Type Activities Expenses</i>	<u>75,513</u>	<u>124,557</u>	<u>42,687</u>	<u>26,220</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>50,336,507</u>	<u>48,720,843</u>	<u>46,418,500</u>	<u>44,638,522</u>
<b>Change in Net Assets</b>				
Governmental Activities	9,642,135	11,760,576	454,832	(690,491)
Business-Type Activities	1,901,781	554,536	(325,678)	100,561
<i>Total Primary Government Change in Net Position</i>	<u>\$11,543,916</u>	<u>\$12,315,112</u>	<u>\$129,154</u>	<u>(\$589,930)</u>



**Table 2**

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
3,673,797	4,137,516	3,351,151	3,588,997	2,201,145	1,743,170
174,298	221,886	565,760	740,975	1,765,591	1,488,166
0	0	0	116,910	0	0
4,708	0	0	17,214	0	100,798
<u>0</u>	<u>650,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>43,930,461</u>	<u>41,571,129</u>	<u>41,864,362</u>	<u>42,187,488</u>	<u>43,061,614</u>	<u>41,445,738</u>
39,837	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>(650,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>39,837</u>	<u>(650,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>43,970,298</u>	<u>40,921,129</u>	<u>41,864,362</u>	<u>42,187,488</u>	<u>43,061,614</u>	<u>41,445,738</u>
(1,193,751)	(2,819,798)	(2,603,141)	(1,117,815)	212,885	14,111,937
<u>(1,265,470)</u>	<u>(759,939)</u>	<u>(1,460,570)</u>	<u>(1,169,479)</u>	<u>(1,752,257)</u>	<u>(1,629,605)</u>
<u>(\$2,459,221)</u>	<u>(\$3,579,737)</u>	<u>(\$4,063,711)</u>	<u>(\$2,287,294)</u>	<u>(\$1,539,372)</u>	<u>\$12,482,332</u>

## City of Strongsville, Ohio

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

	2015	2014	2013	2012
<b>General Fund</b>				
Nonspendable	\$108,813	\$99,871	\$100,391	\$57,252
Committed	2,648,793	2,183,404	2,008,568	1,587,387
Assigned	111,677	0	0	174,133
Unassigned	12,479,133	14,588,071	14,567,182	13,929,851
Reserved for Inventories, Prepaids, and Encumbrances	0	0	0	0
Unreserved	0	0	0	0
Total General Fund	15,348,416	16,871,346	16,676,141	15,748,623
<b>All Other Governmental Funds</b>				
Nonspendable	690,260	709,213	511,679	594,322
Restricted	13,162,251	11,780,476	7,906,906	6,342,091
Committed	2,693,862	2,059,505	2,400,891	2,770,345
Unassigned (Deficit)	(541,729)	(2,958,156)	(2,443,025)	(4,083,178)
Reserved for Inventories, Prepaids, and Encumbrances	0	0	0	0
Reserved for Debt Service	0	0	0	0
Unreserved, Undesignated, Reported in:				
Special Revenue funds	0	0	0	0
Capital Projects funds	0	0	0	0
Total All Other Governmental Funds	16,004,644	11,591,038	8,376,451	5,623,580
<b>Total Governmental Funds</b>	<u>\$31,353,060</u>	<u>\$28,462,384</u>	<u>\$25,052,592</u>	<u>\$21,372,203</u>

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

**Table 3**

2011	2010	2009	2008	2007	2006
\$87,347	\$356,036	\$0	\$0	\$0	\$0
1,000,000	6,800	0	0	0	0
93,058	0	0	0	0	0
11,754,185	11,333,325	0	0	0	0
0	0	342,856	299,324	272,177	345,796
0	0	11,161,498	11,537,393	10,809,794	9,633,392
12,934,590	11,696,161	11,504,354	11,836,717	11,081,971	9,979,188
788,206	552,153	0	0	0	0
7,100,443	10,975,566	0	0	0	0
2,772,189	3,059,448	0	0	0	0
(5,496,105)	0	0	0	0	0
0	0	538,166	498,903	435,090	468,581
0	0	2,107,301	2,308,787	2,991,563	2,978,000
0	0	7,873,397	8,256,585	8,360,462	10,768,958
0	0	11,008,764	12,078,222	1,387,781	6,415,873
5,164,733	14,587,167	21,527,628	23,142,497	13,174,896	20,631,412
\$18,099,323	\$26,283,328	\$33,031,982	\$34,979,214	\$24,256,867	\$30,610,600

## City of Strongsville, Ohio

### *Changes in Fund Balances, Governmental Funds*

#### *Modified Accrual Basis of Accounting*

#### ***Last Ten Years***

	2015	2014	2013	2012
<b>Revenues</b>				
Municipal Income Taxes	\$34,299,444	\$33,037,551	\$31,293,787	\$29,472,936
Property Taxes	9,483,617	9,693,836	9,370,727	9,114,409
Other Taxes	0	0	0	0
Hotel Taxes	166,683	189,728	179,090	181,064
Permissive Motor Vehicle Taxes	338,386	330,566	328,246	324,002
Franchise Taxes	810,366	734,772	764,513	646,363
Payment in Lieu of Taxes	2,149,150	1,377,939	1,490,423	866,597
Intergovernmental	5,238,151	10,503,164	5,801,751	5,818,163
Special Assessments	125,257	216,197	201,198	196,199
Charges for Services	5,344,116	4,552,341	4,128,191	4,412,698
Fees, Licenses and Permits	1,346,835	1,321,085	897,119	810,323
Fines and Forfeitures	727,321	687,548	594,025	687,176
Contributions and Donations	10,060	94,053	43,645	36,375
Interest	85,319	158,257	107,997	143,795
All Other Revenue	322,370	300,580	346,455	226,958
<i>Total Revenues</i>	<u>60,447,075</u>	<u>63,197,617</u>	<u>55,547,167</u>	<u>52,937,058</u>
<b>Expenditures</b>				
Current:				
General Government	4,377,994	4,026,332	4,264,294	4,098,422
Security of Persons and Property	23,275,603	22,038,035	20,847,287	20,813,310
Public Health Services	634,356	619,899	609,538	587,350
Leisure Time Activities	5,168,978	4,883,317	4,910,785	4,737,621
Community Environment	1,584,455	1,508,060	1,573,280	1,714,586
Basic Utility Services	2,374,351	2,450,397	2,310,738	2,047,268
Transportation	10,023,595	9,228,919	10,187,888	9,168,526
Capital Outlay	6,379,419	11,826,437	4,218,030	3,277,644
Debt Service:				
Principal Retirement	2,455,000	2,460,000	2,190,000	1,245,000
Interest and Fiscal Charges	1,529,895	1,682,540	2,007,702	2,095,278
Bond Issuance Costs	205,660	234,029	39,212	0
Advance Refunding Escrow	0	0	0	0
<i>Total Expenditures</i>	<u>58,009,306</u>	<u>60,957,965</u>	<u>53,158,754</u>	<u>49,785,005</u>

**Table 4**

2011	2010	2009	2008	2007	2006
\$28,203,761	\$26,460,113	\$25,926,979	\$27,521,333	\$27,508,910	\$28,107,643
9,327,017	9,474,306	9,895,558	8,930,246	8,928,671	9,002,409
0	1,041,230	2,265,750	2,236,940	2,404,471	1,343,366
171,572	0	0	0	0	0
325,245	0	0	0	0	0
645,974	0	0	0	0	0
848,939	609,562	0	0	0	0
9,660,513	12,337,923	6,397,976	5,737,481	4,180,607	5,505,589
181,198	173,606	150,000	145,000	140,000	130,000
4,270,678	4,306,774	4,746,566	4,668,474	4,754,916	4,749,111
829,427	778,914	1,422,755	1,477,214	1,365,786	1,882,449
575,280	635,519	0	0	0	0
1,744,177	0	0	0	0	0
174,298	221,886	540,955	725,526	1,750,142	1,478,794
259,071	300,964	311,725	1,841,875	441,968	1,093,104
<u>57,217,150</u>	<u>56,340,797</u>	<u>51,658,264</u>	<u>53,284,089</u>	<u>51,475,471</u>	<u>53,292,465</u>
4,684,119	6,023,550	6,384,644	6,699,678	6,478,223	6,591,496
20,322,032	18,953,918	18,400,681	17,811,396	17,291,565	15,761,969
606,142	602,857	653,054	667,697	689,121	716,829
5,412,647	5,149,526	5,084,001	5,075,995	4,943,165	4,470,869
1,716,758	1,112,484	1,334,368	1,277,746	1,517,796	1,328,728
2,076,197	2,552,751	2,527,962	2,535,449	2,512,831	2,534,684
13,710,377	12,504,482	8,758,272	8,806,301	7,684,081	8,992,748
8,128,639	11,616,943	12,387,291	10,600,177	12,248,397	6,389,425
2,315,000	2,563,688	19,234,457	2,659,457	2,529,457	4,446,539
2,336,917	2,690,882	2,870,106	2,022,217	1,965,418	1,738,124
241,499	0	0	0	0	204,661
1,499,540	0	0	0	0	0
<u>63,049,867</u>	<u>63,771,081</u>	<u>77,634,836</u>	<u>58,156,113</u>	<u>57,860,054</u>	<u>53,176,072</u>

(Continued)

## City of Strongsville, Ohio

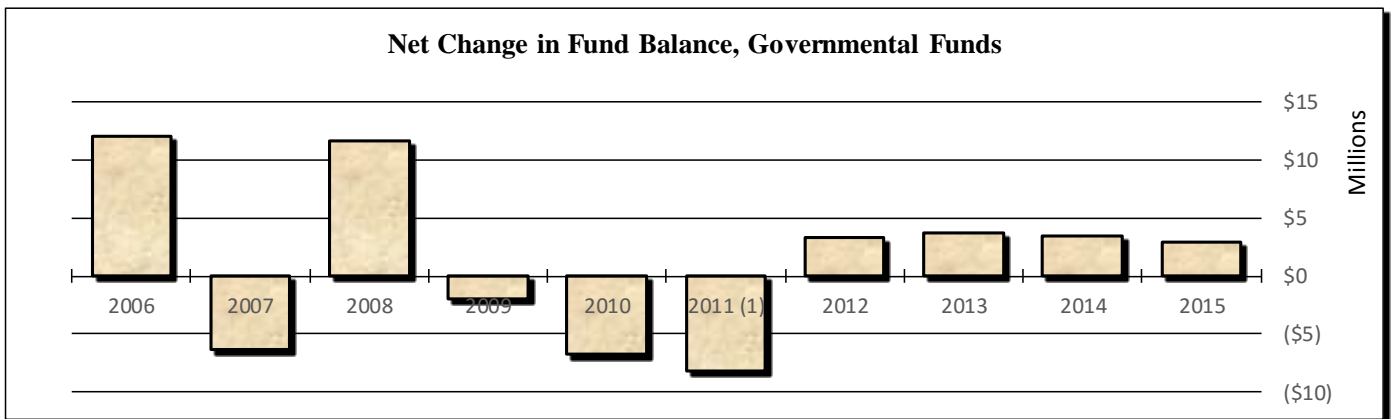
### Changes in Fund Balances, Governmental Funds (continued)

#### Modified Accrual Basis of Accounting

#### ***Last Ten Years***

	2015	2014	2013	2012
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,437,769</u>	<u>2,239,652</u>	<u>2,388,413</u>	<u>3,152,053</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	87,960	168,812	85,341	120,827
General Obligation Notes and Bonds Issued	0	0	0	0
Refunding Bonds Issued	7,635,000	9,485,000	0	0
Premium on Debt Issuance	332,458	259,448	0	0
OPWC Loans Issued	175,888	790,207	1,206,635	0
Payment to Refunded Bond Escrow Account	(7,778,399)	(9,533,327)	0	0
Transfers In	15,424,345	15,620,252	12,107,592	10,461,099
Transfers Out	<u>(15,424,345)</u>	<u>(15,620,252)</u>	<u>(12,107,592)</u>	<u>(10,461,099)</u>
<i>Total Other Financing Sources (Uses)</i>	<u>452,907</u>	<u>1,170,140</u>	<u>1,291,976</u>	<u>120,827</u>
<i>Net Change in Fund Balances</i>	<u><u>\$2,890,676</u></u>	<u><u>\$3,409,792</u></u>	<u><u>\$3,680,389</u></u>	<u><u>\$3,272,880</u></u>
Debt Service as a Percentage of Noncapital Expenditures	7.7%	8.4%	8.6%	7.2%

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



**Table 4**

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u>(5,832,717)</u>	<u>(7,430,284)</u>	<u>(25,976,572)</u>	<u>(4,872,024)</u>	<u>(6,384,583)</u>	<u>116,393</u>
54,159	31,630	26,320	33,950	30,850	23,223
0	0	24,985,000	16,450,000	0	11,740,000
10,735,000	0	0	0	0	0
734,553	0	553,020	0	0	243,248
0	0	0	0	0	0
(13,875,000)	0	(1,535,000)	0	0	0
15,045,506	10,000,250	10,324,632	10,434,101	10,625,955	8,775,000
<u>(15,045,506)</u>	<u>(9,350,250)</u>	<u>(10,324,632)</u>	<u>(10,434,101)</u>	<u>(10,625,955)</u>	<u>(8,775,000)</u>
<u>(2,351,288)</u>	<u>681,630</u>	<u>24,029,340</u>	<u>16,483,950</u>	<u>30,850</u>	<u>12,006,471</u>
<u>(8,184,005)</u>	<u>(\$6,748,654)</u>	<u>(\$1,947,232)</u>	<u>\$11,611,926</u>	<u>(\$6,353,733)</u>	<u>\$12,122,864</u>
8.6%	10.1%	33.9%	9.8%	9.9%	13.2%

## City of Strongsville, Ohio

### *Assessed Valuations and Estimated Actual Values of Taxable Property*

#### **Last Ten Years**

Tax/ Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2014/2015	\$1,047,149,690	\$334,314,990	\$3,947,041,943	\$33,218,660	\$37,748,477
2013/2014	1,040,470,570	341,314,550	3,947,957,486	31,573,530	35,877,875
2012/2013	1,034,250,240	338,196,020	3,921,275,029	28,773,280	32,696,909
2011/2012	1,069,394,630	349,705,480	4,054,571,743	26,461,290	30,069,648
2010/2011	1,065,813,650	351,694,900	4,050,024,429	25,230,750	28,671,307
2009/2010	1,060,500,060	339,966,540	4,001,333,143	24,348,890	27,669,193
2008/2009	1,144,174,580	340,536,050	4,242,030,371	22,889,670	26,010,989
2007/2008	1,134,046,780	329,271,100	4,180,908,229	21,700,330	24,659,466
2006/2007	1,122,917,950	336,777,870	4,170,559,486	27,670,430	31,443,670
2005/2006	1,007,484,400	287,716,880	3,700,575,086	26,848,990	30,510,216

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax was phased out beginning in 2006. For collection year 2006 both types of general business tangible personal property were assessed at 18.75 percent. The percentage was 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009.

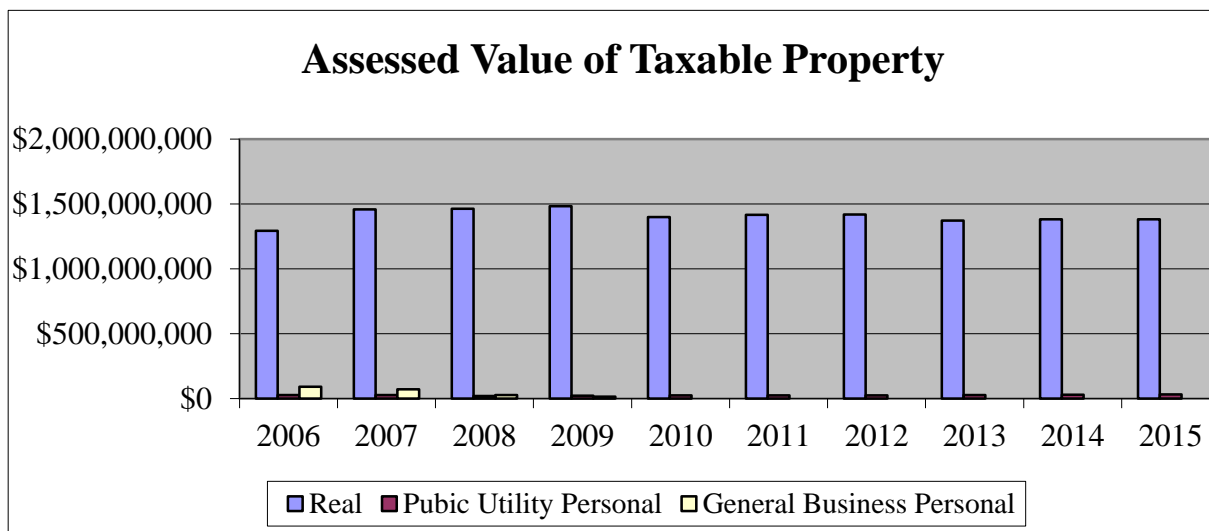
The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by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

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



**Table 5**

Tangible Personal Property						
General Business		Total				
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	Direct Tax Rate	
\$0	\$0	\$1,414,683,340	\$3,984,790,420	35.50%	\$9.80	
0	0	1,413,357,650	3,983,835,361	35.48	9.80	
0	0	1,401,219,540	3,953,971,938	35.44	9.90	
0	0	1,445,561,400	4,084,641,391	35.39	9.90	
0	0	1,442,739,300	4,078,695,735	35.37	9.90	
0	0	1,424,815,490	4,029,002,336	35.36	9.90	
16,619,271	265,908,336	1,524,219,571	4,533,949,696	33.62	9.90	
28,361,669	453,786,704	1,513,379,879	4,659,354,398	32.48	10.10	
73,437,883	587,503,064	1,560,804,133	4,789,506,220	32.59	10.10	
91,439,271	487,676,112	1,413,489,541	4,218,761,414	33.50	10.60	



## City of Strongsville, Ohio

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

### ***Last Ten Years***

	Tax Year/ Collection Year 2014/2015	Tax Year/ Collection Year 2013/2014	Tax Year/ Collection Year 2012/2013	Tax Year/ Collection Year 2011/2012
<b>City of Strongsville</b>				
<b>Unvoted Millage</b>				
Debt	\$2.3000	\$2.3000	\$2.3000	\$2.3000
Fire Pension	0.3000	0.3000	0.3000	0.3000
Police Pension	0.3000	0.3000	0.3000	0.3000
<b>Total Unvoted Millage</b>	<b>2.9000</b>	<b>2.9000</b>	<b>2.9000</b>	<b>2.9000</b>
<b>Voted Millage by Levy</b>				
1976 Current Expense	1.5000	1.5000	1.5000	1.5000
1976 Recreational	0.0000	0.0000	0.0000	0.0000
1976 Southwest Hospital	1.0000	1.0000	1.0000	1.0000
1976 Sewage	0.0000	0.0000	0.5000	0.5000
1979 Fire	0.0000	0.0000	0.0000	0.0000
2000 Bond	0.5000	0.5000	0.5000	0.5000
2004 Fire	2.0000	2.0000	2.0000	2.0000
2008 Fire	1.5000	1.5000	1.5000	1.5000
2013 Sewage	0.4000	0.4000	0.0000	0.0000
<b>Total Voted Millage</b>	<b>6.9000</b>	<b>6.9000</b>	<b>7.0000</b>	<b>7.0000</b>
<b>Total Millage - City</b>	<b>\$9.8000</b>	<b>\$9.8000</b>	<b>\$9.9000</b>	<b>\$9.9000</b>
<b>Overlapping Rates by Taxing District</b>				
Cuyahoga County	14.0500	14.0500	13.2200	13.2200
Strongsville City School District	81.7800	81.6800	81.6800	80.9800
Polaris Joint Vocational School District	2.4000	2.4000	2.4000	2.4000
Cleveland Metroparks	2.7500	2.7500	1.8500	1.8500
Cuyahoga County Library	2.5000	2.5000	2.5000	2.5000
Cuyahoga County Community College	4.0000	3.1000	3.1000	3.1000
Cleveland-Cuyahoga Port Authority	0.1300	0.1300	0.1300	0.1300
<b>Total Millage - Overlapping Governments</b>	<b>107.6100</b>	<b>106.6100</b>	<b>104.8800</b>	<b>104.1800</b>
<b>Grand Total - All Direct and Overlapping Rates</b>	<b>\$117.4100</b>	<b>\$116.4100</b>	<b>\$114.7800</b>	<b>\$114.0800</b>

**Table 6**

Tax Year/ Collection Year 2010/2011	Tax Year/ Collection Year 2009/2010	Tax Year/ Collection Year 2008/2009	Tax Year/ Collection Year 2007/2008	Tax Year/ Collection Year 2006/2007	Tax Year/ Collection Year 2005/2006
\$2.3000	\$2.3000	\$2.3000	\$2.3000	\$2.3000	\$2.3000
0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
2.9000	2.9000	2.9000	2.9000	2.9000	2.9000
1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
0.0000	0.0000	0.0000	0.0000	0.0000	0.5000
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
0.0000	0.0000	0.0000	1.7000	1.7000	1.7000
0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
1.5000	1.5000	1.5000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
7.0000	7.0000	7.0000	7.2000	7.2000	7.7000
\$9.9000	\$9.9000	\$9.9000	\$10.1000	\$10.1000	\$10.6000
13.3200	13.3200	13.3200	13.4200	13.4200	13.5200
81.1900	81.2900	81.2000	81.3000	74.8000	74.9000
2.4000	2.4000	2.4000	2.4000	2.4000	2.4000
1.8500	1.8500	1.8500	1.8500	1.8500	1.8500
2.5000	2.5000	2.5000	2.0000	2.0000	2.0000
3.1000	2.8000	2.8000	2.8000	2.8000	2.8000
0.1300	0.1300	0.1300	0.1300	0.1300	0.1300
104.4900	104.2900	104.2000	103.9000	97.4000	97.6000
\$114.3900	\$114.1900	\$114.1000	\$114.0000	\$107.5000	\$108.2000

## City of Strongsville, Ohio

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

### ***Last Ten Years***

	Tax Year/ Collection Year 2014/2015	Tax Year/ Collection Year 2013/2014	Tax Year/ Collection Year 2012/2013	Tax Year/ Collection Year 2011/2012
<b>City of Strongsville</b>				
<b>Unvoted Millage</b>				
Debt	\$2.300000	\$2.300000	\$2.300000	\$2.300000
Fire Pension	0.300000	0.300000	0.300000	0.300000
Police Pension	0.300000	0.300000	0.300000	0.300000
<b>Total Unvoted Millage</b>	<b>2.900000</b>	<b>2.900000</b>	<b>2.900000</b>	<b>2.900000</b>
<b>Voted Millage by Levy</b>				
1976 Current Expense	0.289602	0.289878	0.289707	0.278268
1976 Recreational	0.000000	0.000000	0.000000	0.000000
1976 Southwest Hospital	0.193068	0.193252	0.193138	0.185512
1976 Sewage	0.000000	0.000000	0.096569	0.092756
1979 Fire	0.000000	0.000000	0.000000	0.000000
2000 Bond	0.500000	0.500000	0.500000	0.500000
2004 Fire	1.998092	2.000000	2.000000	1.952296
2008 Fire	1.498569	1.500000	1.500000	1.500000
2013 Sewage	0.399618	0.400000	0.000000	0.000000
<b>Total Voted Millage</b>	<b>4.878949</b>	<b>4.883130</b>	<b>4.579414</b>	<b>4.508832</b>
<b>Total Millage - City</b>	<b>\$7.778949</b>	<b>\$7.783130</b>	<b>\$7.479414</b>	<b>\$7.408832</b>
<b>Overlapping Rates by Taxing District</b>				
Cuyahoga County	14.050000	14.050000	13.220000	13.118223
Strongsville City School District	41.922794	41.854334	41.838769	40.077864
Polaris Joint Vocational School District	2.331868	2.331112	2.328529	2.186133
Cleveland Metroparks	2.750000	2.750000	1.850000	1.818768
Cuyahoga County Library	2.500000	2.500000	2.500000	2.500000
Cuyahoga County Community College	4.000000	3.100000	3.100000	3.082039
Cleveland-Cuyahoga Port Authority	0.114311	0.113900	0.113492	0.103340
<b>Total Millage - Overlapping Governments</b>	<b>67.668973</b>	<b>66.699346</b>	<b>64.950790</b>	<b>62.886367</b>
<b>Grand Total - All Direct and Overlapping Rates</b>	<b>\$75.447922</b>	<b>\$74.482476</b>	<b>\$72.430204</b>	<b>\$70.295199</b>

**Table 7**

Tax Year/ Collection Year 2010/2011	Tax Year/ Collection Year 2009/2010	Tax Year/ Collection Year 2008/2009	Tax Year/ Collection Year 2007/2008	Tax Year/ Collection Year 2006/2007	Tax Year/ Collection Year 2005/2006
\$2.300000	\$2.300000	\$2.300000	\$2.300000	\$2.300000	\$2.300000
0.300000	0.300000	0.300000	0.300000	0.300000	0.300000
0.300000	0.300000	0.300000	0.300000	0.300000	0.300000
2.900000	2.900000	2.900000	2.900000	2.900000	2.900000
0.277905	0.277864	0.256155	0.256240	0.257112	0.284448
0.000000	0.000000	0.000000	0.000000	0.000000	0.094816
0.185270	0.185243	0.170770	0.170827	0.171408	0.189632
0.092635	0.092621	0.085385	0.085413	0.085704	0.094816
0.000000	0.000000	0.000000	0.478405	0.480034	0.531071
0.500000	0.500000	0.500000	0.500000	0.500000	0.500000
1.949756	1.949480	1.797176	1.797780	1.803904	1.995696
1.500000	1.500000	1.499496	0.000000	0.000000	0.000000
0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
4.505566	4.505208	4.308982	3.288665	3.298162	3.690479
\$7.405566	\$7.405208	\$7.208982	\$6.188665	\$6.198162	\$6.590479
13.186617	13.178886	12.660733	11.868868	11.865485	11.722742
40.254326	40.351065	38.226754	38.338526	31.941104	34.575734
2.182141	2.181147	1.999999	1.999998	1.999999	2.000000
1.810574	1.806839	1.669811	1.672048	1.671513	1.846448
2.500000	2.500000	2.500000	1.808638	1.809282	1.993538
3.076462	2.597303	2.395197	2.392311	2.391513	2.345188
0.102853	0.102733	0.094739	0.094625	0.094593	0.104910
63.112973	62.717973	59.547233	58.175014	51.773489	54.588560
\$70.518539	\$70.123181	\$66.756215	\$64.363679	\$57.971651	\$61.179039

## City of Strongsville, Ohio

### Property Tax Levies and Collections

#### Last Ten Years

Tax/ Collection Year	Current Tax Levy (1)	Current Tax Collections (1)	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections (1)	Total Tax Collections (1)
2014/2015	\$12,446,731	\$12,671,814	101.81	\$196,222	\$12,868,036
2013/2014	12,500,289	12,020,210	96.16	\$285,671	\$12,305,881
2012/2013	11,898,035	11,743,658	98.70	298,151	12,041,809
2011/2012	11,654,737	10,771,927	92.43	487,422	11,259,349
2010/2011	11,570,511	11,092,903	95.87	246,145	11,339,048
2009/2010	11,224,849	10,854,727	96.70	310,180	11,164,907
2008/2009	11,074,911	10,586,349	95.59	215,394	10,801,743
2007/2008	9,754,760	9,499,418	97.38	314,373	9,813,791
2006/2007	9,902,589	9,511,343	96.05	268,047	9,779,390
2005/2006	9,807,320	9,565,093	97.53	263,329	9,828,422

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

(1) State reimbursement of rollback and homestead exemptions are included along with payments in lieu of taxes from Cuyahoga County.

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

**Table 8**

Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes (1)	Percentage of Delinquent Taxes to Current Tax Levy
103.38%	\$498,285	4.00
98.44%	\$279,297	2.23
101.21%	493,092	4.14
96.61%	579,463	4.97
98.00%	640,974	5.54
99.47	645,606	5.75
97.53	707,131	6.38
100.61	432,154	4.43
98.76	706,961	7.14
100.22	634,423	6.47

# City of Strongsville, Ohio

## Principal Taxpayers – Real Estate Tax

2015 and 2011

Table 9

Taxpayer	2015	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Southpark Mall, LLC.	\$72,455,110	5.12 %
Cleveland Electric Illuminating Company	24,621,980	1.74
Greens of Strongsville, LTD.	8,877,760	0.63
Vam, LTD.	8,762,100	0.62
Cherry Street Village	8,141,920	0.58
Polo Club Apartments, LLC.	7,314,490	0.52
Chestnut Lake Apartments	6,412,990	0.45
Wal-Mart Real Estate	5,302,330	0.37
4C's, LLC.	5,028,240	0.36
Costco Wholesale Corporation	4,769,280	0.34
Total	\$151,686,200	10.72 %
Total Assessed Valuation	\$1,414,683,340	
Taxpayer	2011(1)	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Southpark Mall, LLC	\$65,745,630	4.56 %
Cleveland Electric Illuminating Company	20,722,740	1.44
Vam, LTD.	12,512,750	0.87
Firstcal Industrial 2 Acquisition	11,704,760	0.81
Greens of Strongsville, LTD.	8,858,510	0.61
Cherry Street Village	7,972,310	0.55
Polo Club Apartments, LLC.	7,275,880	0.50
Chestnut Lake Apartments	6,627,620	0.46
Wal-Mart Real Estate	5,915,560	0.41
Ohio Commerce Center Investments	5,250,000	0.36
Total	\$152,585,760	10.58 %
Total Assessed Valuation	\$1,442,739,300	

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

(1) Information prior to 2011 is not available

(2) The amounts presented represent the assessed values upon which 2014 collections were based.



# City of Strongsville, Ohio

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

### Last Ten Years

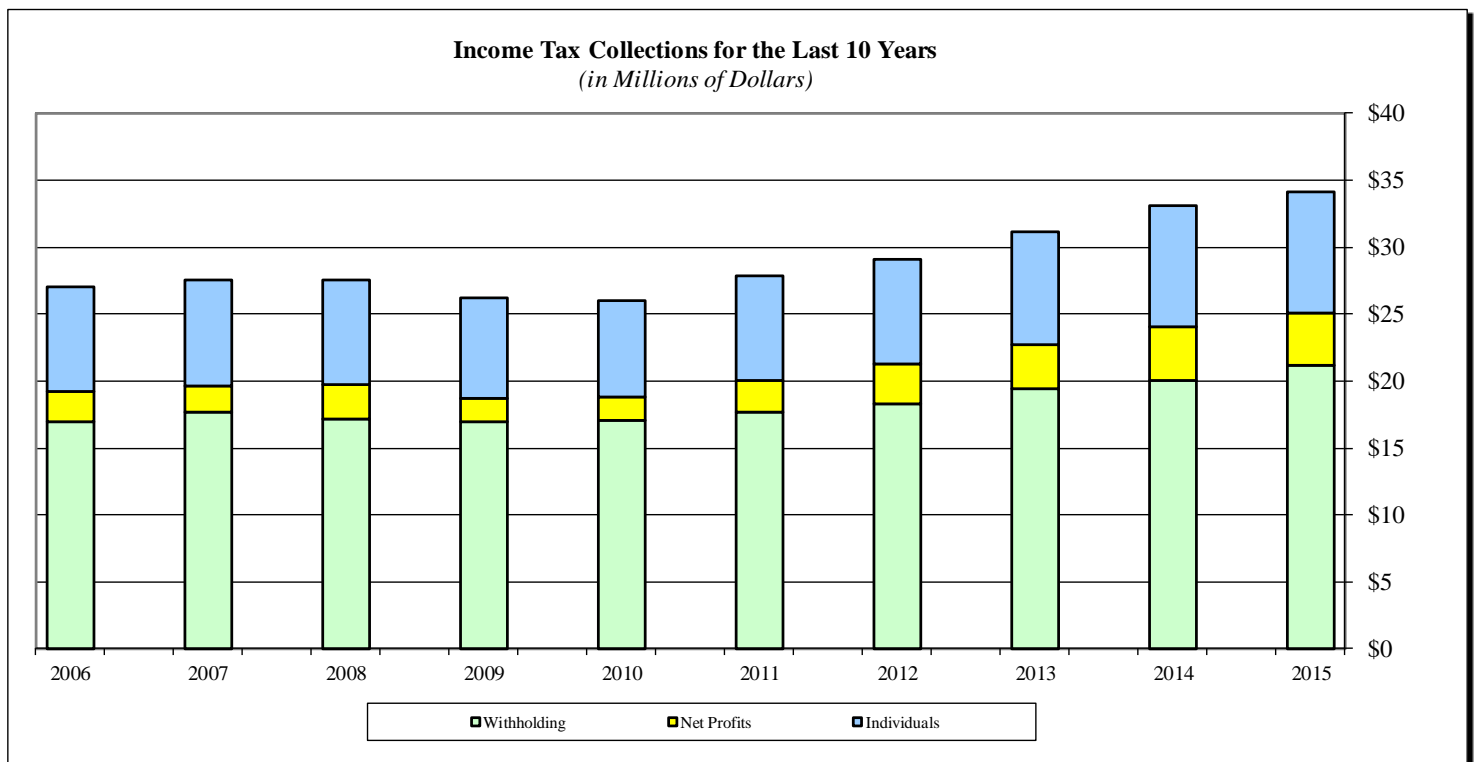
**Table 10**

Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes (1) From Individuals	Percentage of Taxes from Individuals
2015	2.00 %	\$ 34,119,630	\$ 21,137,392	61.95 %	\$ 3,909,169	11.46 %	\$ 9,073,069	26.59 %
2014	2.00	33,135,341	20,051,546	60.52	4,010,665	12.10	9,073,130	27.38
2013	2.00	31,191,054	19,471,624	62.43	3,242,840	10.39	8,476,590	27.18
2012	2.00	29,074,716	18,295,799	62.93	2,979,071	10.24	7,799,846	26.83
2011	2.00	27,896,316	17,701,146	63.45	2,364,892	8.48	7,830,278	28.07
2010	2.00	26,020,812	17,084,709	65.66	1,721,627	6.62	7,214,476	27.72
2009	2.00	26,215,912	16,980,532	64.77	1,690,117	6.45	7,545,263	28.78
2008	2.00	27,584,664	17,151,422	62.18	2,573,058	9.33	7,860,184	28.49
2007	2.00	27,516,760	17,682,322	64.26	1,955,142	7.11	7,879,296	28.63
2006	2.00	27,017,317	16,997,170	62.91	2,199,879	8.14	7,820,268	28.95

**Source:** Regional Income Tax Agency (RITA)

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

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



# City of Strongsville, Ohio

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

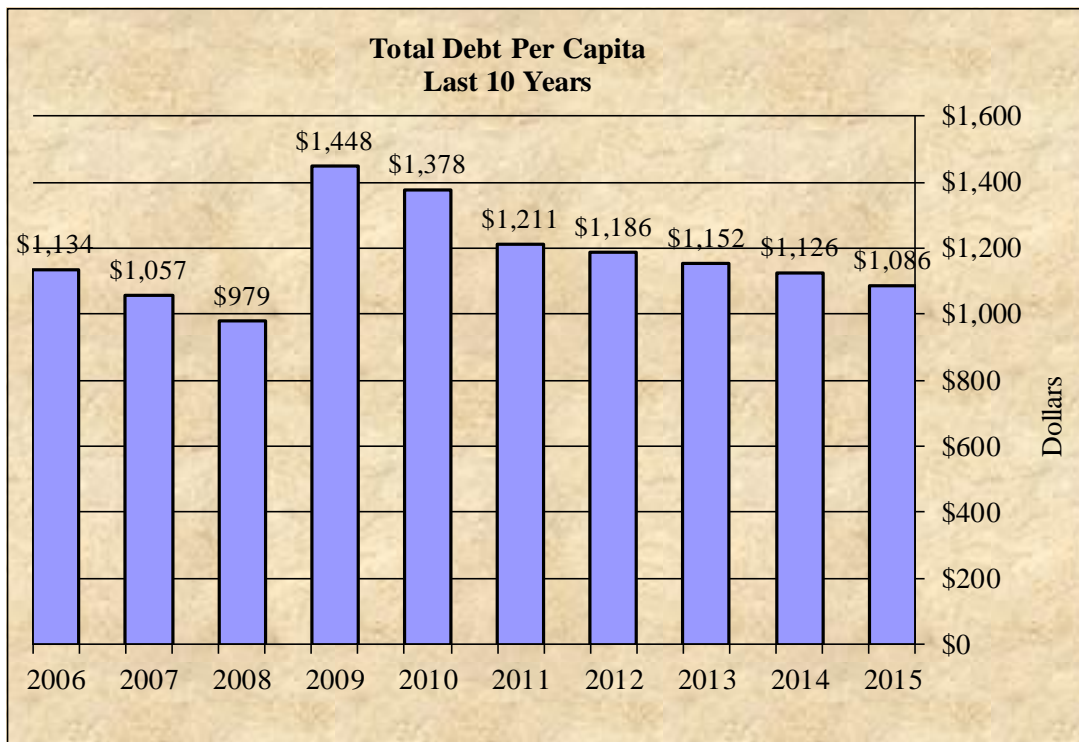
### Last Ten Years

**Table 11**

Year	Governmental Activities			Business-Type Activities			Total Debt	Percentage of Personal Income	Per Capita
	General Obligation Bonds (1)	Special Assessment Bonds	OPWC Loans	General Obligation Bonds	OWDA Loans	OPWC Loans			
2015	\$43,775,829	\$170,000	\$2,172,730	\$0	\$2,486,245	\$0	\$48,604,804	3.03 %	\$1,086
2014	45,383,015	285,000	1,996,842	0	2,707,382	0	50,372,239	3.25	1,126
2013	46,745,489	490,000	1,206,635	210,000	2,919,553	0	51,571,677	3.32	1,152
2012	48,863,378	680,000	0	415,000	3,123,128	0	53,081,506	3.42	1,186
2011	50,041,267	865,000	0	615,000	2,650,708	0	54,171,975	3.49	1,211
2010	55,780,684	1,035,000	0	805,000	2,814,500	0	60,435,184	4.64	1,378
2009	57,931,865	1,190,000	118,688	990,000	3,177,782	77,946	63,486,281	4.87	1,448
2008	36,167,026	1,340,000	138,145	1,185,000	3,996,756	92,119	42,919,046	3.29	979
2007	38,491,528	1,485,000	157,602	1,365,000	4,744,483	106,292	46,349,905	3.56	1,057
2006	40,861,030	1,625,000	177,059	1,530,000	5,427,460	120,465	49,741,014	3.82	1,134

Note: Population and Personal Income data are presented on page S34.

(1) - The general obligation bonds include the unamortized premiums.



## City of Strongsville, Ohio

### *Ratio of Net General Obligation Bonded Debt to Estimated Actual Value and Net Bonded Debt Per Capita*

#### ***Last Ten Years***

**Table 12**

Year	Population (1)		Estimated Actual Value of Taxable Property (2)	Gross Bonded Debt (3)	Accumulated Resources Restricted For Repayment	Net General Bonded Debt	Ratio of Net General Bonded Debt to Estimated Actual Value of Taxable Property		Net Bonded Debt Per Capita
2015	44,750	b	\$3,984,790,420	\$43,775,829	(\$2,468,996)	\$41,306,833	1.04	%	\$923.06
2014	44,750	b	3,983,835,361	45,383,015	(2,217,961)	\$43,165,054	1.08		\$964.58
2013	44,750	b	3,953,971,938	46,955,489	(2,402,178)	\$44,553,311	1.13		\$995.60
2012	44,750	b	4,084,641,391	49,278,378	(2,383,528)	\$46,894,850	1.15		\$1,047.93
2011	44,750	b	4,078,695,735	50,656,267	(3,487,204)	\$47,169,063	1.16		\$1,054.06
2010	44,750	b	4,029,002,336	56,585,684	(4,542,450)	\$52,043,234	1.29		\$1,162.98
2009	43,858	a	4,533,949,696	58,921,865	(4,786,443)	\$54,135,422	1.19		\$1,234.33
2008	43,858	a	4,659,354,398	37,352,026	(4,384,860)	\$32,967,166	0.71		\$751.68
2007	43,858	a	4,789,506,220	39,856,528	(5,676,380)	\$34,180,148	0.71		\$779.34
2006	43,858	a	4,218,761,414	42,391,030	(5,992,654)	\$36,398,376	0.86		\$829.91

#### **Sources:**

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

## City of Strongsville, Ohio

### Computation of Direct and Overlapping General Obligation Bonded Debt

December 31, 2015

Table 13

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
<b>Direct - City of Strongsville</b>			
General Obligation Bonds (2)	\$43,775,829	100.00%	\$43,775,829
Special Assessment Bonds	\$170,000	100.00%	170,000
Ohio Public Works Loan	\$2,172,730	100.00%	2,172,730
<i>Total Direct Debt</i>	<u>46,118,559</u>		<u>46,118,559</u>
<b>Overlapping</b>			
Strongsville City School District	80,224,103	99.75%	80,020,416
Cuyahoga County	243,900,000	5.24%	12,785,131
Greater Cleveland Regional Transit Authority	<u>88,715,000</u>	5.24%	<u>4,650,401</u>
<i>Total Overlapping Debt</i>	<u>412,839,103</u>		<u>97,455,948</u>
Total	<u><u>\$458,957,662</u></u>		<u><u>\$143,574,507</u></u>

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

- (1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.
- (2) the general obligation bonds includes the unamortized premiums.



# City of Strongsville, Ohio

## Legal Debt Margin

### Last Ten Years

	2015	2014	2013	2012
Total Assessed Property Value	<u>\$1,414,683,340</u>	<u>\$1,413,357,650</u>	<u>\$1,401,219,540</u>	<u>\$1,445,561,400</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>148,541,751</u>	<u>148,402,553</u>	<u>147,128,052</u>	<u>151,783,947</u>
Debt Outstanding:				
General Obligation Bonds (net)-Governmental Activities	\$42,138,543	\$44,316,084	\$46,402,039	\$48,476,997
General Obligation Bonds-Business Type Activities	0	0	210,000	415,000
Special Assessment Bonds	170,000	285,000	490,000	680,000
Bond Anticipation Notes (net)	1,814,445	2,971,206	5,128,534	5,480,914
OPWC Loans	2,172,730	1,996,842	1,206,635	0
OWDA Loans	<u>2,486,245</u>	<u>2,707,382</u>	<u>2,919,553</u>	<u>3,123,128</u>
Total Gross Indebtedness	48,781,963	52,276,514	56,356,761	58,176,039
Less:				
General Obligation Bonds-Business Type Activities	0	0	(210,000)	(415,000)
Special Assessment Bonds	(170,000)	(285,000)	(490,000)	(680,000)
OPWC Loans	(2,172,730)	(1,996,842)	(1,206,635)	0
OWDA Loans	(2,486,245)	(2,707,382)	(2,919,553)	(3,123,128)
General Obligation Bond Retirement Fund Balance	<u>(1,717,453)</u>	<u>(891,164)</u>	<u>(316,301)</u>	<u>0</u>
Total Net Debt Applicable to Debt Limit	<u>42,235,535</u>	<u>46,396,126</u>	<u>51,214,272</u>	<u>53,957,911</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$106,306,216</u>	<u>\$102,006,427</u>	<u>\$95,913,780</u>	<u>\$97,826,036</u>
Legal Debt Margin as a Percentage of the Debt Limit	71.57%	68.74%	65.19%	64.45%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$77,807,584</u>	<u>\$77,734,671</u>	<u>\$77,067,075</u>	<u>\$79,505,877</u>
Total Gross Indebtedness	48,781,963	52,276,514	56,356,761	58,176,039
Less:				
Voted General Obligation Bonds	0	0	0	0
General Obligation Bonds-Business Type Activities	0	0	(210,000)	(415,000)
Special Assessment Bonds	(170,000)	(285,000)	(490,000)	(680,000)
OPWC Loans	(2,172,730)	(1,996,842)	(1,206,635)	0
OWDA Loans	(2,486,245)	(2,707,382)	(2,919,553)	(3,123,128)
General Obligation Bond Retirement Fund Balance	<u>(1,717,453)</u>	<u>(891,164)</u>	<u>(316,301)</u>	<u>0</u>
Net Debt Within 5 ½ % Limitations	<u>42,235,535</u>	<u>46,396,126</u>	<u>51,214,272</u>	<u>53,957,911</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$35,572,049</u>	<u>\$31,338,545</u>	<u>\$25,852,803</u>	<u>\$25,547,966</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	45.72%	40.31%	33.55%	32.13%

Source: City Financial Records

**Table 14**

2011	2010	2009	2008	2007	2006
<u>\$1,442,739,300</u>	<u>\$1,424,815,490</u>	<u>\$1,524,219,571</u>	<u>\$1,513,379,879</u>	<u>\$1,560,804,133</u>	<u>\$1,413,489,541</u>
<u>151,487,627</u>	<u>149,605,626</u>	<u>160,043,055</u>	<u>158,904,887</u>	<u>163,884,434</u>	<u>148,416,402</u>
\$49,524,838	\$55,780,684	\$57,931,865	\$36,167,026	\$38,491,528	\$40,861,030
615,000	805,000	990,000	1,185,000	1,365,000	1,530,000
865,000	1,035,000	1,190,000	1,340,000	1,485,000	1,625,000
7,716,240	5,041,458	0	16,450,000	0	0
0	0	196,634	230,264	263,894	297,524
<u>2,650,708</u>	<u>2,814,500</u>	<u>3,177,782</u>	<u>3,996,756</u>	<u>4,744,483</u>	<u>5,427,460</u>
61,371,786	65,476,642	63,486,281	59,369,046	46,349,905	49,741,014
(615,000)	(805,000)	(990,000)	(1,185,000)	(1,365,000)	(1,530,000)
(865,000)	(1,035,000)	(1,190,000)	(1,340,000)	(1,485,000)	(1,625,000)
0	0	(196,634)	(230,264)	(263,894)	(297,524)
(2,650,708)	(2,814,500)	(3,177,782)	(3,996,756)	(4,744,483)	(5,427,460)
<u>0</u>	<u>(1,568,792)</u>	<u>(1,265,353)</u>	<u>(1,805,140)</u>	<u>(1,603,836)</u>	<u>(2,521,692)</u>
<u>57,241,078</u>	<u>59,253,350</u>	<u>56,666,512</u>	<u>50,811,886</u>	<u>36,887,692</u>	<u>38,339,338</u>
<u>\$94,246,549</u>	<u>\$90,352,276</u>	<u>\$103,376,543</u>	<u>\$108,093,001</u>	<u>\$126,996,742</u>	<u>\$110,077,064</u>
62.21%	60.39%	64.59%	68.02%	77.49%	74.17%
<u>\$79,350,662</u>	<u>\$78,364,852</u>	<u>\$83,832,076</u>	<u>\$83,235,893</u>	<u>\$85,844,227</u>	<u>\$77,741,925</u>
61,371,786	65,476,642	63,486,281	59,369,046	46,349,905	49,741,014
0	(4,345,000)	(4,680,000)	(5,005,000)	(5,315,000)	(5,615,000)
(615,000)	(805,000)	(990,000)	(1,185,000)	(1,365,000)	(1,530,000)
(865,000)	(1,035,000)	(1,190,000)	(1,340,000)	(1,485,000)	(1,625,000)
0	0	(196,634)	(230,264)	(263,894)	(297,524)
(2,650,708)	(2,814,500)	(3,177,782)	(3,996,756)	(4,744,483)	(5,427,460)
<u>0</u>	<u>(1,568,792)</u>	<u>(1,265,353)</u>	<u>(1,805,140)</u>	<u>(1,603,836)</u>	<u>(2,521,692)</u>
<u>57,241,078</u>	<u>54,908,350</u>	<u>51,986,512</u>	<u>45,806,886</u>	<u>31,572,692</u>	<u>32,724,338</u>
<u>\$22,109,584</u>	<u>\$23,456,502</u>	<u>\$31,845,564</u>	<u>\$37,429,007</u>	<u>\$54,271,535</u>	<u>\$45,017,587</u>
27.86%	29.93%	37.99%	44.97%	63.22%	57.91%

# City of Strongsville, Ohio

## Demographic and Economic Statistics

### Last Ten Years

Year	Population (1)	Total Personal Income (5)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)	Educational Attainment: Bachelor's Degree or Higher (1)
2015	44,750	\$1,551,393,000	\$34,668	\$78,745	44.2	40.70%
2014	44,750	1,551,393,000	34,668	78,745	44.2	40.70%
2013	44,750	1,551,393,000	34,668	78,745	44.2	40.70%
2012	44,750	1,551,393,000	34,668	78,745	44.2	40.70%
2011	44,750	1,551,393,000	34,668	78,745	44.2	40.70%
2010	44,750	1,551,393,000	34,668	78,745	44.2	40.70%
2009	43,858	1,303,547,476	29,722	68,660	39.1	37.00%
2008	43,858	1,303,547,476	29,722	68,660	39.1	37.00%
2007	43,858	1,303,547,476	29,722	68,660	39.1	37.00%
2006	43,858	1,303,547,476	29,722	68,660	39.1	37.00%

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

(a) Years 2006 through 2009 - 2000 Federal Census

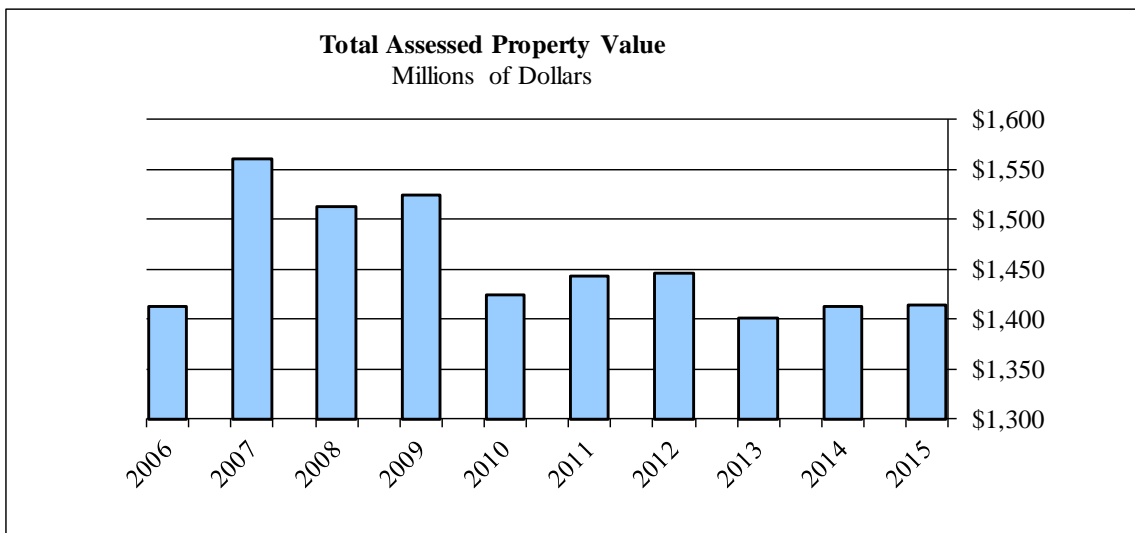
(b) Years 2010 through 2015 - 2010 Federal Census

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

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

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

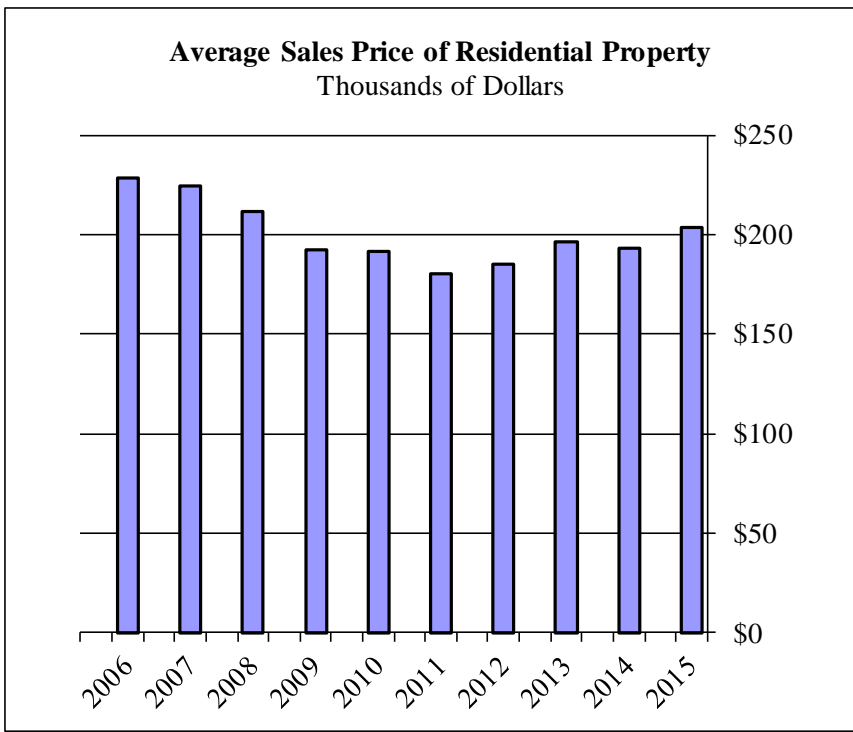
(5) Computation of per capita personal income multiplied by population





**Table 15**

School Enrollment (2)	Cuyahoga County Unemployment Rate (3)	Average Sales Price of Residential Property (4)	Total Assessed Property Value (4)
5,415	4.00%	\$203,519	\$1,414,683,340
5,625	6.00%	192,780	1,413,357,650
5,872	7.20%	196,422	1,401,219,540
6,477	6.60%	185,487	1,445,561,400
6,784	7.10%	180,480	1,442,739,300
6,617	8.60%	191,594	1,424,815,490
7,003	9.20%	192,630	1,524,219,571
7,183	6.80%	211,289	1,513,379,879
7,241	6.10%	224,604	1,560,804,133
7,394	5.50%	228,636	1,413,489,541



## City of Strongsville, Ohio

### Principal Municipal Income Tax Withholders

***Current and Nine Years Ago***

**Table 16**

<b>2015</b>		
<b>Employer</b>	<b>Nature of Activity</b>	<b>Percentage of Total Income Tax</b>
PNC Bank (formally National City Bank)	Banking Technology Center	2.31%
Strongsville Board of Education	Education	2.24%
Medical Mutual of Ohio	Healthcare Solutions	2.06%
Lamrite West, Inc.	Art Supplies Distributor	1.58%
The Cleveland Clinic Foundation	Outpatient Medical Facility	1.54%
City of Strongsville	Municipal Government	1.39%
Sherwin-Williams Company	Midwest Division Office/Training Center	1.03%
Momentive Performance Material	Producer of Advanced Ceramics	0.87%
PPG Industries, Inc.	Powder & Paint Products	0.86%
CCL Label, Inc.	Pressure Sensitive Adhesive Products	0.84%
Total		<b>14.72%</b>
<b>2006</b>		
<b>Employer</b>	<b>Nature of Activity</b>	<b>Percentage of Total Income Tax</b>
Akzo Nobel Paints, LLC	U.S. Corporate Headquarters - Paint	3.71%
Strongsville Board of Education	Education	3.49%
Lamrite West, Inc.	Corporate Headquarters - Art Supplies	1.39%
National City Bank (now PNC Bank)	Banking Technology Center	2.12%
City of Strongsville	Municipal Government	1.40%
Van Dorn Service Corporation	Plastic Injection Molding Machines	1.19%
Ceres Administrators, LLC.	Insurance Company	1.12%
Momentive Performance Material	Producer of Advanced Ceramics	1.08%
The Cleveland Clinic Foundation	Outpatient Medical Facility	1.07%
Avery Dennison Corporation	Pressure Sensitive Adhesive Products	0.91%
Total		<b>17.48%</b>

**Source:** Regional Income Tax Agency (RITA)

# City of Strongsville, Ohio

## Full-Time City Employees by Function/Program

***Last Nine Years (1)***

**Table 17**

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008
General Government								
Council	2	2	2	2	2	2	2	2
Mayor's Office	3	3	3	3	4	4	4	2
Human Resources	2	2	2	1	1	1	1	1
Finance	4	4	4	4	5	5	5	7
Law	4	4	4	4	4	4	4	5
Communication & Technology	5	5	4	4	4	4	4	4
Mayor's Court	1	1	0	1	1	1	1	1
Security of Persons and Property								
Police								
Officers and Administration	79	78	78	76	80	86	85	86
Corrections Officers	9	8	6	7	7	7	1	1
Dispatchers	26	19	13	13	13	13	12	12
Fire	62	59	60	60	65	66	70	72
Public Safety	1	1	1	1	0	0	0	0
Public Health Services								
Cemetery	1	1	1	1	1	1	1	1
Leisure Time Activities								
Parks	1	1	1	1	1	1	1	1
Recreation	17	16	16	17	17	19	20	21
Senior Services	5	5	5	5	6	6	7	8
Community Environment								
Building	11	11	10	10	10	10	10	11
Planning	1	1	1	1	1	1	1	1
Economic Development	1	1	1	1	1	1	2	2
Public Service								
Administration	8	8	8	5	6	6	8	9
Street Maintenance	33	31	36	36	39	40	39	42
Traffic Control	1	2	2	2	2	3	3	3
Vehicle Maintenance	6	6	5	6	6	6	6	6
Basic Utility Services								
Engineering	5	5	5	5	6	6	6	7
Sanitary Sewer Maintenance	6	6	6	7	6	6	7	7
Totals:	294	280	274	273	288	299	300	312

**Source:** City of Strongsville Finance Department

(1) Information prior to 2007 is not available

# City of Strongsville, Ohio

## Operating Indicators by Function/Program

### Last Nine Years (1)

Function/Program	2015	2014	2013	2012
<b>General Government</b>				
<i>Council and Clerk</i>				
Number of Ordinances Passed	197	191	228	152
Number of Resolutions Passed	74	60	62	57
Number of Planning Commission docket items	84	70	76	45
<i>Finance Department</i>				
Agency Ratings - Moody's Financial Services	Aaa	Aaa	Aaa	Aaa
Number of AP checks/ EFT's issued	7,243	7,170	7,275	7,343
Number of W2 Forms	639	594	618	587
Amount of checks written	\$38,147,475	\$40,385,721	\$30,598,160	\$29,252,993
Interest earnings for fiscal year (cash basis)	\$142,766	\$83,661	\$72,810	\$121,284
Medical Mutual Premiums: (Medical, Dental, Vision & Rx)				
Over-age Dependents	\$1,950	\$1,859	\$1,715	\$1,837
Family	\$1,681	\$1,602	\$1,478	\$1,401
Single Employees	\$673	\$641	\$592	\$561
Gross Wages	\$25,012,798	\$23,177,955	\$22,700,012	\$22,306,968
Employer Paid:				
Medicare	\$343,729	\$317,292	\$305,050	\$292,415
Ohio Public Employees Retirement System	\$1,729,856	\$1,554,453	\$1,492,086	\$1,479,969
Police Pension	\$1,237,406	\$1,185,446	\$1,165,296	\$1,115,057
Fire Pension	\$1,375,160	\$1,286,195	\$1,239,628	\$1,246,260
Hospitalization	\$4,552,840	\$3,797,061	\$3,879,546	\$3,899,236
Obamacare Tax	\$176,748	\$152,076	\$1,446	\$0
Worker's Compensation	\$338,600	\$280,100	\$243,545	\$555,400
Unemployment	\$340	\$9,112	\$249	\$9,865
Group Life Insurance	\$88,576	\$77,898	\$72,981	\$79,041
Total Salaries and Fringes (cash basis)	\$34,856,053 *	\$31,837,588	\$31,099,839	\$30,984,211
General Fund Receipts (cash basis)	\$38,685,905	\$36,301,017	\$34,146,487	\$31,973,112
General Fund Expenditures (cash basis)	\$38,493,997	\$36,235,360	\$33,850,798	\$32,137,577
General Fund Cash Balances	\$7,985,420	\$7,793,512	\$7,727,855	\$7,432,166
Income Taxes collected by the Regional Income Tax				
Agency (RITA) for the calendar year - cash basis	\$34,119,630	\$33,135,341	\$31,191,054	\$29,074,716
RITA's Collection Fee - NET of Retainer Refund	\$594,073	\$542,729	\$508,552	\$483,085
RITA's Collection Fee - Expressed as a percent	1.74%	1.64%	1.63%	1.66%
Annual Utility Payments (Cash Basis)				
Electric	\$1,024,283	\$975,722	\$928,925	\$931,944
Natural Gas	\$130,897	\$170,849	\$142,131	\$122,457
Phone	\$109,683	\$83,799	\$96,224	\$89,542
Cell Phones	\$84,218	\$106,833	\$93,430	\$96,731
Water	\$119,611	\$119,394	\$161,720	\$150,852
Total Utility Payments	\$1,468,692	\$1,456,597	\$1,422,430	\$1,391,526

\* 27 pays

**Table 18**

2011	2010	2009	2008	2007
166	159	185	194	212
49	50	77	76	47
38	52	50	84	95
Aaa	Aaa	Aa1	Aa1	Aa1
7,433	7,325	7,481	7,839	7,772
594	611	649	687	690
\$40,018,865	\$47,302,771	\$48,322,101	\$45,493,374	\$47,032,104
\$83,575	\$107,520	\$452,252	\$623,179	\$1,609,407
\$0	\$0	\$0	\$0	\$0
\$1,308	\$1,308	\$1,187	\$1,094	\$1,094
\$524	\$476	\$475	\$438	\$438
\$22,210,142	\$21,742,901	\$21,939,433	\$21,807,176	\$20,581,700
\$282,545	\$276,169	\$271,242	\$263,184	\$245,987
\$1,467,952	\$1,448,436	\$1,486,056	\$1,527,429	\$1,413,161
\$1,110,376	\$1,110,118	\$1,118,162	\$1,062,918	\$1,034,036
\$1,243,296	\$1,201,510	\$1,244,986	\$1,142,359	\$1,108,107
\$3,877,306	\$3,624,183	\$3,972,622	\$3,398,669	\$3,346,390
\$0	\$0	\$0	\$0	\$0
\$526,800	\$486,400	\$513,064	\$462,445	\$448,993
\$655	\$21,444	\$17,941	\$3,821	\$13,681
\$81,960	\$37,075	\$37,483	\$34,696	\$32,246
<u>\$30,801,032</u>	<u>\$29,948,236</u>	<u>\$30,600,989</u>	<u>\$29,702,697</u>	<u>\$28,224,301</u>
\$30,891,892	\$30,278,694	\$31,976,357	\$33,220,023	\$32,046,240
\$30,866,872	\$30,605,487	\$32,185,566	\$32,128,179	\$30,987,044
\$7,596,631	\$7,571,611	\$7,898,404	\$8,107,613	\$7,015,769
\$27,896,316	\$26,020,812	\$26,215,912	\$27,584,664	\$27,516,760
\$484,766	\$531,262	\$555,042	\$524,637	\$506,680
1.74%	2.04%	2.12%	1.90%	1.84%
\$980,121	\$1,173,240	\$1,064,984	\$1,045,186	\$939,512
\$177,567	\$235,524	\$266,348	\$351,009	\$404,672
\$113,203	\$110,091	\$129,890	\$151,098	\$145,226
\$92,603	\$82,340	\$67,048	\$78,538	\$58,000
\$152,139	\$153,992	\$134,435	\$132,006	\$178,085
<u>\$1,515,633</u>	<u>\$1,755,187</u>	<u>\$1,662,705</u>	<u>\$1,757,837</u>	<u>\$1,725,495</u>

# City of Strongsville, Ohio

## Operating Indicators by Function/Program (continued)

### Last Nine Years (1)

Function/Program	2015	2014	2013	2012
<b><i>Civil Service</i></b>				
Number of police entry tests administered	1	0	1	0
Number of fire entry tests administered	0	0	1	0
Number of police promotional tests administered	0	0	0	2
Number of fire promotional tests administered	3	1	0	2
Number of hires of Police Officers from certified lists	0	0	4	0
Number of hires of Fire/Medics from certified lists	5	0	3	0
Number of promotions from police certified lists	0	0	0	5
Number of promotions from fire certified lists	7	0	2	4
<b><i>Engineer Contracted Services</i></b>				
Dollar amount of Construction overseen by Engineer	\$5,027,000	\$11,395,000	\$5,575,000	\$3,700,000
<b>Community Environment</b>				
<b><i>Building Department Indicators</i></b>				
Construction Permits Issued	211	187	178	238
Estimated Value of Construction	\$64,879,265	\$103,654,033	\$33,262,698	\$23,976,814
Number of permits issued	3,313	3,116	2,813	3,276
Amount of Revenue generated from permits	\$1,942,629	\$1,839,531	\$1,198,029	\$1,171,893
Number of contract registrations issued	1,517	1,367	1,460	1,294
<b>Leisure Time Activities</b>				
<b><i>Recreation</i></b>				
Number of Memberships	14,492	13,099	13,162	13,268
Number of Adult Sport League Teams	274	253	243	229
Youth Baseball/Softball Participants	983	1,125	1,207	1,329
Youth Basketball Participants	1,613	1,579	1,447	1,568
Group Exercise/Spinning Participants	26,035	29,782	19,735	19,551
Youth Day Camp Participants	1,214	1,094	1,016	940
Youth Tennis Lessons	104	114	106	131
Youth Learn to Swim Participants	2,337	2,114	1,985	1,980
Youth Volleyball Participants	166	52	0	0
<b>Public Health and Welfare</b>				
Cemetery burials	39	41	54	51
Cemetery sale of lots	70	76	74	73
Cemetery receipts	\$49,700	\$57,325	\$57,869	\$56,200
Annual County Board of Health Deduction	\$175,420	\$175,420	\$171,840	\$171,840
Population for County Board of Health (US Census)	44,750	44,750	44,750	44,750
County Board of Health Fee Per Resident	\$3.92	\$3.92	\$3.84	\$3.84

**Table 18**

2011	2010	2009	2008	2007
1	0	0	1	0
1	0	0	1	0
0	0	0	1	0
3	0	0	1	0
0	0	0	4	0
0	0	0	3	0
0	0	0	6	0
2	0	0	5	0
\$10,400,000	\$8,000,000	\$1,600,000	\$1,700,000	\$1,600,000
227	210	292	163	330
\$51,675,210	\$45,196,478	\$63,072,070	\$86,170,445	\$77,477,796
3,057	3,026	3,192	3,180	2,865
\$1,086,089	\$1,034,435	\$1,115,596	\$1,097,810	\$1,216,094
1,407	1,438	1,761	1,335	1,694
13,823	13,826	13,814	13,798	13,665
239	241	228	190	180
1,357	1,530	1,715	1,745	1,766
1,343	1,391	1,368	1,234	1,149
18,781	20,161	23,527	22,498	20,953
969	985	722	867	842
139	147	149	130	77
2,014	2,157	1,812	2,195	2,078
0	0	0	0	0
51	54	29	53	39
35	33	41	29	43
\$44,925	\$49,825	\$46,300	\$43,350	\$51,575
\$162,275	\$162,275	\$162,275	\$157,889	\$157,889
43,858	43,858	43,858	43,858	43,858
\$3.70	\$3.70	\$3.70	\$3.60	\$3.60

# City of Strongsville, Ohio

## Operating Indicators by Function/Program (continued)

### Last Nine Years (1)

Function/Program	2015	2014	2013	2012
<b>Basic Utility Services</b>				
Solid Waste Disposal (tonnage)	22,720	22,424	22,663	22,497
Solid Waste Disposal Costs	\$2,123,246	\$2,072,706	\$2,022,049	\$1,946,369
Recycled Materials (tonnage)	9,949	9,645	8,283	8,553
Recycled Materials as a percentage of Total Waste	31.0%	30.0%	27.0%	28.0%
Number of Residential Units	15,680	15,680	15,680	15,680
Cost per Residential Unit	\$6.67	\$6.48	\$6.29	\$6.13
Landfill Tipping Fee (Per Ton)	\$36.61	\$35.54	\$34.50	\$33.66
<b>Security of Persons &amp; Property</b>				
<i>Police</i>				
Number of traffic citations issued	4,326	4,236	3,793	3,304
Number of parking citations issued	362	562	377	419
Number of criminal arrests	2,147	2,449	2,466	1,916
Number of accident reports completed	939	940	937	1,134
Part 1 Offenses (major offenses)	972	848	806	1,040
Animal Warden service calls responded to per annual report	373	354	384	402
DUI Arrests	144	218	239	242
Prisoners	1,676	1,441	1,420	1,521
Prisoner meal costs	\$17,737	\$18,761	\$13,706	\$18,294
Motor Vehicle Accidents	1,391	1,439	1,637	1,751
Fatalities from Motor Vehicle Accidents	1	1	1	1
Community Diversion Program Youths	77	76	48	63
Community Diversion Program - community service hours	889	988	762	700
<i>Fire</i>				
EMS Calls	3,837	3,473	3,664	3,560
EMS Transports	3,172	2,785	2,845	2,795
Utilization Charges				
Resident or Real Property Owner				
BLS with Transport	\$450	\$450	\$450	\$450
ALS I with Transport	\$600	\$600	\$600	\$600
ALS II with Transport	\$750	\$750	\$750	\$750
Per Mile Charge	\$10	\$10	\$10	\$10
Non-Resident				
BLS with Transport	\$450	\$450	\$450	\$450
ALS I with Transport	\$600	\$600	\$600	\$600
ALS II with Transport	\$750	\$750	\$750	\$750
Per Mile Charge	\$10	\$10	\$10	\$10
Ambulance Billing Collections	\$1,040,233	\$789,143	\$940,023	\$993,234
Fire Calls	1,396	1,363	1,424	1,213
Fires with Loss	26	34	69	35
Fires with Losses exceeding \$10K	7	5	11	15
Fire Losses \$	\$505,326	\$580,996	\$1,100,476	\$1,414,850
Fire Safety Inspections	931	1,272	1,076	940
Number of times Mutual Aid given to Fire and EMS	133	89	40	34
Number of times Mutual Aid received for Fire and EMS	38	21	22	38



**Table 18**

2011	2010	2009	2008	2007
19,020	21,692	21,902	22,594	24,790
\$1,987,709	\$2,500,121	\$2,496,002	\$2,468,202	\$2,483,161
9,105	9,720	10,132	5,951	9,462
32.0%	31.0%	32.0%	21.0%	28.0%
15,680	15,146	15,146	15,146	15,146
\$6.01	\$7.55	\$7.55	\$7.33 - \$7.55	\$7.3336
\$33.00	\$43.62 - \$45.24	\$43.62 - \$45.24	\$42.71 - \$43.99	\$42.71 - \$42.35
3,450	3,952	4,745	4,631	5,284
302	261	472	235	333
1,601	1,226	1,319	1,287	1,351
1,374	1,398	1,399	1,413	1,406
1,080	963	985	844	934
441	366	457	376	353
354	284	273	279	295
1,219	822	734	879	886
\$17,922	\$20,977	\$24,491	\$29,317	\$35,970
1,865	1,810	1,758	1,815	1,802
0	2	2	1	1
98	99	98	N/A	N/A
1,435	1,819	1,209	N/A	N/A
3,246	3,410	3,058	3,055	3,127
2,683	2,717	2,398	2,432	2,465
\$300	\$300	\$300	\$300	\$300
\$400	\$400	\$400	\$400	\$400
n/a	n/a	n/a	n/a	n/a
\$6	\$6	\$6	\$6	\$6
\$400	\$400	\$400	\$400	\$400
\$450	\$450	\$450	\$450	\$450
n/a	n/a	n/a	n/a	n/a
\$6	\$6	\$6	\$6	\$6
\$937,404	\$916,097	\$752,969	\$813,840	\$768,772
630	471	596	540	576
79	92	114	89	147
6	5	7	6	9
\$301,000	\$767,000	\$3,795,000	\$756,000	\$1,772,777
652	727	622	573	389
61	57	53	66	55
20	17	19	14	5

# City of Strongsville, Ohio

## Operating Indicators by Function/Program (continued)

### Last Nine Years (1)

Function/Program	2015	2014	2013	2012
<b>Transportation</b>				
Street Improvements - asphalt overlay (cubic yds)	2,877	2,372	2,147	2,201
Street Repair (Curbs, aprons, berms, asphalt) (hours)	20,352	20,212	23,592	25,664
Guardrail Repair (hours)	328	24	296	16
Cold Patch (hours)	1,968	2,440	2,336	1,616
Snow & Ice Removal (hours)	6,296	7,392	4,312	3,568
Sewer Crew Calls (hours)	5,408	4,156	3,968	3,544
Sewer Crew Preventive Maintenance (hours)	6,528	7,324	7,744	14,144
Sewer Jet & Vactor (hours)	1,976	3,168	2,088	1,832
Landscaping Stump-Chipper service (hours)	6,872	8,556	7,352	5,944
Leaf collection (hours)	4,408	4,728	4,184	4,048
Holiday Lighting & Special Events setup (hours)	528	440	416	444
Square Repair after Special Events (hours)	4,656	4,428	4,624	4,648
Equipment & Vehicle Repair (hours)	11,504	11,344	10,480	14,403
Sign Department (hours)	2,288	3,056	3,360	4,439
Park Maintenance (hours)	5,632	5,144	5,584	6,560
Utility Repair (hours)	3,376	4,056	5,040	5,344
Senior Bus Trips (hours)	762	576	528	703
Animal Control (hours)	2,921	2,893	2,779	2,869
Cemetery (hours)	3,728	3,824	3,584	3,272
Miscellaneous Repairs & Maintenance (hours)	2,400	4,288	2,816	2,376
Number of Trees Planted per year	219	334	434	269
Tons of snow melting salt purchased	10,500	12,500	6,386	10,622
Cost of salt purchased	\$561,946	\$586,080	\$217,242	\$476,321
Gallons of snow & ice road pretreatment purchased	4,500	13,101	18,449	4,708
Cost of snow & ice road pretreatment	\$3,235	\$9,302	\$19,925	\$4,849
Unleaded Fuel Average Price per Gallon	\$2.31	\$3.34	\$3.37	\$3.50
Unleaded Fuel Gallons Used	95,223	86,511	84,355	93,470
Cost of Unleaded Fuel Used	\$219,965	\$288,947	\$284,276	\$327,145
Diesel Fuel Average Price per Gallon	\$1.93	\$3.42	\$3.46	\$3.55
Diesel Fuel Gallons Used	79,838	83,003	73,433	74,380
Cost of Diesel Fuel Used	\$154,087	\$283,870	\$254,078	\$264,049

**Table 18**

2011	2010	2009	2008	2007
4,183	7,139	6,490	549	0
22,881	38,226	53,572	29,954	26,722
16	184	352	56	504
4,948	7,324	9,700	4,544	3,520
5,416	7,072	8,728	5,248	5,280
4,088	5,815	7,542	7,152	6,896
9,152	9,934	10,716	6,330	6,386
632	2,812	4,992	2,256	2,776
3,776	8,288	12,800	9,290	15,544
3,172	5,812	8,452	4,040	4,504
564	883	1,202	496	2,288
4,580	5,090	5,600	2,208	2,808
13,280	19,112	24,944	13,894	11,902
4,040	6,482	8,924	5,816	5,736
8,658	12,262	15,866	8,118	10,352
5,058	7,713	10,368	6,248	4,528
526	800	1,074	596	625
2,389	3,646	4,903	2,362	1,696
2,679	4,490	6,302	3,192	3,344
2,760	3,732	4,704	2,560	4,008
225	340	324	278	665
14,200	13,400	12,000	19,900	16,100
\$641,228	\$583,302	\$474,840	\$656,302	\$525,182
23,561	7,870	5,080	4,000	8,000
\$22,854	\$10,791	\$9,499	\$7,480	\$14,986
\$3.38	\$2.65	\$2.26	\$2.78	\$2.64
94,605	104,053	107,151	114,035	102,797
\$319,765	\$275,740	\$242,161	\$317,017	\$271,384
\$3.39	\$2.60	\$2.13	\$3.38	\$2.56
78,118	88,742	82,246	85,102	76,749
\$264,820	\$230,729	\$175,184	\$287,645	\$196,477

## City of Strongsville, Ohio

### Operating Indicators by Function/Program (continued)

#### Last Nine Years (1)

Function/Program	2015	2014	2013	2012
<b>Wastewater Department</b>				
Wastewater Treatment Plants Annual Costs	\$2,186,786	\$1,968,161	\$1,870,785	\$1,501,078
Total flow of wastewater treatment plants (Billions of Gallons)	0.633	0.661	0.637	0.625
Average daily flow (Millions of gallons per day)	1.734	1.810	1.746	1.714
Tons of dry sludge removed	325.81	309.24	344.74	305.63
<b>Wastewater Rates (billed Quarterly based on Water Consumption)</b>				
<b>Regular rates per MCF (7,480 gallons)</b>				
Wastewater Treatment Rate - NEORSD/City of Strongsville	\$71.75	\$64.55	\$58.15	\$52.55
Wastewater Local Rate - NEORSD/City of Strongsville	\$13.39	\$13.39	\$13.39	\$13.39
Wastewater Combined Rate	\$85.14	\$77.94	\$71.54	\$65.94
City of Strongsville Quarterly Fee	\$10.00	\$10.00	\$10.00	\$10.00
<b>Homestead rates per MCF (7,480 gallons)</b>				
Wastewater Treatment Rate - NEORSD/City of Strongsville	\$43.25	\$38.95	\$35.15	\$31.75
Wastewater Local Rate - NEORSD/City of Strongsville	\$6.89	\$6.89	\$6.89	\$6.89
Wastewater Combined Rate	\$50.14	\$45.84	\$42.04	\$38.64
City of Strongsville Quarterly Fee	\$5.00	\$5.00	\$5.00	\$5.00
Minimum quarterly consumption charge - treated by NEORSD	Actual	Actual	Actual	Actual
Quarterly Fixed Charge - treated by NEORSD	\$6.90	\$6.60	\$6.30	\$5.85
Minimum quarterly consumption charge - treated by Strongville	Actual	Actual	Actual	Actual
City of Cleveland Water's billing agent fee (per bill)	\$4.65	\$4.58	\$4.52	\$4.44

**Table 18**

2011	2010	2009	2008	2007
\$1,594,819	\$1,444,869	\$1,424,765	\$1,363,202	\$1,477,898
0.787	0.748	0.636	0.627	0.760
2.156	2.031	1.741	1.718	2.081
317.81	303.03	290.39	292.33	316.59
\$48.00	\$44.25	\$40.90	\$37.85	\$35.10
\$13.39	\$13.39	\$13.39	\$13.39	\$13.39
\$61.39	\$57.64	\$54.29	\$51.24	\$48.49
\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
\$32.25	\$29.70	\$27.45	\$25.40	\$23.55
\$6.89	\$6.89	\$6.89	\$6.89	\$6.89
\$39.14	\$36.59	\$34.34	\$32.29	\$30.44
\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
1 MCF	1 MCF	1 MCF	1 MCF	1 MCF
n/a	n/a	n/a	n/a	n/a
Actual	Actual	Actual	Actual	Actual
\$4.30	\$4.21	\$4.26	\$4.11	\$4.00

# City of Strongsville, Ohio

## Capital Assets Statistics by Function/Program

### Last Nine Years (1)

### **Table 19**

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>General Government</b>									
Square Footage Occupied	9,334	9,334	9,334	9,334	9,334	9,334	9,334	9,334	9,334
Administrative Vehicles	4	4	4	3	3	3	2	1	1
Buildings & Inspection Vehicles	9	9	9	9	9	9	9	9	9
<b>Police</b>									
Stations	1	1	1	1	1	1	1	1	1
Square Footage of Building	60,116	60,116	60,116	60,116	60,116	60,116	17,370	17,370	17,370
Vehicles	61	59	61	61	61	60	60	59	60
<b>Fire</b>									
Stations	4	4	4	4	4	4	4	4	4
Square Footage of Station # 1	10,651	10,651	10,651	10,651	10,651	10,651	10,651	10,651	10,651
Square Footage of Station # 2	5,745	5,745	5,745	5,745	5,745	5,745	5,745	5,745	5,745
Square Footage of Station # 3	8,360	8,360	8,360	8,360	8,360	8,360	8,360	8,360	8,360
Square Footage of Headquarters	36,194	36,194	36,194	36,194	36,194	36,194	36,194	36,194	5,750
Vehicles	27	26	24	21	20	20	20	20	20
<b>Recreation</b>									
Number of Parks	8	8	8	8	8	8	7	7	7
Number of Pools	3	3	3	3	3	3	3	3	3
Number of Tennis Courts	6	6	6	6	6	6	6	6	6
Number of Baseball Diamonds	18	18	18	18	18	18	15	15	13
Number of Soccer Fields	18	18	18	18	18	17	17	17	17
Number of Football Fields	1	1	1	1	1	1	1	1	1
Recreation Centers	1	1	1	1	1	1	1	1	1
Recreation Centers Square Footage	149,721	149,721	149,721	149,721	149,721	149,721	149,721	149,721	149,721
Vehicles	8	9	9	10	10	10	10	10	10
<b>Other Public Works</b>									
Streets (Center Line Miles)	210	204	203	202	202	202	202	202	201
Bridges	1	1	1	1	1	1	1	1	1
Culverts	189	189	188	187	187	187	187	187	187
Water Lines (Miles)	197	196	195	195	194	194	194	193	193
Service Vehicles	67	65	62	68	67	64	62	62	59
<b>Wastewater</b>									
Wastewater Treatment Plants	2	2	2	2	2	2	2	2	2
Wastewater Collection Systems	18	18	18	18	16	15	15	15	15
Wastewater Sewers (Miles)	190	188	188	188	186	186	186	184	184
Storm Sewers (Miles)	204	195	195	195	194	190	190	189	189
Vehicles	23	22	21	21	21	21	21	21	21

**Source:** City of Strongsville Finance and Engineering Departments

(1) Information prior to 2007 is not available



# Dave Yost • Auditor of State

**CITY OF STRONGSVILLE**

**CUYAHOGA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
MAY 24, 2016**