



**CITY OF BRECKSVILLE
CUYAHOGA COUNTY**

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2003



**Auditor of State
Betty Montgomery**

CITY OF BRECKSVILLE
CUYAHOGA COUNTY

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**Auditor of State
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

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

We have audited the financial statements of the City of Brecksville, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2003, and have issued our report thereon dated June 22, 2004, wherein we noted the District restated the fund balance of the Road Improvements Fund. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the City in a separate letter dated June 22, 2004.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report that we have reported to management of the City in a separate letter dated June 22, 2004.

This report is intended for the information and use of the audit committee, management and City Council, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

June 22, 2004

City of Brecksville, Ohio

COMPREHENSIVE ANNUAL FINANCIAL REPORT

DECEMBER 31, 2003

City of Brecksville, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2003
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JERRY N. HRUBY, MAYOR AND SAFETY DIRECTOR
CITY COUNCIL
DAVID J. DEUCH, PRESIDENT
LARRY J. POTLA, VICE-PRESIDENT
NEIL F. BRENNAN
GERALD F. BROSKI
LOUIS N. CAROUSE, JR.
NORA MURPHY
CARL J. OPATRNY
MARY SCULLIN, CLERK

June 22, 2004

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

We are pleased to submit to you the City of Brecksville's fourteenth Comprehensive Annual Financial Report (CAFR). The CAFR is for the year ended December 31, 2003.

This is the official report of the City of Brecksville's results of operations and financial position to its residents, its elected officials, investment banks and underwriters, rating agencies and other interested parties.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data as presented is accurate in all material respects, that it is presented in a manner designed to set forth fairly the financial position and results of operations of the City, and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activity have been included.

The Comprehensive Annual Financial Report is presented in the following three sections:

The Introductory Section includes a table of contents, this transmittal letter, the GFOA Certificate of Achievement, a list of the City's principal officials, both elected and appointed, and the City of Brecksville's organization chart.

The Financial Section includes the Independent Accountants' Report, and includes Management's Discussion and Analysis, the Basic Financial Statements and Notes that provide an overview of the City's financial position and operating results, the Combining Statements for non-major funds and other schedules that provide detailed information relative to the Basic Financial Statements.

The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.

Reporting Entity

The City has reviewed its reporting entity definition in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity." In defining the City for financial reporting purposes, management has considered all agencies, departments and organizations making up the City of Brecksville (the primary government) and its potential component units.



The Brecksville-Broadview Heights City School District and the Cleveland Regional Transit Authority have not been included in the accompanying financial statements. Neither board is appointed by the City, nor is either fiscally dependent on the City.

The Southwest Council of Governments and the Northeast Ohio Public Energy Council are jointly governed organizations whose relationship to the City is described in note 15 to the basic financial statements. A complete discussion of the City's reporting entity is provided in note 1 to the basic financial statements.

The City of Brecksville and Its Benefits

The City of Brecksville was founded in 1811. It was incorporated as a village under the laws of the State of Ohio in 1921 and attained City status in 1960. It is located in Cuyahoga County in northeastern Ohio, in the heart of rolling woodlands approximately fifteen miles south of the City of Cleveland. The City covers 19.54 square miles.

Residents have a variety of nearby transportation options because Brecksville is uniquely located "At The Center Of It All." By car or by connections through downtown Cleveland on the Regional Transit Authority bus and rail lines, one can reach all areas of Cuyahoga County conveniently. State Routes 21 and 82 bisect Brecksville and there is easy access to Interstate Highways I-77, and I-80, which is the Ohio Turnpike. Amtrak, a cross-country rail service, is available in downtown Cleveland and Hopkins International Airport is located about fifteen miles from Brecksville.

Entertainment abounds. In downtown Cleveland, the Cleveland Browns of the NFL play in their spectacular Cleveland Browns Stadium. Jacobs Field is the home of the Cleveland Indians. The Cleveland Cavaliers of the NBA and the Cleveland Barons American Hockey League team play at Gund Arena which is also a venue for concerts by major recording artists, the circus, ice shows and a variety of other professional attractions. The Cleveland State University Convocation Center is home to the Cleveland State University Vikings, the Cleveland Force professional soccer team and even more concerts and shows. All four venues are less than ten years old.

Residents have access to many cultural attractions such as the world-famous Cleveland Orchestra, the Cleveland Museum of Art, the Great Lakes Science Center and the Rock n' Roll Hall of Fame and Museum. There are unique shopping areas such as Tower City Center and the Galleria and nightlife with dining, outdoor concerts and entertainment in the "Flats" area along the Cuyahoga River. Cleveland's downtown is a center of activity for all ages and just minutes from Brecksville.

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

Brecksville's wooded hills and ravines that lace the area help define its neighborhoods. As a result, every resident is close to the natural beauty that has always been a hallmark of Brecksville living. Many of the neighborhoods are located next to the Brecksville Reservation of the Cleveland Metroparks System and the Cuyahoga Valley National Park. Brecksville is unique among Cuyahoga County communities because one-third of the City is parkland. The Brecksville Reservation of the Cleveland Metroparks offers 2,500 acres of parkland with facilities for picnicking, softball, horseback riding, golf, hiking and cross-country skiing. A paved all-purpose fitness trail offers walking, biking, running or strolling by the beautiful scenery.

A sense of gracious living prevails from Public Square and its nearby cluster of historic homes along tree-shaded streets, to contemporary developments of single-family homes, to condominium complexes throughout the community. Housing in Brecksville offers a mix of sizes, styles and price ranges with colonial and Western Reserve styles predominating. Despite its proximity to major metropolitan attractions, Brecksville maintains its quiet, suburban environment. Retail shopping is concentrated downtown near the Square and nearby shopping malls complement local merchants.

The City of Brecksville provides many programs for all ages through its Recreation Department. Baseball, basketball, volleyball, swimming, golf, tennis, jazzercise, exercise classes, crafts and day camps are just some of the many programs for family fun, fitness and recreation. Recreational facilities include the 84-acre Blossom Hill property with its gymnasium, playground, pavilion, baseball field and soccer fields. In 2002, work was begun on two new baseball fields with concession and restroom facilities. Completion is expected in the spring of 2004. Financing includes a \$200,000 NatureWorks grant from the State of Ohio. At City Hall there are three lighted baseball fields and three lighted tennis courts. Outdoor basketball courts are located on Stadium Drive. Our 49,000 square foot Community Center houses the Recreation Department as well as a field house, indoor pool, outdoor leisure pool, elevated running track, youth game room, fitness center, whirlpool, saunas and a community room with catering facilities. An average of 1,100 people a day visit the Community Center; 6,469 people are paid members.

A quality education for our children is provided by the Brecksville-Broadview Heights City School District. The District earned its fourth consecutive perfect score on the Ohio Department of Education's Local Report Card. Brecksville is also home to the extended campuses of two colleges and is home to the Cuyahoga Valley Career Center which is the area's vocational school that provides a multitude of adult education programs for residents.

City Government

The City of Brecksville operates under and is governed by its Charter, first adopted by the voters on November 6, 1956 and amended from time to time. The Charter provides for a Mayor-Council form of government. The Mayor appointed a nine-member Charter Review Commission with City Council approval early in 2003. The Commission reviews the Charter every ten years and did so in 2003. Eight charter revision recommendations by the Commission were on the November 4th General Election ballot.

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

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

The City's Service Department works hard to respond to the needs of the residents, providing curbside rubbish and recycling collections, street maintenance, snow removal and maintenance of City recreational facilities, among other services. The Department once again was responsible for an aggressive road repair and maintenance program. Its recycling abilities were enhanced by the purchase of a white goods/refuse truck body to collect discarded appliances.

Security of one's person and property is foremost on the minds of our full-time Police Department. Brecksville prides itself with a low crime rate and rapid response time. There were 30 full-time police officers at the end of 2003.

A core of permanent firefighters, most of whom are paramedics, supplemented by a highly regarded unit of part-time firefighters, staffs the Fire Department on a 24/7 basis. The firefighters are also trained and equipped to provide full ambulance and rescue service. At the end of 2003, the full-time contingent was 14 firefighters. In 2003, the Fire Department answered 889 EMS calls, meaning that our ambulances were dispatched two to three times each day. The department responded to 14 structure fires.

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

Economic Condition and Outlook

The Brecksville City Administration and City Council are dedicated to the success of the downtown business district, and at the same time, and with the same enthusiasm, have promoted future growth and development of the City's industrial/office area located on the south side of the City.

In 2003, the Ohio Department of Transportation completed the widening of the Miller Road Bridge and exit ramp that carry morning rush hour traffic from I-77 to the Brecksville's industrial/office areas. This has greatly relieved congestion and has enhanced the viability of this important commercial area. Each day approximately 11,000 people come to work in Brecksville and a significant portion of them benefit from this improvement.

Three major construction projects by three different companies commenced in 2003 in the City's southern office/industrial area. All three will mean a significant increase in the City's vital income tax base. The House of LaRose, the distributor of Anheuser-Busch products for all of Northeastern Ohio, is consolidating its operations and offices into one distribution center and corporate offices on Southpointe Parkway. Occupancy is expected in 2004. The same is true for a major expansion at National City Bank's Commercial Credit Center on Southpointe Parkway. On Snowville Road, Maverick Industries, another company new to Brecksville, which is a distributor of industrial products, is constructing a new service center.

During 2003, the City continued to review development proposals for land at Parkview Drive and Brecksville Road in Brecksville's industrial commercial area. The Goodrich Company will be selling the remaining 142 acres of its former complex that was not included in the sale of its Performance Materials Division to Noveon Company. Approximately 80 acres will be available for prime office/laboratory development over the next several years. Use of the remaining acreage has yet to be determined.

Also in 2003, the City hired D. B. Hartt Company to work with the Planning Commission, the Administration and City Council to review current zoning of undeveloped land to ensure that we continue a balance between commercial and residential property and continue to control our growth while at the same time increase the City's income tax base.

Brecksville continued its long-standing policy of controlled growth. During 2003 there were 1,048 building permits issued. Forty-six building permits were issued for residential dwelling units. The valuation of new dwelling construction was \$17,122,000 meaning the average cost of a newly built home in Brecksville was \$372,000. The total valuation of all permits issued during 2003 was \$45,116,381 approximately double that of 2002.

Looking ahead to 2004, the City will see welcome redevelopment of a vacant 10,600 square foot structure on the perimeter of the downtown area resulting in offices and a branch of Western Reserve Bank.

Accomplishments

The City of Brecksville's Finance Department was proud to receive its thirteenth Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the Year ended December 31, 2002.

2003 saw the completion and dedication of a \$1.5 million expansion and renovation project of the City's fire station. The project included new bays for equipment and more training, storage and office space. Also, the Fire Department was successful in obtaining a \$95,000 grant from the Federal Emergency Management Agency for the purchase of 20 new, self-contained breathing units.

Also in 2003 the City completed the construction and renovation of the Center West parking complex behind the businesses on the west side of Brecksville Road in the downtown area. The project significantly enhanced the beauty of the downtown area across from Public Square.

Infrastructure maintenance is a Brecksville priority. The Service Department and independent contractors rebuilt or repaired many City streets. The most significant project was the completion of the reconstruction of Oakes Road from Brecksville Road to the City's western border. Cuyahoga County paid 80 percent of the construction costs. In 2004, the City's neighborhoods in the vicinity of Route 21, Hilton Road and Whitewood Road will be the site of a \$3.5 million sewer construction/water main cleaning and relining project. The City will employ \$875,000 in grants and an \$875,000 no interest loan for the project.

The City of Brecksville takes pride in protecting the environment and promotes programs that preserve our natural beauty and lands. 2003 saw a monumental accomplishment in that regard. The City was named winner of three American in Bloom awards at the Second Annual America in Bloom Symposium and Awards program held in Chicago in September.

The City also protects the environment by maintaining an aggressive recycling program. This Citywide program conducts curbside pick-up and has a building dedicated solely to administering the program. The City collects metals, glass, newspaper, computer paper and yard waste. In 2003, the Department recycled 40.47 percent of its rubbish (3,585 tons). That meant the City deposited less than 60 percent of its rubbish in the landfill. In 2003, the City received a grant of \$9,667 which was used toward necessary improvements to the recycling building. This is the 14th consecutive year the City has been fortunate to receive a grant from the Ohio Department of Natural Resources and Brecksville is the only city in Cuyahoga County that has received this grant for that number of consecutive years.

The City maintains its green trademark with an aggressive tree-planting program begun in 1994. The continuation of that program resulted in the City's designation as a Tree City USA for the ninth consecutive year. In 2003, the City's Horticultural Department planted 294 trees and removed 106 trees. The Department also maintains about 10,000 square feet of annual flowers.

The City pays annual dues to the Chemical Abuse Prevention Association (CAPA) for a Drug Prevention Coordinator to administer to our students, residents and employers within the City. CAPA is jointly funded by the Brecksville-Broadview Heights City School District, the cities of Brecksville and Broadview Heights and the CARE Concerned Citizen Group. Our City's CARE program entered its 22nd year in 2003, attesting to the program's longevity and commitment.

The Department of Human Services has maintained many programs including snow removal and a food bank for senior and low-income residents, Meals on Wheels, health screening and recreational programs and activities. The Human Services Department, with the support of its Advisory Board, continues to expand its activities and services in order to meet the needs of Brecksville's older and special needs residents. In 2003, the 21st annual Yuletide Hunger program was again a success. Ninety households consisting of 253 people (119 of which were children) received food and 47 families benefited from the "Adopt-A-Family" program and received holiday gifts. Transporting our seniors and residents with special needs remains a top priority of the Department. Approximately 70 volunteers drive a fleet of six vehicles including two wheel chair-accessible buses, a van and three cars. Transportation is provided for people to kidney dialysis three days a week including holidays.

Each December, the City of Brecksville sponsors a variety of holiday events including the annual Children's Christmas Play. On the Old Town Hall stage, magical tales told by lovable creatures and characters, including Santa himself, delight Brecksville's little ones and entertain their parents as well. The Children's Christmas Play was the inspiration of former Mayor Jack A. Hruby, and since 1968 an original play has been produced most years. This heartwarming and often humorous holiday tradition has been nurtured and guided by the current Mayor. The cast and crew consist of City employees, their families, and friends of the community. Also the Service Department was once again responsible for creating beautiful holiday lighting displays at a variety of locations in the City.

Building Our Future

In 2004 the City will:

- Complete a major sanitary sewer and water main cleaning and relining project on Route 21, (Brecksville Road) Whitewood Road and Hilton Road.
- Initiate use of two new lighted ball fields, comfort/concession facilities and adjacent parking at the Blossom Property.
- Break ground for a \$10,000,000 plus, 46,000 square foot addition to the Community Center. Two floors of the three-floor structure will house the Human Services Department and the third floor will be additional space for the Community Center's cardio-vascular fitness section. The Human Services facilities will include a 30' X 50' water therapy exercise pool and a full service kitchen with an accompanying large gathering area.
- The Fire Department will take delivery of a new \$123,000 Road Rescue ambulance to replace an existing 15 year-old ambulance.
- Streets and street drainage in the Cambridge Village subdivision will be constructed and repaved.
- Commence a project to clean and/or replace water lines in the Fitzwater, Riverview and Wiese Road area. Total cost should be just under \$2 million. The project has qualified for Issue 2 funding of just over \$1 million.
- Commence study for a new Police facility.

The City of Brecksville will continue to foster the quality of its residential life and the growth of its industrial area and business district, all of which contribute to its tremendous reputation. Through careful and conservative planning, strict adherence to zoning codes and sound financial policies, Brecksville's quality of life and fiscal stability will be maintained. The City of Brecksville is a community regarded as a leader in the greater Cleveland area as well as a City certainly considered progressive, yet guided by its respect for the past.

Financial Condition

This is the fourth year that the City of Brecksville has prepared financial statements following Governmental Accounting Standards Board Statement 34. This new format of governmental reporting on the City's financial activities include:

Government-wide financial statements – These statements are prepared on an accrual basis of accounting similar to the basis of accounting followed by businesses.

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

Statement of budgetary comparisons – These statements present comparisons of actual financial results of operations to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

As part of this new reporting model, management is responsible for preparing Management Discussion and Analysis of the City. This discussion follows the independent accountants' report, providing an assessment of the City finances for 2003.

Budgetary Control

Budgetary control is maintained by an encumbrance for purchase commitment amounts prior to the release of purchase orders to vendors. Purchase requisitions for expenditures of monies are first reviewed by the department head and then forwarded to the Purchasing Director for her signature. They are then sent to the Purchasing Department for the preparation of a purchase order. The Director of Finance certifies the purchase order of the availability of funds, and the estimated expenditures is encumbered against the available appropriation.

The City adopts a temporary appropriation budget on or before January 1 of each year for the period January 1 through March 31. An annual appropriation budget is passed by April 1 of each year for the period January 1 through December 31. All disbursements and transfers of cash between funds require appropriation authority.

Internal Control

As a part of its continuing commitment to excellence in financial reporting, the City utilizes a computerized financial accounting and reporting system. The Mayor and the Finance Director continually evaluate enhancements to the present internal accounting controls and procedures. They oversee the appropriateness of internal control, develop procedures to enhance internal control, and consult with outside auditors to insure that the City remains at a sound financial level of operations.

The City has built internal accounting controls into its financial accounting, budgeting and reporting system to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss resulting from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The internal accounting controls built into the City's system were developed using the concept of reasonable assurance. This concept recognized that the cost of a control should not exceed the benefits likely to be derived from its implementation, and the evaluation of costs and benefits should require estimates and judgments by management. We believe that the City's internal accounting controls adequately safeguard the City's assets and provide reasonable assurance of proper recording and reporting of financial transactions.

Cash Management

Cash management is a vital component in the City of Brecksville's overall financial strategy. The primary objective of the City's investment activity is the protection of investment principal. A prudent investment program is maintained to assure the continual investment of all possible City dollars at all times. In addition to the security of the investment, a major consideration is the timing of needed cash to pay City liabilities. Cash resources of all City funds are combined for maximum return and are invested in accordance with the investment policy of the City of Brecksville and the Ohio Revised Code. Some of the allowable deposits and investments include certificates of deposit, savings accounts, money market accounts, the State Treasurer's Investment Pool and repurchase agreements.

Risk Management

The City of Brecksville insures all risks, with the exception of health insurance, through private insurance carriers. Property valuations are revised annually to provide insurance companies and the City with an accurate inventory of insurable property and replacement cost values. The City of Brecksville manages the hospital-medical and dental benefits for its employees on a self-insured basis. A third party administrator processes and pays the claims. An excess coverage insurance (stop-loss) policy covers claims in excess of \$30,000 per employee per year. Control of the plan rests with the City.

Independent Auditor

In accordance with Ohio law, independent audits must be performed on all financial operations of the City. Either the Auditor of State of Ohio or, if the Auditor permits, an independent public accounting firm conducts these audits. The Brecksville City Council selected the Auditor of State's Office to perform these services for the year 2003. Their report is presented in the Financial Section.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to those governmental entities whose CAFR is easily readable, efficiently organized, and conforms to GFOA reporting standards. Such a report must satisfy both generally accepted accounting principles (GAAP) as well as applicable legal requirements. The City of Brecksville received this honor for its Comprehensive Annual Financial Report for the year ended December 31, 2002. A Certificate of Achievement is valid for a period of one year only. The City of Brecksville believes the current report conforms to the Certificate of Achievement Program requirements, and has submitted it to the GFOA to determine its eligibility for another Certificate of Achievement.

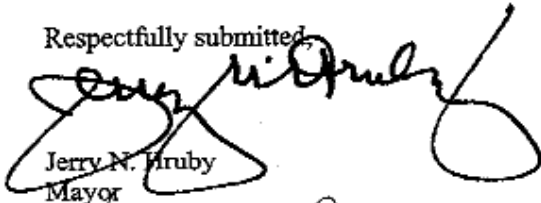
Acknowledgments

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

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

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

Respectfully submitted,



Jerry N. Piruby
Mayor



Virginia Price
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Brecksville,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2002

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

City of Brecksville, Ohio

City Officials

ELECTED OFFICIALS

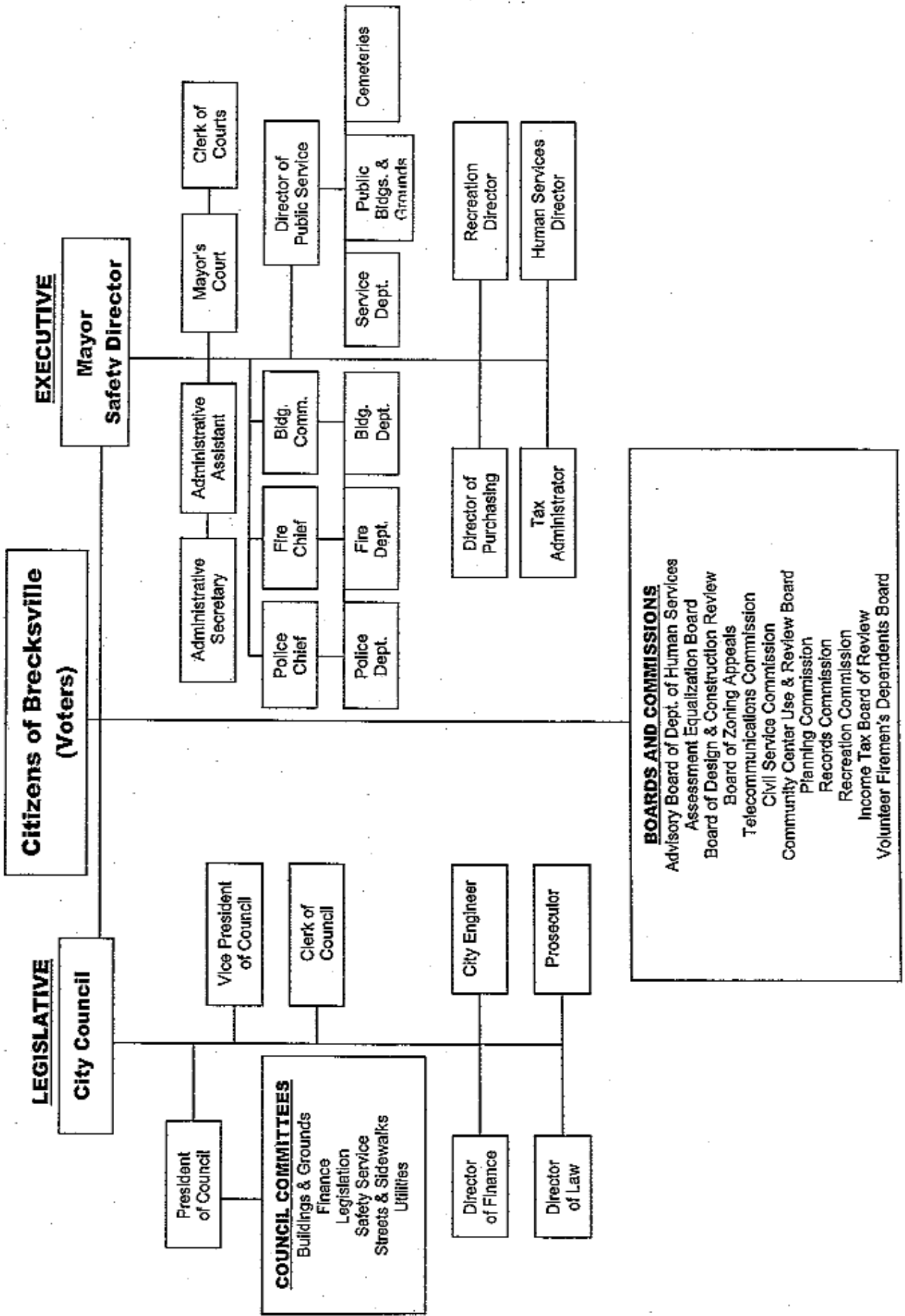
Mayor-Safety Director Jerry N. Hruby
President of Council David J. Deuch
Vice-President of Council Larry Potla
Council Member Neil F. Brennan
Council Member Gerald F. Broski
Council Member Louis Carouse
Council Member Nora Murphy
Council Member Carl J. Opatrny

APPOINTED OFFICIALS

Director of Finance Virginia Price
Police Chief Dennis A. Kancler
Fire Chief Edwin D. Egut
Service Director Robert J. Pech
Director of Purchasing Donna Shirer
Chief Building Official Robert L. Miller
Clerk of Courts Marilyn L. Sewell
Director of Recreation Kimberly Robertson
Director of Law Paul A. Grau
Prosecutor Sergio I. Digeronimo
City Engineer The C. W. Courtney Company
Clerk of Council Mary Scullin

CITY OF BRECKSVILLE, OHIO

ORGANIZATIONAL CHART



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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2003, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio, as of December 31, 2003, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General and Fire Department Funds thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 4, during the year ended December 31, 2003, the City restated the fund balance of the Road Improvements Fund.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2004 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 grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to form opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund statements and schedules and statistical tables are presented for additional analysis and are not a required part of the basic financial statements. We subjected the combining and individual nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is 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 tables to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.



Betty Montgomery
Auditor of State

June 22, 2004

City of Brecksville, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2003
Unaudited

The discussion and analysis of the City of Brecksville's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2003. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key Financial highlights for 2003 are as follows:

- Total Net Assets increased \$3,607,383 or a 5.95 percent increase over 2002.
- The City's return on assets was 4.4 percent.
- Total Assets of Governmental Activities increased \$3,633,370 which represents a 4.63 percent increase over 2002.
- Total expenses of all City service was \$19.9 million in 2003, an increase of \$3 million over 2002.
- Total Current Liabilities increased by \$571,049 or 9.00 percent from 2002.
- Total Capital Assets increased by \$5,357,184 or 10.75 percent over 2002.
- Total Outstanding Long-term Liabilities during 2003 were \$545,062 less than during 2002 or a 4.75 percent decrease.

Using This Annual Financial Report

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

The statement of Net Assets 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 total in one column.

Reporting the City of Brecksville as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole considers all financial transactions and asks the question, "How did we do financially during 2003?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting

City of Brecksville, Ohio
Management's Discussion and Analysis
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similar to the accounting method used by the private sector. The basis for this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

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

- Assets
- Liabilities
- Net Assets (Assets minus Liabilities)
- Program Expenses and Revenues
- General Revenues
- Net Assets Beginning of Year and Year's End

Reporting the City of Brecksville's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Brecksville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the City's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. A discussion of the City's major funds begins on page 9. Fund financial reports provide detailed information about the City's major funds based on the restrictions on the use of monies. The City has established many funds, which account for the multitude of services, facilities and infrastructure provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of Brecksville, our major funds are the general, fire department, special assessment bond retirement, general municipal improvement, building and improvements and road improvements.

Governmental Funds Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. All City activities are reported in the governmental funds focusing on how money flows into and out of those funds and the balances left at year end available for spending in future periods. Our funds are reported using an accounting method called modified accrual accounting which measures cash and all other financial assets that are expected to be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future on services provided to our residents. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues,

City of Brecksville, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2003
Unaudited

expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Brecksville as a Whole

Recall that the Statement of Net Assets pictures the City as a whole. Table 1 provides a summary of the City's net assets for 2003 compared to 2002.

Table 1
Net Assets

	Governmental Activities	
	2003	2002
Assets		
Current and Other Assets	\$26,879,308	\$28,603,122
Capital Assets, Net	55,204,231	49,847,047
<i>Total Assets</i>	<u>82,083,539</u>	<u>78,450,169</u>
Liabilities		
Current and Other Liabilities	6,916,184	6,345,135
Long-Term Liabilities		
Due Within One Year	983,410	864,954
Due in More Than One Year	9,946,813	10,610,331
<i>Total Liabilities</i>	<u>17,846,407</u>	<u>17,820,420</u>
Net Assets		
Invested in Capital Assets, Net of Related Debt	45,138,862	38,639,023
Restricted for:		
Capital Projects	6,896,322	6,919,152
Debt Service	4,786,541	6,111,400
Fire	190,015	284,232
Recreation	226,375	576,629
Streets	959,512	1,292,712
Other Purpose	544,645	701,126
Unrestricted	5,494,860	6,105,475
<i>Total Net Assets</i>	<u>\$64,237,132</u>	<u>\$60,629,749</u>

Net assets may serve as a useful indicator of a government's financial position over time. In the case of the City of Brecksville, assets exceeded liabilities by \$64,237,132 at year end 2003. By far the largest portion of the City of Brecksville's net assets (70%) is its investment in capital assets including land, building, streets, water lines, storm water lines and machinery. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City of Brecksville's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Brecksville, Ohio
Management's Discussion and Analysis
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The City's net assets increased by \$3,607,383 during the current fiscal year. The primary factor for this increase is the City's continuing commitment to investment in its infrastructure, indicated by an increase in capital assets of \$5,357,184. Additionally, the City of Brecksville works very hard to stabilize current liabilities and reduce long-term liabilities. As an example, the City budgets \$100,000 per month from income tax revenues to provide future funding for specific building or infrastructure improvements. During 2003 the City was able to reduce its total liabilities to net asset ratio from 29 percent to 28 percent.

The City also carefully invests its funds in a variety of investment types with the primary focus being safety of principal, but with an attention to investment opportunities to increase yield. The Investment Board which consists of the Mayor, Finance Director, and Law Director pay close attention to daily interest rates and have made the City's money "work for us", an increasingly difficult task in the current period of declining interest rates. The City realized \$634,052 in interest revenue. This additional revenue is utilized as part of the City's plan to pay off short-term debt or pay for future projects or improvements.

Table 2 shows the changes in net assets for the year ended December 31, 2003 compared to 2002.

Table 2
Changes in Net Assets

	Governmental Activities	
	2003	2002
Program Revenues		
Charges for Services	\$1,538,212	\$1,389,736
Operating Grants and Contributions	588,861	778,363
Capital Grants and Contributions	3,627,626	1,507,521
<i>Total Program Revenues</i>	<u>5,754,699</u>	<u>3,675,620</u>
General Revenues		
Property Taxes	4,127,860	3,930,627
Municipal Income Taxes	11,373,261	11,061,166
Grants and Entitlements	1,307,353	1,781,468
Investment Earnings	634,052	714,986
Gain on Sale of Capital Assets	16,532	18,321
Other	247,880	325,194
Total General Revenues	<u>17,706,938</u>	<u>17,831,762</u>
<i>Total Revenues</i>	<u>\$23,461,637</u>	<u>\$21,507,382</u>

City of Brecksville, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2003
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Table 2
 Changes in Net Assets

	Governmental Activities	
	2003	2002
Program Expenses		
General Government:		
Legislative and Executive	\$4,135,163	\$4,088,405
Judicial	151,387	158,683
Public Safety:		
Police	3,901,614	3,655,090
Fire	1,964,919	1,374,110
Public Health Services	118,442	145,378
Street Construction, Maintenance and Repairs	4,132,195	2,784,828
Housing and Community Development	1,186,316	830,697
Basic Utility Services	1,884,812	1,701,700
Recreational Activities	1,859,992	1,522,030
Interest and Fiscal Charges	519,414	577,384
<i>Total Program Expenses</i>	<u>19,854,254</u>	<u>16,838,305</u>
<i>Change in Net Assets</i>	3,607,383	4,669,077
Net Assets Beginning of Year	<u>60,629,749</u>	<u>55,960,672</u>
Net Assets End of Year	<u><u>\$64,237,132</u></u>	<u><u>\$60,629,749</u></u>

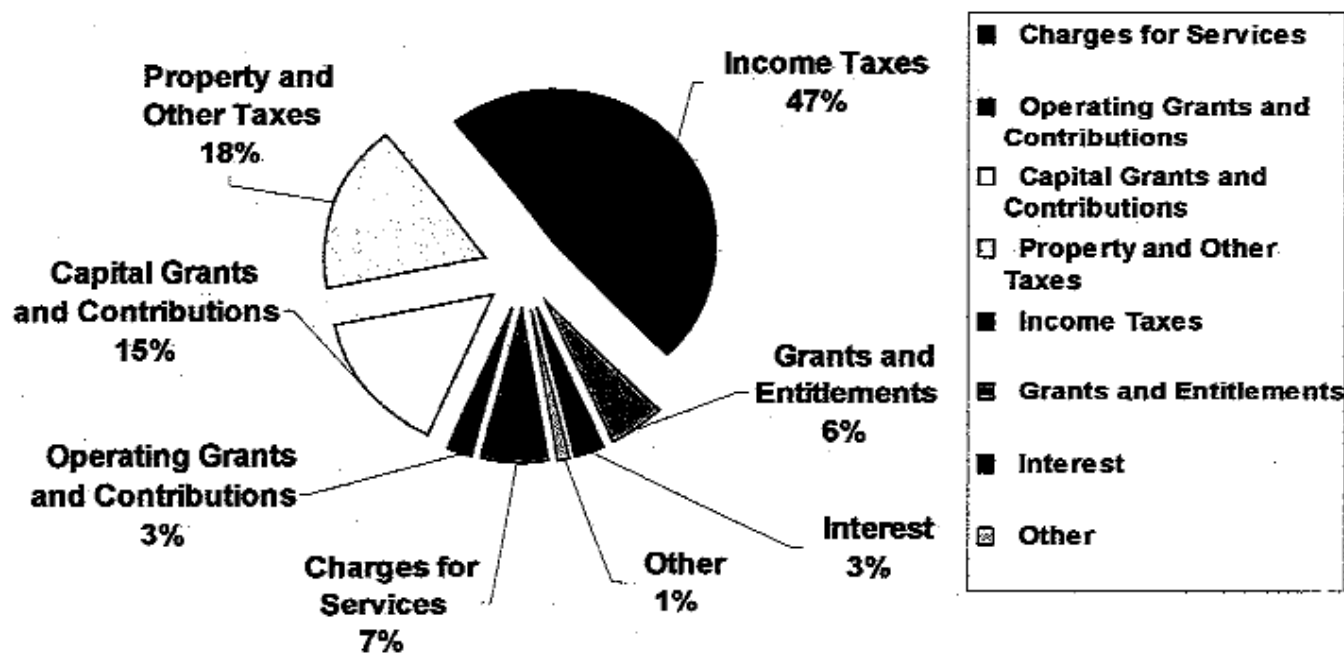
Several revenue sources fund our governmental activities with the City income tax being the largest contributor. The income tax rate of 2 percent was created by City Charter and became effective January 1990. This tax created by a Charter amendment will remain until such time as the City's electorate changes the rate, which is not anticipated. The income tax revenue amount for 2003 was \$11,373,261. General revenues from grants and entitlements, such as local government funds, are also sources of revenue. In 2003, \$3,042,180 of the City of Brecksville's capital grants and contributions came from the assumption of housing development infrastructure improvements initially installed by developers.

While City income tax collections in 2003 were up 2.8 percent from 2002 collections, they were still 7 percent lower than 2001. The majority of the decrease can be attributed to the poor economy in general. The City had enjoyed a healthy revenue stream in its income tax collections for the past twelve years. This has been especially important to the City because of the sale of the BF Goodrich Research & Development site to Noveon, Inc. and the ongoing reduction in staff at the Brecksville Veterans Administration Hospital, part of the Louis Stokes Cleveland Veterans Administration Center. Despite the downturn in the national economy, Brecksville's tax base has continued to grow with new office development in our City. The City of Brecksville has been very aggressive in the year 2003 collecting delinquent income tax as it has for many years. The catalyst behind its historical growth is a strong economic development program. The number of businesses, be they large or small, provides an income tax base that can sustain the loss of any major tax paying entity and still be able to meet the financial needs of the City. City income tax revenue of \$2,472,000 per year is earmarked for specific City improvements. \$10,000 per month or \$120,000 per year

City of Brecksville
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Unaudited

is part of the funding designated for road re-paving. \$16,000 per month or \$192,000 per year is part of the funding designated for capital improvements. \$80,000 per month or \$960,000 per year is allocated toward general municipal improvements. \$101,000 per month or \$1,200,000 per year is allocated toward building improvements. These revenues are allocated by Ordinance of City Council providing that a substantial portion of our income tax collections is designated for roads, City facilities and capital needs. Of the \$23,461,637 in total revenue, income tax accounts for 48 percent of that total. Property taxes of \$4,127,860 accounts for 18 percent of total revenue, with program revenues, grants and entitlements, investment income and miscellaneous income accounting for the remaining 34 percent.

2003 Revenues by Source



Public safety, including the police and fire departments, accounted for program expenses of \$5,866,533 which is 30 percent of total City expenses for the year 2003. Street construction, maintenance and repair expenses of \$4,132,195 accounted for 21 percent. These two figures illustrate the City's commitment toward infrastructure maintenance as well as the safety of our citizens. The police and fire departments live within their overtime budgets, which account for a small portion of the total cost of operating both departments.

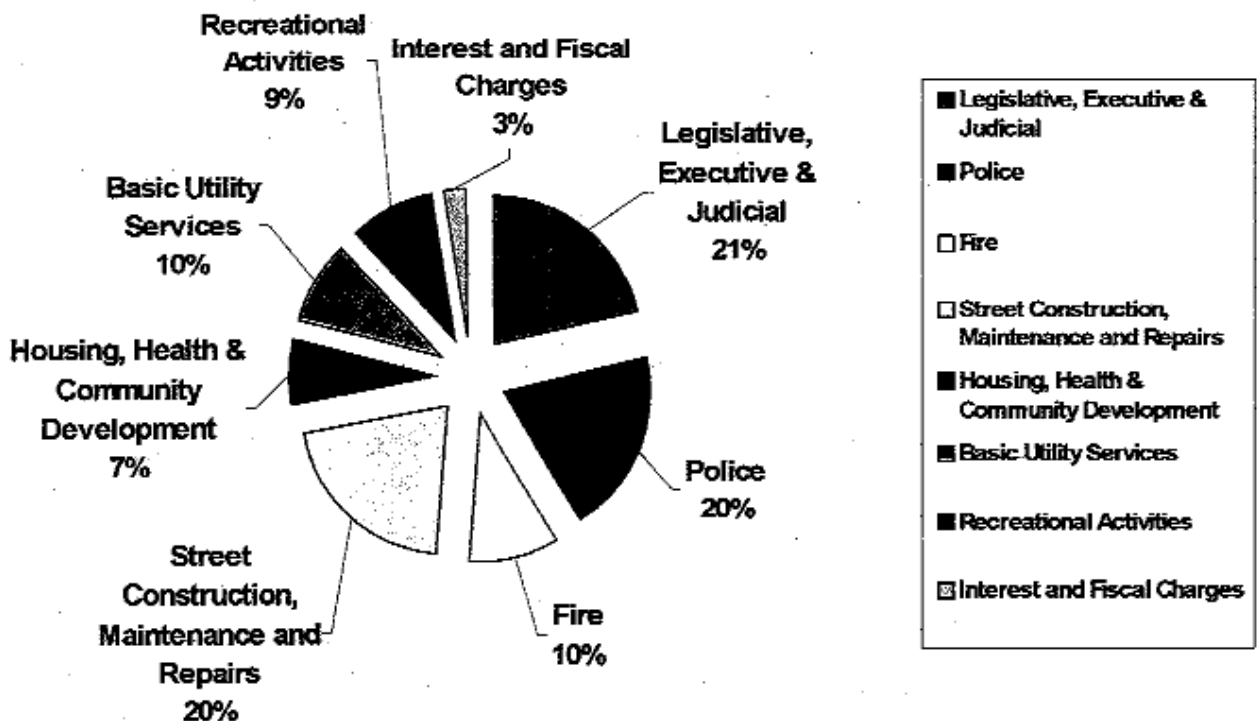
The Fire Department is funded through Charter levy millage. All operating costs for maintaining the Fire Department 24 hours a day, 7 days a week are financed with this millage. In addition, a portion of the levied funds is budgeted toward capital improvements within the Fire Department. Renovation and expansion of the fire station was started in 2002 and was completed in 2003.

City of Brecksville
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Our Police Department continues to add to its equipment to better serve our community and at the same time provide extra safety for our officers. We continue to strive to provide better police and fire service at a lower cost per man-hour.

As stated previously, 20 percent of our year 2003 program expenses were for road and infrastructure maintenance, repair and building and an additional 9 percent was used to improve and maintain basic utility services. The City funds these projects through short-term notes and by utilizing earmarked income tax dollars as described previously. This is again an illustration of the City's commitment to improving and maintaining its infrastructure.

2003 Expenditures by Function



The City's Funds

Information about the City's Governmental funds begins on page 14. These funds are accounted for using the modified accrual basis of accounting. All Governmental Funds had total revenue of \$21,304,757 and expenditures of \$23,961,132. The most significant fund is our General Fund with an unreserved fund balance at year-end of \$4,678,964 compared to annual expenditures of \$12,145,060. While revenues exceeded expenditures by \$902,253, the excess was transferred to other funds. These transfers enabled the City to fund capital improvements.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the general

City of Brecksville, Ohio
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fund. During the course of 2003 the City amended its general fund budget several times, but no amendment was significant. 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 our major activities including the Police Department, Recreation Department, and most legislative and executive activities. The general fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

The original general fund revenue and expenditure budget is designed to be very conservative. Throughout the year requests for additional spending are submitted to Council for approval. In response to the conservative revenue projection being surpassed, the City amended the general fund budget several times in 2003. The final budgeted revenue amount exceeded the original budgeted by \$34,642. The majority of this was due to the receipt of increased property and income tax collections.

Capital Assets and Debt Administration

Capital Assets

Table 3
 Capital Assets at December 31

	Governmental Activities	
	2003	2002
Land	\$4,602,712	\$4,050,626
Construction in Progress	6,030,792	5,723,093
Buildings and Improvements	10,527,275	8,261,102
Machinery and Equipment	4,159,483	4,048,335
Furniture and Fixtures	113,252	123,258
Infrastructure		
Roads	11,164,841	10,500,282
Sidewalks	1,343,350	1,432,554
Guardrails	11,516	23,031
Storm Sewer	3,890,658	3,327,763
Sanitary Sewer	8,330,244	7,807,301
Water Lines	5,030,108	4,549,702
Total Capital Assets	\$55,204,231	\$49,847,047

Total capital assets for the City of Brecksville as of December 31, 2003 were \$55,204,231. That is a \$5,357,184 increase from 2002. The most significant increases in our capital assets were in buildings and improvements and the contributions in the developments of Four Seasons, Hidden Canyon and Huntington Farms by the developer. The primary reason for the increase was the completion of the expansion and renovation of the fire station. As indicated by the substantial increases in our street and utility capital assets, the City is committed to a long-term goal of rebuilding its infrastructure and facilities. We have a capital plan in place providing for rebuilding major residential streets, water, sewer and storm sewer lines, and adding additional facilities to compliment our current structures.

City of Brecksville, Ohio
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In 2003, the City completed the Sunnydale Road, State Route 82 sidewalks, Oakes Road reconstruction and Southwest parking lot projects. Final phases of Citywide Traffic Resignalization and Route 82 widening are in process. New projects include the design and pre-construction work for Human Services building and Community Center addition. Renovation of the City's ball playing fields continues with the fields expected to be ready for use in the 2004 season.

The City of Brecksville seeks grants for infrastructure projects as well as improving our City facilities. In 2003 it received approval for over \$1.2 million through the Ohio Public Works Department for Route 21/Hilton Road/Whitewood Road sanitary sewer and water main improvements. Construction is expected to be initiated and completed in 2004. Use of grants and loans as well as short-term notes enables the City to improve its capital assets and at the same time maintain fund levels. See Note 9 for additional information on the City's capital assets.

Debt

As of December 31, 2003, the City of Brecksville had \$10,930,223 in bonds, notes, loans and compensated absences outstanding with \$983,410 due within one year.

Table 4
 Outstanding Debt as Year End

	Governmental Activities	
	2003	2002
General Obligation Bonds	\$4,491,102	\$4,874,400
Special Assessment Bonds	4,417,000	4,772,000
Notes	1,000,000	1,000,000
OPWC Loans	516,454	561,624
Compensated Absences	505,667	555,463
Total	\$10,930,223	\$11,763,487

The General Obligation Bond Retirement bonds are composed of a Library Refunding Bond of \$1,481,102, two Community Center Bonds; one for \$1,735,000 and one for \$1,275,000. On November 7, 1989, effective January 1, 1990, voters passed a ½ percent City income tax increase (from 1½ percent to 2 percent with 100 percent credit). The ½ percent was designated for the construction of a Community Center, the purchase of Blossom Hill property (\$1,000,000) and capital improvements. Each month, \$80,000 is put into a General Municipal Improvement Fund. Money is transferred into the General Obligation Bond Retirement fund for payment of the Community Center bonds.

The Special Assessment Bond Retirement Funds consist of Sprague-Wallings Sanitary Sewer Improvement, Sewer Project #1312 #2, Old Royalton Road Water Main, Oakhurst-Fitzwater Sanitary Sewer, Southpointe Parkway Refunding, Four Seasons Sewer and Water and the Service Road Sewer and Water. Principal and interest for these bonds are paid from the collection of special assessments by the County Auditor.

In 1997, the City refunded the following bond issues: Library Improvement, Community Center Improvement, Oakhurst-Fitzwater Sanitary Sewer and Southpointe Parkway Improvement.

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The OPWC Loans are paid semi-annually from the Capital Improvement Fund, the Road Improvement Charter Levy Fund, and the Public Utility Improvement Fund and will be paid in full in the year 2019.

The City's overall debt was reduced by \$833,264 (7.08 percent) due to the annual debt payments which was offset by an increase in compensated absences. The City's overall legal ten and one-half percent debt limitation (voted and unvoted) on December 21, 2003 was \$55,543,425. The aggregated outstanding debt subject to the ten and one half percent limitation is \$4,700,739. The difference of \$50,842,686 between the maximum issuable amount and the outstanding amount represents the aggregate principal amount of additional voted and unvoted nonexempt debt which the City may issue without exceeding the ten and one half-percent limitation. See Note 13 for additional information on the City's debt.

Current Financial Related Activities

Over the past sixteen years we have enjoyed strong growth in revenues and at the same time adopted a strong, fiscally responsible financial plan to live within our means. In 1990 we increased our income tax from 1.5 to 2 percent promising our constituents that the City of Brecksville would improve its facilities and infrastructure, and increase its level of services without the need for additional taxes. Since that time we built our Community Center, acquired the 83-acre Blossom property, expanded our Municipal Parking Lot, Service Department, and recreational playing fields.

For many years the City has reduced its health care costs by operating a self-funded insurance program and joining the group rating worker's compensation program through the Ohio Municipal Treasurers' Association. While the cost increases for medical insurance are unavoidable in today's environment, the City is working diligently to maintain a high level of coverage for its employees at the lowest cost possible.

The Finance Director, Mayor, and City Council work extremely hard at keeping our debt low. We plan our finances so that we can pay cash for many of the facility improvements and acquisitions, and continue to pay cash for all equipment and other major purchases necessary to maintain our level of services. We live within our means and plan ahead knowing that our budget enables us to spend less than the revenues we receive.

The City of Brecksville has committed itself to financial excellence and a landmark designation in 2001 greatly enhanced that status. Moody's Investors Service assigned an Aa1 credit rating to the City of Brecksville's General Bonds. Brecksville became one of only eight cities in Ohio with the coveted Aa1 rating. Less than 3 percent of communities nationwide have achieved an Aa1 rating. Only two Ohio cities are rated Aaa. In its report Moody's said, "We expect the City's financial operations to remain sound."

Also, the City has received the Government Finance Officers Award (GFOA) Certificate of Achievement for Excellence since 1990, the year of our first Comprehensive Annual Financial Report. The City of Brecksville is also one of the first cities in Ohio to report using the GASB 34 requirements. Our commitment to our residents has always been one of full disclosure of the financial position of the City. Annually we publish and make available to our residents by mail a complete and total report of our revenues and expenditures through the City's Bulletin, a publication produced by the City six times per year. We also offer information regarding our City on our website, www.brecksville.oh.us.

City of Brecksville, Ohio
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Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and demonstrate the City's accountability for all money it receives, spends, and invests. Please direct any questions about this report or financial information inquiries to Finance Director Virginia Price, City of Brecksville, 9069 Brecksville Road, Brecksville, Ohio 44141, or telephone 440-526-2608. We also offer information regarding our City on our web site, www.brecksville.oh.us.

City of Brecksville, Ohio

Statement of Net Assets

December 31, 2003

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$14,535,023
Cash and Cash Equivalents in Segregated Accounts	9,505
Materials and Supplies Inventory	93,729
Accounts Receivable	21,216
Accrued Interest	80,244
Intergovernmental Receivable	826,197
Prepaid Items	58,648
Municipal Income Taxes Receivable	2,209,325
Property Taxes Receivable	4,601,323
Special Assessments Receivable	4,444,098
Nondepreciable Capital Assets	10,633,504
Depreciable Capital Assets, Net	<u>44,570,727</u>
<i>Total Assets</i>	<u>82,083,539</u>
Liabilities	
Accounts Payable	287,705
Contracts Payable	336,856
Retainage Payable	128,668
Accrued Wages and Benefits	541,809
Intergovernmental Payable	667,397
Matured Compensated Absences Payable	5,989
Deferred Revenue	4,431,279
Accrued Interest Payable	45,700
Claims Payable	166,388
Vacation Benefits Payable	304,393
Long-Term Liabilities:	
Due Within One Year	983,410
Due In More Than One Year	<u>9,946,813</u>
<i>Total Liabilities</i>	<u>17,846,407</u>
Net Assets	
Invested in Capital Assets, Net of Related Debt	45,138,862
Restricted for:	
Capital Projects	6,896,322
Debt Service	4,786,541
Fire	190,015
Recreation	226,375
Streets	959,512
Other Purposes	544,645
Unrestricted	<u>5,494,860</u>
<i>Total Net Assets</i>	<u><u>\$64,237,132</u></u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Activities
For the Year Ended December 31, 2003

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
General Government:					
Legislative and Executive	\$4,135,163	\$146,626	\$5,781	\$95,000	(\$3,887,756)
Judicial System	151,387	335,897	0	0	184,510
Public Safety:					
Police	3,901,614	5,774	21,666	0	(3,874,174)
Fire	1,964,919	2,092	6,525	0	(1,956,302)
Public Health Services	118,442	90,250	0	0	(28,192)
Street Construction, Maintenance and Repair	4,132,195	340	539,875	3,532,626	(59,354)
Housing and Community Development	1,186,316	183,530	0	0	(1,002,786)
Basic Utility Services	1,884,812	56,635	11,666	0	(1,816,511)
Recreational Activities	1,859,992	717,068	3,348	0	(1,139,576)
Interest and Fiscal Charges	519,414	0	0	0	(519,414)
<i>Total Governmental Activities</i>	<u>\$19,854,254</u>	<u>\$1,538,212</u>	<u>\$588,861</u>	<u>\$3,627,626</u>	<u>(14,099,555)</u>
General Revenues					
Property Taxes Levied for:					
General Purposes					1,646,088
Fire Department					1,593,930
Streets					468,802
Police Department					140,640
Debt Service					278,400
Municipal Income Taxes Levied for:					
General Purposes					8,930,938
Capital Outlay					2,442,323
Grants and Entitlements not Restricted to Specific Programs					1,307,353
Investment Earnings					634,052
Gain on Sale of Capital Assets					16,532
Miscellaneous					247,880
<i>Total General Revenues</i>					<u>17,706,938</u>
Change in Net Assets					3,607,383
<i>Net Assets Beginning of Year</i> <i>Restated - (See Note 4)</i>					<u>60,629,749</u>
<i>Net Assets End of Year</i>					<u>\$64,237,132</u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio

Balance Sheet

Governmental Funds

December 31, 2003

	General	Fire Department	Special Assessment Bond Retirement	General Municipal Improvement	Building and Improvements
Assets					
Equity in Pooled Cash and					
Cash Equivalents	\$4,512,572	\$381,332	\$288,037	\$716,095	\$128,551
Cash and Cash Equivalents:					
In Segregated Accounts	6,850	0	0	0	0
Materials and Supplies Inventory	59,981	0	0	0	0
Accounts Receivable	17,355	0	0	0	0
Accrued Interest Receivable	80,244	0	0	0	0
Intergovernmental Receivable	356,401	96,325	0	0	0
Prepaid Items	58,648	0	0	0	0
Municipal Income Taxes Receivable	1,737,969	0	0	183,051	228,814
Property Taxes Receivable	1,855,405	1,797,258	0	0	0
Special Assessments Receivable	0	0	4,444,098	0	0
Interfund Receivable	200,000	0	0	0	0
<i>Total Assets</i>	<u>\$8,885,425</u>	<u>\$2,274,915</u>	<u>\$4,732,135</u>	<u>\$899,146</u>	<u>\$357,365</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$162,931	\$5,694	\$0	\$1,038	\$0
Contracts Payable	53,976	0	0	34,496	0
Retainage Payable	0	0	0	4,496	0
Accrued Wages and Benefits	423,048	78,944	0	0	0
Matured Compensated Absences	5,989	0	0	0	0
Interfund Payable	0	0	0	0	0
Intergovernmental Payable	192,415	30,810	0	0	0
Deferred Revenue	3,238,281	1,893,583	4,444,098	103,051	128,814
<i>Total Liabilities</i>	<u>4,076,640</u>	<u>2,009,031</u>	<u>4,444,098</u>	<u>143,081</u>	<u>128,814</u>
Fund Balances					
Reserved for Encumbrances	129,821	4,254	0	88,775	0
Unreserved					
Undesignated, Reported in:					
General Fund	4,678,964	0	0	0	0
Special Revenue Funds	0	261,630	0	0	0
Debt Service Funds	0	0	288,037	0	0
Capital Projects Funds	0	0	0	667,290	228,551
<i>Total Fund Balances</i>	<u>4,808,785</u>	<u>265,884</u>	<u>288,037</u>	<u>756,065</u>	<u>228,551</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$8,885,425</u>	<u>\$2,274,915</u>	<u>\$4,732,135</u>	<u>\$899,146</u>	<u>\$357,365</u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 December 31, 2003*

Road Improvements	Other Governmental Funds	Total Governmental Funds
\$1,247,318	\$6,939,873	\$14,213,778
0	0	6,850
0	33,748	93,729
0	3,403	20,758
0	0	80,244
0	373,471	826,197
0	0	58,648
22,881	36,610	2,209,325
0	948,660	4,601,323
0	0	4,444,098
0	550,000	750,000
<u>\$1,270,199</u>	<u>\$8,885,765</u>	<u>\$27,304,950</u>
\$0	\$118,042	\$287,705
172,317	76,067	336,856
17,933	106,239	128,668
0	39,817	541,809
0	0	5,989
0	750,000	750,000
0	22,479	245,704
12,881	1,306,558	11,127,266
<u>203,131</u>	<u>2,419,202</u>	<u>13,423,997</u>
408,897	2,207,017	2,838,764
0	0	4,678,964
0	1,120,635	1,382,265
0	431,176	719,213
658,171	2,707,735	4,261,747
<u>1,067,068</u>	<u>6,466,563</u>	<u>13,880,953</u>
<u>\$1,270,199</u>	<u>\$8,885,765</u>	<u>\$27,304,950</u>

Total Governmental Fund Balances	\$13,880,953
<i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	55,204,231
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Property Taxes	170,044
Intergovernmental	1,456,614
Municipal Income Taxes	625,231
Special Assessments	<u>4,444,098</u>
Total	6,695,987
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.	157,970
Due to other governments includes contractually required pension contributions not expected to be paid with expendable available financial resources and therefore not reported in the funds.	(421,693)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(45,700)
Vacation benefits payables is not expected to be paid with expendable available financial resources and therefore are not reported in the fund.	(304,393)
Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the funds:	
General Obligation Bonds	(4,491,102)
Special Assessment Bonds	(4,417,000)
OPWC Loans	(516,454)
Compensated Absences	(505,667)
Notes	<u>(1,000,000)</u>
Total	<u>(10,930,223)</u>
<i>Net Assets of Governmental Activities</i>	<u>\$64,237,132</u>

City of Brecksville, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2003

	General	Fire Department	Special Assessment Bond Retirement	General Municipal Improvement	Building and Improvements	Road Improvements
Revenues						
Property and Other Taxes	\$1,649,057	\$1,596,805	\$0	\$0	\$0	\$0
Municipal Income Taxes	9,193,183	0	0	960,000	1,200,000	120,000
Charges for Services	135,877	1,922	0	0	0	0
Licenses and Permits	240,392	170	0	0	0	0
Fines and Forfeitures	317,951	0	0	0	0	0
Intergovernmental	1,220,920	246,689	0	0	0	391,508
Special Assessments	0	0	327,902	0	0	0
Interest	136,616	7,478	378,107	9,620	10,388	19,350
Donations	5,781	600	0	0	0	0
Rentals	27,623	0	0	0	0	0
Miscellaneous	119,913	724	0	4,004	0	75,000
<i>Total Revenues</i>	<u>13,047,313</u>	<u>1,854,388</u>	<u>706,009</u>	<u>973,624</u>	<u>1,210,388</u>	<u>605,858</u>
Expenditures						
Current:						
General Government:						
Legislative and Executive	3,995,747	0	11,717	0	0	0
Judicial System	149,907	0	0	0	0	0
Public Safety:						
Police	3,529,028	0	0	0	0	0
Fire	49,614	1,795,517	0	0	0	0
Public Health Services	118,588	0	0	0	0	0
Street Construction, Maintenance and Repair	1,989,519	0	0	0	0	0
Housing and Community Development	731,188	0	0	0	0	0
Basic Utility Services	1,556,157	0	0	0	0	0
Recreational Activities	25,312	0	0	0	0	0
Capital Outlay	0	0	0	939,025	0	1,614,644
Debt Service:						
Principal Retirement	0	0	355,000	1,000,000	0	0
Interest and Fiscal Charges	0	0	246,457	23,500	0	0
<i>Total Expenditures</i>	<u>12,145,060</u>	<u>1,795,517</u>	<u>613,174</u>	<u>1,962,525</u>	<u>0</u>	<u>1,614,644</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>902,253</u>	<u>58,871</u>	<u>92,835</u>	<u>(988,901)</u>	<u>1,210,388</u>	<u>(1,008,786)</u>
Other Financing Sources (Uses)						
Bond Anticipation Notes Issued	0	0	0	1,000,000	0	0
Sale of Capital Assets	23,417	5,776	0	0	0	0
Transfers In	303,668	0	39,115	532,000	0	630,000
Transfers Out	(2,295,133)	(125,000)	0	(436,405)	(2,680,000)	(515,251)
<i>Total Other Financing Sources (Uses)</i>	<u>(1,968,048)</u>	<u>(119,224)</u>	<u>39,115</u>	<u>1,095,595</u>	<u>(2,680,000)</u>	<u>114,749</u>
<i>Net Change in Fund Balances</i>	<u>(1,065,795)</u>	<u>(60,353)</u>	<u>131,950</u>	<u>106,694</u>	<u>(1,469,612)</u>	<u>(894,037)</u>
<i>Fund Balances Beginning of Year - Restated (Note 4)</i>	<u>5,874,580</u>	<u>326,237</u>	<u>156,087</u>	<u>649,371</u>	<u>1,698,163</u>	<u>1,961,105</u>
<i>Fund Balances End of Year</i>	<u>\$4,808,785</u>	<u>\$265,884</u>	<u>\$288,037</u>	<u>\$756,065</u>	<u>\$228,551</u>	<u>\$1,067,068</u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2003*

Other Governmental Funds	Total Governmental Funds		
\$887,424	\$4,133,286	Net Change in Fund Balances - Total Governmental Funds	(\$1,627,182)
192,000	11,665,183	<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
620,003	757,802	Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
141,794	382,356	Capital Asset Additions	7,325,401
3,056	321,007	Current Year Depreciation	(1,955,556)
917,844	2,776,961	Total	5,369,845
0	327,902	Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.	
68,222	629,781		(12,661)
3,353	9,734	Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	
49,424	77,047	Property Taxes	(5,426)
24,057	223,698	Intergovernmental	(305,035)
2,907,177	21,304,757	Municipal Income Taxes	(291,922)
		Special Assessments	(327,902)
		Total	(930,285)
		Other financing sources, such as proceeds of notes, in the governmental funds increase long-term liabilities in the statement of net assets.	
17,381	4,024,845		(1,000,000)
1,040	150,947	Repayment of bond principal and loans is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	
170,412	3,699,440		1,810,170
0	1,845,131	In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	
0	118,588		(16,770)
1,337,517	3,327,036	Some expenses reported in the statement of activities, such as compensated absences and intergovernmental payable which represent contractually required pension contributions, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
452,267	1,183,455	Compensated Absences	49,796
84,503	1,640,660	Pension Obligation	159,300
1,635,766	1,661,078	Vacation Payable	(304,393)
1,443,469	3,997,138	Total	(95,297)
455,170	1,810,170	The internal service fund used by management to charge the individual funds is reported in the district-wide statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated.	
232,687	502,644		109,563
5,830,212	23,961,132	<i>Change in Net Assets of Governmental Activities</i>	<u>\$3,607,383</u>
(2,923,035)	(2,656,375)		
0	1,000,000		
0	29,193		
4,960,613	6,465,396		
(413,607)	(6,465,396)		
4,547,006	1,029,193		
1,623,971	(1,627,182)		
4,842,592	15,508,135		
\$6,466,563	\$13,880,953		

City of Brecksville, Ohio
*Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2003*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property and Other Taxes	\$1,574,137	\$1,603,012	\$1,649,057	\$46,045
Municipal Income Taxes	8,052,294	8,200,000	9,114,671	914,671
Charges for Services	49,099	50,000	139,298	89,298
Licenses and Permits	180,440	183,750	240,392	56,642
Fines and Forfeitures	310,308	316,000	319,101	3,101
Intergovernmental	1,062,473	908,150	1,270,773	362,623
Interest	166,938	170,000	71,421	(98,579)
Donations	2,553	2,600	5,781	3,181
Rentals	42,029	42,800	51,609	8,809
Miscellaneous	65,336	63,930	117,890	53,960
<i>Total Revenues</i>	<u>11,505,607</u>	<u>11,540,242</u>	<u>12,979,993</u>	<u>1,439,751</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	4,570,362	4,465,272	3,881,422	583,850
Judicial System	161,940	157,958	148,383	9,575
Public Safety:				
Police	3,783,594	3,690,310	3,506,669	183,641
Fire	36,921	44,421	39,973	4,448
Public Health Services	144,755	134,755	127,746	7,009
Street Construction, Maintenance and Repair	2,115,620	2,044,871	1,949,820	95,051
Housing and Community Development	957,111	968,205	769,547	198,658
Basic Utility Services	1,626,484	1,903,223	1,512,004	391,219
Recreational Activities	45,605	45,605	26,672	18,933
<i>Total Expenditures</i>	<u>13,442,392</u>	<u>13,454,620</u>	<u>11,962,236</u>	<u>1,492,384</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,936,785)</u>	<u>(1,914,378)</u>	<u>1,017,757</u>	<u>2,932,135</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	19,640	20,000	23,417	3,417
Advances In	0	0	100,000	100,000
Advances Out	0	(300,000)	(300,000)	0
Transfers In	236,470	240,870	303,668	62,798
Transfers Out	(3,375,584)	(3,537,938)	(2,295,133)	1,242,805
<i>Total Other Financing Sources (Uses)</i>	<u>(3,119,474)</u>	<u>(3,577,068)</u>	<u>(2,168,048)</u>	<u>1,409,020</u>
<i>Net Change in Fund Balance</i>	(5,056,259)	(5,491,446)	(1,150,291)	4,341,155
<i>Fund Balance Beginning of Year</i>	5,266,928	5,266,928	5,266,928	0
Prior Year Encumbrances Appropriated	191,289	191,289	191,289	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$401,958</u>	<u>(\$33,229)</u>	<u>\$4,307,926</u>	<u>\$4,341,155</u>

See accompanying notes to the basic financial statements:

City of Brecksville, Ohio
*Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Department Fund
For the Year Ended December 31, 2003*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property and Other Taxes	\$1,707,397	\$1,581,282	\$1,596,805	\$15,523
Charges for Services	0	0	1,922	1,922
Licenses and Permits	103	100	170	70
Intergovernmental	100,881	242,652	246,689	4,037
Interest	20,001	7,000	7,478	478
Donations	0	0	600	600
Miscellaneous	0	0	724	724
<i>Total Revenues</i>	1,828,382	1,831,034	1,854,388	23,354
Expenditures				
Current:				
Public Safety:				
Fire	2,067,482	2,070,133	1,761,835	308,298
<i>Excess of Revenues Over (Under) Expenditures</i>	(239,100)	(239,099)	92,553	331,652
Other Financing Sources (Uses)				
Sale of Capital Assets	0	0	5,776	5,776
Transfers Out	(155,000)	(155,000)	(125,000)	30,000
<i>Total Other Financing Sources (Uses)</i>	(155,000)	(155,000)	(119,224)	35,776
<i>Net Change in Fund Balance</i>	(394,100)	(394,099)	(26,671)	367,428
<i>Fund Balance Beginning of Year</i>	388,350	388,350	388,350	0
Prior Year Encumbrances Appropriated	12,684	12,684	12,684	0
<i>Fund Balance End of Year</i>	\$6,934	\$6,935	\$374,363	\$367,428

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Fund Net Assets
Proprietary Fund
December 31, 2003

	Internal Service Fund - Insurance
Assets	
Equity in Pooled Cash and Cash Equivalents	\$297,715
Cash and Cash Equivalents	
In Segregated Accounts	26,185
Accounts Receivable	458
	<hr/>
<i>Total Assets</i>	324,358
Liabilities	
Claims Payable	166,388
	<hr/>
Net Assets	
Unrestricted	\$157,970
	<hr/> <hr/>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
*Statement of Revenues, Expenses
and Changes in Fund Net Assets
Proprietary Fund
For the Year Ended December 31, 2003*

	Internal Service Fund - Insurance
Operating Revenues	
Charges for Services	\$1,109,742
Miscellaneous	24,182
<i>Total Operating Revenues</i>	1,133,924
Operating Expenses	
Purchased Services	257,739
Claims	770,893
<i>Total Operating Expenses</i>	1,028,632
<i>Operating Income</i>	105,292
Non-Operating Revenues	
Interest	4,271
<i>Change in Net Assets</i>	109,563
<i>Net Assets Beginning of Year</i>	48,407
<i>Net Assets End of Year</i>	\$157,970

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2003

	Internal Service Fund - Insurance
<i>Increase (Decrease) In Cash and Cash Equivalents</i>	
Cash Flows from Operating Activities	
Cash Received from Interfund Services	\$1,109,284
Cash Received from Other Operating Sources	244,581
Cash Payments to Suppliers for Goods and Services	(257,908)
Cash Payments for Claims	(821,230)
<i>Net Cash Provided by Operating Activities</i>	274,727
Cash Flows from Investing Activities	
Interest	4,271
<i>Net Increase In Cash and Cash Equivalents</i>	278,998
<i>Cash and Cash Equivalents Beginning of Year</i>	44,902
<i>Cash and Cash Equivalents End of Year</i>	\$323,900
 Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
<i>Operating Income</i>	\$105,292
Decrease in Accounts Receivable	219,941
Decrease in Liabilities:	
Accounts Payable	(169)
Claims Payable	(50,337)
<i>Net Cash Provided by Operating Activities</i>	\$274,727

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2003

	Private Purpose Trust	
	Cemetery	Agency
Assets		
Equity Pooled in Cash and Cash Equivalents	\$3,212	\$505,171
Liabilities		
Undistributed Monies	\$0	\$13,783
Deposits Held and Due to Others	0	491,388
<i>Total Liabilities</i>	0	\$505,171
Net Assets		
Held in Trust for Cemetery	\$3,212	

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
For the Year Ended December 31, 2003

	Private Purpose Trust
	Cemetery
Additions	
Interest	\$13
Deductions	0
<i>Change in Net Assets</i>	13
<i>Net Assets Beginning of Year</i>	3,199
<i>Net Assets End of Year</i>	\$3,212

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

Note 1 - Description of the City and Reporting Entity

The City of Brecksville (the "City") was incorporated under the laws of the State of Ohio in 1921, and adopted its first charter in 1956. The Charter provides for a Mayor-Council form of government. The Mayor is elected for a four-year term and Council are elected at large for staggered terms.

Reporting Entity

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

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

The City participates in the Southwest Council of Governments and the Northeast Ohio Public Energy Council, which are defined as jointly governed organizations. A jointly governed organization is managed by representatives from each of the governments that create the organization, but there is no ongoing financial interest nor responsibility on the part of the participating governments. These organizations are discussed in Note 16.

Note 2 - Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities and its proprietary fund provided they do not conflict with or contradict GASB pronouncements. The more significant of the City's accounting policies are described below.

A. Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net assets 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 assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid “doubling up” revenues and expenses.

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

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

B. Fund Accounting

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

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

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

Fire Department Special Revenue Fund The fire department special revenue fund is used to account for monies derived from a 3.4 mill charter levy. Monies are used by the fire department to provide and maintain fire equipment and for salaries of fire department personnel.

Special Assessment Bond Retirement Debt Service Fund The special assessment bond retirement debt service fund is used to account for the collection of special assessments levied against benefited properties for the payment of special assessment bond principal, interest and related costs.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

General Municipal Improvement Capital Projects Fund The general municipal improvement capital projects fund accounts for the .5 percent increase in City income tax to be used for the acquisition, construction, or improvement of various facilities within the City.

Building and Improvements Capital Projects Fund The building and improvement capital projects fund accounts for City income tax to be used for the acquisition, construction, or improvement of major capital facilities other than those financed by proprietary funds.

Road Improvements Capital Projects Fund The road improvements capital projects fund accounts for income tax monies to be used for improvements to the various City roads.

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

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

Internal Service Fund This fund is used to 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 utilizes an internal service fund to account for the operation of the City's self insurance program for employee health benefits.

Fiduciary Funds Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City's only trust fund is a private purpose trust which accounts for the perpetual care and maintenance of an individual family's burial plots in the City's cemetery through an endowment. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds account for senior citizen programs, street opening fees, deposits pledged by contractors and Route 21 gas lines.

C. Measurement Focus

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

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 current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

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

D. Basis of Accounting

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

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

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied. (See Note 7) Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

Deferred Revenue Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2003, but which were levied to finance year 2004 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

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 are maintained in this pool. Interest in the pool is presented as "equity in pooled cash and cash equivalents".

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

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

During 2003, investments were limited to repurchase agreements, federal home loan bank bonds, federal home loan mortgage bonds, federal national mortgage association bonds and the State Treasury Asset Reserve of Ohio (STAROhio).

STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2003.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue is distributed to all funds. Interest revenue credited to the general fund during 2003 amounted to \$136,616, of which \$45,617 was assigned from other funds.

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

F. Inventory

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

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2003, 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.

H. Capital Assets

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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

Description	Estimated Lives
Land	N/A
Buildings and Improvements	5 - 50 years
Machinery and Equipment	3 - 25 years
Furniture and Fixtures	7 - 10 years
Infrastructure	10 - 99 years

The City's infrastructure consists of roads, sidewalks, guardrails, traffic signals, storm sewers, sanitary sewers, and water lines.

I. Interfund Balances

On the fund financial statements, receivables and payables resulting from transactions between funds for services provided or goods received and from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental columns of the statement of net assets.

J. Compensated Absences

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

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

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

On the governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employee who has unpaid leave is paid.

K. Accrued Liabilities and Long-Term Obligations

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

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

L. Fund Balance Reserves

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. Fund balance reserves have been established for encumbrances.

M. Operating Revenues and Expenses

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

N. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions, enabling legislation (adopted by the City) or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes include law enforcement, recycling and natureworks.

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

O. Interfund Activity

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

P. 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.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

Q. 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.

R. 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 budgetary control is at the object level within each department for the general and road improvements funds. The legal level of budgetary control is at the object level for the motor vehicle license tax fund, street maintenance and repair fund, state highway fund, general municipal improvement fund, community center fund, fire department fund and the equipment replacement fund. The legal level of control is at the fund level for all remaining funds. Budgetary modifications may only be made by resolution of the City Council at the legal level of control. The Finance Director has been authorized to allocate appropriations to the department and object level within each fund for those funds budgeted at the fund level. Budgetary statements are presented beyond that legal level of control for information purposes only.

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

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

Note 3 – Accountability and Compliance

A. Fund Deficit

The sewer improvement capital improvement fund had a fund deficit of \$69,603. The deficit is caused by revenue being insufficient to cover expenditures on the modified accrual basis of accounting. The general fund is liable for any deficit in the fund and provides operating transfers when cash is required, not when accruals occur.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

B. Accountability

As of September 30, 2003, the Community Center special revenue fund had total appropriations in excess of estimated resources plus carryover balances in the amount of \$1,872 in violation of Section 5705.41(D), Ohio Revised Code. This oversight was identified and corrected by year end.

The following funds had total final appropriations in excess of estimated resources plus carryover balances in violation of Section 5705.39, Ohio Revised Code:

	Estimated Resources Plus Carryover Balances	Appropriations	Excess
General Fund	\$17,259,329	\$17,292,558	\$33,229
Capital Improvement Fund	970,541	989,759	19,218

Although the budgetary violations were not corrected by year-end, management has indicated that appropriations will be closely monitored to ensure no future violations.

Note 4 - Restatement of Fund Balance/Net Assets

During 2003, it was determined that cash and cash equivalents, notes payable and accrued interest were overstated at December 31, 2002. These restatements had the following effects on fund balance and net change as they were previously reported.

	General	Fire Department	Road Improvements
Fund Balance, December 31, 2002	\$5,882,105	\$326,402	\$945,569
Overstatement of Cash and Cash Equivalents	(7,525)	(165)	0
Overstatement of Notes Payable	0	0	1,000,000
Overstatement of Accrued Interest	0	0	15,536
Adjusted Fund Balance December 31, 2002	\$5,874,580	\$326,237	\$1,961,105

	General	Fire Department	Road Improvements
Net Change in Fund Balances for fiscal year ended December 31, 2002	(\$556,202)	\$64,073	(\$470,985)
Overstatement of Cash and Cash Equivalents	(7,525)	(165)	0
Overstatement of Accrued Interest	0	0	15,536
Adjusted Change in Fund Balances for fiscal year ended December 31, 2002	(\$563,727)	\$63,908	(\$455,449)

This restatement decreased net assets \$7,690 from \$60,637,439 to \$60,629,749 and decreased the change in net assets \$7,690 from \$4,676,767 to \$4,669,077 as of and for the year ended December 31, 2002.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

Note 5 - Budgetary Basis of Accounting

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Unreported cash represents amounts received but not included as revenue on the budgetary statements, but is reported on the operating statements prepared using GAAP.
5. Investments reported at cost (budget) rather than fair value (GAAP).
6. Advances-In and Advances-Out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).

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

	Net Change in Fund Balance	
	General	Fire Department
	Special Revenue	
	<u>General</u>	<u>Department</u>
GAAP Basis	(\$1,065,795)	(\$60,353)
Net Adjustment for Revenue Accruals	(84,134)	0
Beginning Fair Value Adjustment for Investments	16,814	0
Ending Fair Value Adjustment for Investments	(1,765)	0
Advances In	100,000	0
Advances Out	(300,000)	0
Net Adjustment for Expenditure Accruals	387,470	40,651
Encumbrances	(202,881)	(6,969)
Budget Basis	<u><u>(\$1,150,291)</u></u>	<u><u>(\$26,671)</u></u>

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

Note 6 - Deposits and Investments

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

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

Inactive deposits are public deposits that 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 pass book accounts.

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

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

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

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

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements."

Deposits At year-end, the carrying amount of the City's deposits was \$8,339,098 and the bank balance was \$8,432,595. Of the bank balance:

1. \$639,403 was covered by Federal depository insurance, by collateral held by the City, or by collateral held by the City's agent in the name of the City; and
2. \$7,793,192 was uninsured and uncollateralized. Although the securities were held by the pledging financial institutions' trust department in the City's name and all statutory requirements for the investment of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

Investments The City's investments are required to be categorized to give an indication of the level of risk assumed by the City at year end. Category 1 includes investments that are insured or registered or are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments which are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments which are held by the counterparty, or by its trust department or agent but not in the City's name. STAROhio is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

	Category 3	Carrying Value	Fair Value
Repurchase Agreements	\$2,600,704	\$2,600,704	\$2,600,704
Federal Home Loan Bank Bonds	1,300,175	1,300,175	1,300,175
Federal Home Loan Mortgage Bonds	1,502,910	1,502,910	1,502,910
Federal National Mortgage Association Bonds	1,000,000	1,000,000	1,000,000
STAROhio	0	310,024	310,024
Total Investments	<u>\$6,403,789</u>	<u>\$6,713,813</u>	<u>\$6,713,813</u>

The classification of cash and cash equivalents, and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting.

A reconciliation between the classifications of cash and investments on the combined financial statements and the classification of deposits and investments presented above per GASB Statement No. 3, is as follows:

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

	Cash and Cash Equivalents	Investments
<i>GASB Statement No. 9</i>	\$15,052,911	\$0
Investments of Cash Management Pool:		
Repurchase Agreements	(2,600,704)	2,600,704
Federal Home Loan Bank Bonds	(1,300,175)	1,300,175
Federal Home Loan Mortgage Bonds	(1,502,910)	1,502,910
Federal National Mortgage Association Bonds	(1,000,000)	1,000,000
STAROhio	(310,024)	310,024
<i>GASB Statement No. 3</i>	\$8,339,098	\$6,713,813

Note 7 - Receivables

Receivables at December 31, 2003, consisted primarily of municipal income taxes, property and other taxes, accounts (billings for user charged services and court fines), special assessments and intergovernmental receivables arising from grants, entitlements and shared revenues. No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant.

Special assessments expected to be collected in more than one year amount to \$4,084,098 in the special assessments bond retirement fund. At December 31, 2003 the amount of delinquent special assessments was \$27,098.

A. Property Taxes

Property taxes include amounts levied against all real, public utility and tangible personal property located in the City. Property tax revenue received during 2003 for real and public utility property taxes represents collections of the 2002 taxes. Property tax payments received during 2003 for tangible personal property (other than public utility property) is for 2003 taxes.

2003 real property taxes are levied after October 1, 2003 on the assessed value as of January 1, 2003, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2003 real property taxes are collected in and intended to finance 2004.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2003 public utility property taxes which became a lien December 31, 2002, are levied after October 1, 2003, and are collected in 2004 with real property taxes.

2003 tangible personal property taxes are levied after October 1, 2002, on the value as of December 31, 2002. Collections are made in 2002. Tangible personal property assessments are 25 percent of true value for capital assets and 23 percent of true value for inventory.

The full tax rate for all City operations for the year ended December 31, 2003, was \$8.70 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2003 property tax receipts were based are as follows:

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

Category	Assessed Value
Real Estate	
Residential/Agricultural	\$390,955,440
Other Real Estate	87,535,460
Tangible Personal Property	
Public Utility	20,984,450
General Tangible Personal Property	29,509,649
Total Assessed Values	<u>\$528,984,999</u>

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

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 taxes on behalf of all taxing districts in the county, including the City of Brecksville. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2003 and for which there is an enforceable legal claim. In the general, fire department, road maintenance, bond retirement and police pension funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2003 operations and the collection of delinquent taxes during the available period are not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and a revenue while on a modified accrual basis the revenue is deferred.

B. Income Tax

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

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. By City ordinance, \$2,472,000 of total income tax proceeds are credited to the following capital projects funds: \$960,000 to the general municipal improvement fund, \$1,200,000 to the buildings and improvement fund, \$120,000 to the road improvements fund and \$192,000 to the capital improvement fund. The remainder is credited to the general fund.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

C. Intergovernmental Receivables

A summary of the intergovernmental receivables follows:

Governmental Activities	
Local Government	\$249,313
Homestead and Rollback	202,807
Grants	103,513
Gasoline Tax	87,093
Excise Tax	76,227
Estate Tax	54,153
Auto Regulation	37,659
Permissive Tax	15,432
Total	<u><u>\$826,197</u></u>

Note 8 - Interfund Transfers and Balances

A. Interfund Transfers

Interfund transfers for the year ended December 31, 2003 consisted of the following:

Transfer To	Transfers From				
	General	Fire Department	Building and Improvements	General Municipal Improvement	Road Improvements
General	\$0	\$0	\$0	\$0	\$233,251
Special Assessment Bond Retirement	0	0	0	0	0
General Municipal Improvement	500,000	0	0	0	32,000
Road Improvements	100,000	0	280,000	0	0
Community Center	900,000	0	0	0	0
Road Maintenance	0	0	0	0	250,000
Natureworks Grants	50,000	0	0	0	0
Recycling Demo	5,833	0	0	0	0
Tree Planting Grants	20,300	0	0	0	0
General Obligation Bond Retirement	0	0	0	436,405	0
Issue II	719,000	0	0	0	0
Capital Improvement	0	125,000	0	0	0
Human Services Facilities	0	0	2,400,000	0	0
Total All Funds	<u><u>\$2,295,133</u></u>	<u><u>\$125,000</u></u>	<u><u>\$2,680,000</u></u>	<u><u>\$436,405</u></u>	<u><u>\$515,251</u></u>

(continued)

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

Transfers From					
Transfer To	Street Repair and Maintenance	Community Center	Special Programs	Road Maintenance	Ohio Arts Grant
General	\$0	\$53,414	\$0	\$0	\$6,828
Special Assessment Bond Retirement	0	0	0	0	0
General Municipal Improvement	0	0	0	0	0
Road Improvements	250,000	0	0	0	0
Community Center	0	0	8,905	0	0
Road Maintenance	0	0	0	0	0
Natureworks Grants	0	0	0	0	0
Recycling Demo	0	0	0	0	0
Tree Planting Grants	0	0	0	0	0
General Obligation Bond Retirement	0	0	0	0	0
Issue II	0	0	0	11,732	0
Capital Improvements	0	0	0	0	0
Human Services Facilities	0	0	0	0	0
<i>Total All Funds</i>	<u>\$250,000</u>	<u>\$53,414</u>	<u>\$8,905</u>	<u>\$11,732</u>	<u>\$6,828</u>

Transfers From					
Transfer To	Brecksville Safety Town	Brecksville Traveler's Trips	Safety Helmet Donation	Memorial	Capital Improvement
General	\$3,629	\$1,081	\$193	\$85	\$0
Special Assessment Bond Retirement	0	0	0	0	0
General Municipal Improvement	0	0	0	0	0
Road Improvements	0	0	0	0	0
Community Center	0	0	0	0	0
Road Maintenance	0	0	0	0	0
Natureworks Grants	0	0	0	0	0
Recycling Demo	0	0	0	0	0
Tree Planting Grants	0	0	0	0	0
General Obligation Bond Retirement	0	0	0	0	0
Issue II	0	0	0	0	22,214
Capital Improvement	0	0	0	0	0
Human Services Facilities	0	0	0	0	0
<i>Total All Funds</i>	<u>\$3,629</u>	<u>\$1,081</u>	<u>\$193</u>	<u>\$85</u>	<u>\$22,214</u>

(continued)

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

Transfers From			
Transfer To	Sewer Improvement	Public Utility Improvement	Totals
General	\$5,187	\$0	\$303,668
Special Assessment Bond Retirement	39,115	0	39,115
General Municipal Improvement	0	0	532,000
Road Improvements	0	0	630,000
Community Center	0	0	908,905
Road Maintenance	0	0	250,000
Natureworks Grants	0	0	50,000
Recycling Demo	0	0	5,833
Tree Planting Grants	0	0	20,300
General Obligation Bond Retirement Issue II	0	11,224	764,170
Capital Improvement	0	0	125,000
Human Services Facilities	0	0	2,400,000
<i>Total All Funds</i>	<u>\$44,302</u>	<u>\$11,224</u>	<u>\$6,465,396</u>

Transfer from the General Fund to the Community Center was to fund the operations. Transfers from the General Fund to the capital and grant funds were to meet grant matching requirements and fund capital projects. Several funds were deemed no longer necessary and were closed. The balances in these funds were transferred primarily to the General Fund and include Ohio Arts Grant, Special Programs Fund, Brecksville Safety Town, Brecksville Traveler's Trips, memorial fund and Safety Helmet Donation Fund. To provide funds for loan payments, transfers were made to Issue II Capital Improvement Fund from the Capital Improvement Fund, the Public Utility Fund and Building and Improvements Fund. \$2,400,000 was transferred from the General Municipal Improvement Fund to Human Resources Facility Fund to partially fund the building of a new Human Services Facility. The Fire Department transferred \$125,000 to the Capital Improvement Fund to pay for fire equipment. The General Bond Retirement Fund received transfers to pay annual debt service requirements.

B. Interfund Balances

Interfund balances at December 31, 2003, consist of the following individual receivables and payables:

Interfund Receivable	Interfund Payable
	Sewer Improvement
General	\$200,000
Issue II	550,000
Total	<u>\$750,000</u>

These loans were made to support projects in the Sewer Improvement fund.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

Note 9 - Capital Assets

A summary of changes in capital assets during 2003 follows:

Governmental Activities	Balance 12/31/2002	Additions	Deductions	Balance 12/31/2003
<i>Capital Assets not being Depreciated:</i>				
Land	\$4,050,626	\$552,086	\$0	\$4,602,712
Construction in Progress	5,723,093	2,625,571	(2,317,872)	6,030,792
<i>Total Capital Assets not being Depreciated</i>	<u>9,773,719</u>	<u>3,177,657</u>	<u>(2,317,872)</u>	<u>10,633,504</u>
<i>Capital Assets being Depreciated:</i>				
Buildings and Improvements	13,129,548	2,656,210	0	15,785,758
Machinery and Equipment	8,355,861	655,734	(209,261)	8,802,334
Furniture and Fixtures	672,941	52,253	0	725,194
Infrastructure:				
Roads	26,177,525	1,318,997	0	27,496,522
Sidewalks	3,568,143	0	0	3,568,143
Guardrails	345,463	0	0	345,463
Traffic Signals	168,028	0	0	168,028
Storm Sewers	4,911,894	612,510	0	5,524,404
Sanitary Sewers	10,018,600	624,141	0	10,642,741
Water Lines	6,471,125	545,771	0	7,016,896
<i>Total Capital Assets being Depreciated</i>	<u>73,819,128</u>	<u>6,465,616</u>	<u>(209,261)</u>	<u>80,075,483</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(4,868,446)	(390,037)	0	(5,258,483)
Machinery and Equipment	(4,307,526)	(531,925)	196,600	(4,642,851)
Furniture and Fixtures	(549,683)	(62,259)	0	(611,942)
Infrastructure:				
Roads	(15,677,243)	(654,438)	0	(16,331,681)
Sidewalks	(2,135,589)	(89,204)	0	(2,224,793)
Guardrails	(322,432)	(11,515)	0	(333,947)
Traffic Signals	(168,028)	0	0	(168,028)
Storm Sewers	(1,584,131)	(49,615)	0	(1,633,746)
Sanitary Sewers	(2,211,299)	(101,198)	0	(2,312,497)
Water Lines	(1,921,423)	(65,365)	0	(1,986,788)
<i>Total Accumulated Depreciation</i>	<u>(33,745,800)</u>	<u>(1,955,556) *</u>	<u>196,600</u>	<u>(35,504,756)</u>
Total Capital Assets being Depreciated, Net	<u>40,073,328</u>	<u>4,510,060</u>	<u>(12,661)</u>	<u>44,570,727</u>
Governmental Activities Capital Assets, Net	<u>\$49,847,047</u>	<u>\$7,687,717</u>	<u>(\$2,330,533)</u>	<u>\$55,204,231</u>

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

*Depreciation expense was charged to governmental activities as follows:

General Government	
Legislative and Executive	\$164,899
Public Safety	
Police	148,100
Fire	134,274
Street Construction, Maintenance and Repair	1,002,385
Housing and Community Development	17,227
Basic Utility Services	243,751
Recreational Activities	244,920
Total Depreciation Expense	<u><u>\$1,955,556</u></u>

Note 10 - Defined Benefit Pension Plans

A. Ohio Public Employees Retirement System

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

OPERS provides retirement, disability survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-6705.

For the year ended December 31, 2003, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 8.5 percent of their annual covered salaries. Members participating in the traditional plan who were in law enforcement contributed 10.1 percent of their annual covered salary; members in public safety contributed 9 percent. The City's contribution rate for pension benefits for 2003 was 8.55 percent, except for those plan members in law enforcement or public safety. For those classifications, the City's pension contributions were 11.7 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2003, 2002, and 2001 were \$456,396, \$421,608 and \$424,383 respectively; 97.0 percent has been contributed for 2003 and 100 percent for 2002 and 2001. Contributions to the member-directed plan for 2003 were \$4,933 made by the City and \$3,095 made by the plan members.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

B. Ohio Police and Fire Pension Fund

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

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations while the City is required to contribute 11.75 percent for police officers and 16.25 percent for firefighters. Contributions are authorized by State statute. The City's contributions to the Fund for the years ended December 31, 2003, 2002, and 2001 were \$387,414, \$404,421 and \$354,102 respectively, equal to the required contributions for each year. The full amount has been contributed for 2002 and 2001. 72.0 percent has been contributed for 2003 with the remainder being reported as a liability.

Note 11 - Postemployment Benefits

A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in *GASB Statement No. 12*. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2003 local government employer contribution rate was 13.55 percent of covered payroll (16.7 percent for public safety and law enforcement); 5.00 percent of covered payroll was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2002, include a rate of return on investments of 8.00 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase 4.00 percent annually.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

The number of active contributing participants in the traditional and combined plans was 364,881. Actual employer contributions for 2003 which were used to fund postemployment benefits were \$266,898. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2002, (the latest information available) were \$10.0 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$18.7 billion and \$8.7 billion, respectively.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

In December 2001, the Board adopted the Health Care "Choices" Plan. The Choices Plan will be offered to all persons newly hired in an OPERS covered position after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices will incorporate a cafeteria approach, offering a broader range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

The benefit recipient will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefit. The Plan will also offer a spending account feature, enabling the benefit recipient to apply their allowance toward specific medical expenses, much like a Medical Spending Account.

B. Police and Firemen's Disability and Pension Fund

The Ohio Police and Fire Pension Fund (OP&F) provides postretirement health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in *GASB Statement No. 12*. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the funds of OP&F shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7.75 percent of covered payroll was applied to the postemployment health care program during 2003. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The City's actual contributions for 2003 that were used to fund postemployment benefits were \$150,832 for police and \$75,703 for firefighters. The OP&F's total health care expense for the year ended December 31, 2002, (the latest information available) was \$141,028,006, which was net of member contributions of \$12,623,875. The number of OP&F participants eligible to receive health care benefits as of December 31, 2002, was 13,527 for police and 10,396 for firefighters.

Note 12 - Compensated Absences

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

Employees earn sick leave at the rate of 1.25 days per month of service. Sick leave accumulation is limited to 120 days. Upon retirement or death, an employee can be paid thirty-three percent of accumulated, unused sick leave.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

Note 13 - Long-Term Obligations

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

	Original Issue Date	Interest Rate	Original Issue Amount	Date of Maturity
General Obligation Bonds				
Library Refunding				
Current Interest Serial Bonds	1997	3.75 to 5.10 %	\$1,630,000	December 1, 2012
Capital Appreciation Bonds	1997	3.75 to 5.10	221,915	December 8, 2008
Community Center	1992	4.10 to 8.0	3,000,000	December 1, 2012
Community Center Refunding	1997	3.75 to 5.10	1,585,000	December 1, 2012
Special Assessment Bonds				
Old Royalton Road Water Main	1989	7.25	117,000	December 1, 2009
Sewer Project 1312 #2	1988	7.25	2,310,000	December 1, 2008
Sprague-Wallings Improvement	1985	9.125	905,000	December 1, 2005
Oakhurst-Fitzwater Sewer Refunding	1997	3.75 to 5.10	875,000	December 1, 2012
Southpointe Parkway Refunding	1997	3.85 to 5.35	1,190,000	December 1, 2017
Four Seasons Sewer and Water	2001	4.66	1,265,000	December 1, 2021
Service Road Sewer and Water	2001	4.66	935,000	December 1, 2021
OPWC Loans	1996	0	234,638	July 1, 2016

A schedule of changes in bonds and other long-term obligations of the City during 2003 follows

	Principal Outstanding 12/31/2002	Additions	Deletions	Principal Outstanding 12/31/2003	Amounts Due in One Year
Governmental Activities					
<i>General Obligations Bonds:</i>					
Library Refunding					
Capital Interest Serial Bonds	\$1,055,000	\$0	(\$155,000)	\$900,000	\$0
Capital Appreciation Bonds	221,915	0	0	221,915	66,200
Accretion on Capital Appreciation Bonds	332,485	26,702	0	359,187	98,800
Total Library Refunding Bonds	1,609,400	26,702	(155,000)	1,481,102	165,000
Community Center	1,880,000	0	(145,000)	1,735,000	150,000
Community Center Refunding	1,385,000	0	(110,000)	1,275,000	115,000
Total General Obligation Bonds	\$4,874,400	\$26,702	(\$410,000)	\$4,491,102	\$430,000

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

	Principal Outstanding 12/31/2002	Additions	Deletions	Principal Outstanding 12/31/2003	Amounts Due in One Year
Governmental Activities (continued)					
Special Assessment Bonds with Governmental Commitment:					
Old Royalton Road Water Main	\$52,000	\$0	(\$5,000)	\$47,000	\$5,000
Sewer Project 1312 #2	700,000	0	(115,000)	585,000	115,000
Sprague-Wallings Improvement	135,000	0	(45,000)	90,000	45,000
Oakhurst-Fitzwater Sewer Refunding	760,000	0	(65,000)	695,000	60,000
Southpointe Parkway Refunding	980,000	0	(45,000)	935,000	50,000
Four Seasons Sewer and Water	1,235,000	0	(45,000)	1,190,000	45,000
Service Road Sewer and Water	910,000	0	(35,000)	875,000	40,000
<i>Total Special Assessment Bonds</i>	<u>4,772,000</u>	<u>0</u>	<u>(355,000)</u>	<u>4,417,000</u>	<u>360,000</u>
OPWC Loans	561,624	0	(45,170)	516,454	45,170
Note Payable	1,000,000	1,000,000	(1,000,000)	1,000,000	0
Compensated Absences	555,463	309,382	(359,178)	505,667	148,240
<i>Total Governmental Activities</i>	<u>\$11,763,487</u>	<u>\$1,336,084</u>	<u>(\$2,169,348)</u>	<u>\$10,930,223</u>	<u>\$983,410</u>

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

The OPWC loans will be paid with monies from the Issue II capital projects fund. The OPWC administers Issue II loans.

Compensated absences will be paid from the general fund and the fire department and community center special revenue funds.

On September 8, 1992, the City issued \$3,000,000 in voted general obligation bonds for construction of the Brecksville Community Center. The bonds were issued for a twenty year period with final maturity at December 1, 2012.

On September 1, 1991, the City issued \$2,000,000 in voted general obligation bonds for construction of the Brecksville Community Center. The bonds were issued for a twenty year period with final maturity at December 1, 2012. On October 9, 1997 \$1,585,000 of these bonds were refunded and re-issued at a lower rate with final maturity at December 1, 2012.

On November 1, 1989, the City issued \$2,500,000 in voted general obligation bonds for construction of the Brecksville branch of the Cuyahoga County Library. These bonds were issued for a twenty-three year period with final maturity at December 1, 2012. On October 9, 1997 \$1,847,915 of these bonds were refunded and re-issued at a lower rate with a final maturity at December 1, 2012.

On November 1, 1989, the City issued \$117,000 in special assessment bonds for water main improvements on Old Royalton Road. The bonds were issued for a twenty year period with final maturity at December 1, 2009.

On June 1, 1988, the City issued \$2,310,000 in special assessment bonds for sanitary sewer construction in the Brecksville Road/Miller Road/Snowville Road area. The bonds were issued for a twenty year period with final maturity at December 1, 2008.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

On September 1, 1985, the City issued \$905,000 in special assessment bonds for sanitary sewer construction on Sprague Road Wallings Road. The bonds were issued for a twenty year period with final maturity at December 1, 2005.

On September 1, 1991, the City issued \$1,000,000 in special assessment bonds for sanitary sewer construction on Oakhurst Road and Fitzwater Road. The bonds were issued for a twenty one year period with final maturity at December 1, 2012. On October 9, 1997 \$875,000 of these bonds were refunded and re-issued at a lower rate with final maturity at December 1, 2012.

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

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

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

On October 8, 1997, the City issued \$1,851,915 of General Obligation Bonds, for the purpose of advance refunding \$1,850,000 library bonds. The 1997 general obligation library refunding bonds included current interest bonds and capital appreciation bonds. The current interest bonds were issued in the amounts of \$730,000 and \$900,000 with the final amount of bonds payable at December 20, 2003 and December 2012, respectively. The capital appreciation bonds were issued in the amount of \$221,915 with the final amount of \$650,000 bonds payable at December 2007. For 2003, the annual accretion of discounted interest is \$26,702, for a total accretion of \$359,187.

On October 9, 1997, the City issued bonds totaling \$3,650,000 including \$1,585,000 in General Obligation Bonds and \$2,065,000 in Special Assessment Bonds for the purpose of advance refunding \$1,415,000 community center general obligation bonds and \$780,000 sanitary sewer improvement special assessment bonds.

The City's overall legal debt margin was \$50,842,686 at December 31, 2003. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2003, are as follows:

	General Obligation Bonds			
	Serial		Capital Appreciation	
	Principal	Interest	Principal	Interest
2004	\$265,000	\$213,184	\$66,200	\$98,800
2005	280,000	199,667	58,257	106,743
2006	300,000	184,207	49,712	110,288
2007	315,000	167,603	47,746	116,253
2008	495,000	150,076	0	0
2009-2013	2,255,000	319,194	0	0
2014-2018	0	0	0	0
2019-2022	0	0	0	0
Total	\$3,910,000	\$1,233,931	\$221,915	\$432,084

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

	Special Assessment Bonds		OPWC	Totals
	Principal	Interest	Loans	
2004	\$360,000	\$227,666	\$45,170	\$1,276,020
2005	370,000	206,564	45,170	1,266,401
2006	340,000	184,925	39,678	1,208,810
2007	355,000	166,513	34,180	1,202,295
2008	370,000	146,883	34,180	1,196,139
2009-2013	1,222,000	525,982	170,900	4,493,076
2014-2018	945,000	250,082	141,569	1,336,651
2019-2022	455,000	45,079	5,607	505,686
Total	<u>\$4,417,000</u>	<u>\$1,753,694</u>	<u>\$516,454</u>	<u>\$12,485,078</u>

Note 14 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2003, the City contracted with several companies for various types of insurance as follows:

Company	Type of Coverage	Coverage Amount
Wichert Insurance Services	Blanket Building/Contents	\$23,837,977
	Crime	250,000
	Boiler and Machinery	23,837,977
	Public Officials Liability	1,000,000
	General Liability	1,000,000
	Garage Keepers Liability	120,000
Curtis Insurance Services	Law Enforcement	1,000,000
	Canine Mortality and Medical	5,500

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

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

The City manages employee health and dental benefits on a self-insured basis. The employee health benefit plan provides basic health and dental coverage through Emerald Health (Benefit Services, Inc.). A specific excess loss coverage insurance (stop-loss) policy with Medical Excess covers claims in excess of \$30,000 per person per year to a maximum specific benefit of \$1,000,000 per person. The family/single premiums were \$148.62/\$66.15, respectively. Benefit Services, Inc. charges the City a medical administration fee of \$8.50 per employee per month, and a dental administration fee of \$1.50 per employee per month.

The claims liability of \$166,388, reported in the self-insurance fund at December 31, 2003, is estimated by the third-party administrator and is based on the requirements of Governmental Accounting Standards Board Statement No. 30, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claims adjustments expenses and does not include other allocated or unallocated claim adjustment expenses.

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

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claims Payment</u>	<u>Balance at End of Year</u>
2002	\$177,518	\$1,246,445	\$1,207,238	\$216,725
2003	216,725	770,893	821,230	166,388

Note 15 - Contractual Commitments

At December 31, 2003, the City's significant contractual commitments consisted of:

<u>Project</u>	<u>Contract Amount</u>	<u>Amount Paid</u>	<u>Remaining on Contract</u>
Architect	\$969,907	\$817,086	\$152,821
Street Construction	4,287,523	3,962,691	324,832
Engineering	517,596	460,613	56,983
Waterline Repair	2,038,270	956,952	1,081,318
Asphalt, Concrete, Street Repairs	1,554,725	1,275,037	279,688
Sewerline Repair	33,620	33,120	500
Building Construction	1,873,627	1,836,757	36,870
Recreation Infrastructure	446,097	421,531	24,566
Totals	<u>\$11,721,365</u>	<u>\$9,763,787</u>	<u>\$1,957,578</u>

Note 16 - Jointly Governed Organizations

A. Southwest Council of Governments

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2003

control over the operation of the Council including budgeting, appropriating, contracting and designating management. Budgets are adopted by the board. Each City's degree of control is limited to its representation on the board. In 2003, the City contributed \$7,500 which represents 5.4 percent of total contributions.

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

B. Northeast Ohio Public Energy Council

The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity. NOPEC is currently comprised of 100 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. In 2003, the City made no contributions. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. Financial information can be obtained by contacting the Board Chairman at 1615 Clark Avenue, Cleveland, Ohio, 44109 or at the website www.nopecinfo.org.

Note 17 - Contingencies

A. Grants

The City received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2003.

B. Litigation

Several claims and lawsuits are pending against the City. The amount of the liability, if any, cannot be reasonably estimated at this time. However, in the opinion of management, any such claims and lawsuits will not have a material adverse effect on the overall financial position of the City at December 31, 2003.

Combining Statements and Individual Fund Schedules

Combining Statements - Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

To account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specified purposes.

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

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

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

Community Center Fund - This fund accounts for membership fees, program fees, and general fund subsidies used to operate the Community Center.

Special Programs Fund - This fund accounts for admission fees to the Mayor's annual fine arts show, the Christmas activities and other events of the City. Monies are used to cover the costs of each activity.

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

Clean Ohio Grant Fund - This fund accounts for grant monies used to improve Brown fields and the wetlands.

Ohio Arts Grant Fund - This fund accounts for grant monies from the Ohio Arts Council to pay for outside fees related to the planning of the new Brecksville Memorial Park.

Federal Equitable Sharing Fund - To account for federal forfeiture monies returned to the City restricted for certain law enforcement purposes..

Indigent Prisoner Assistance Fund - This fund accounts for revenues received from prisoner pay-telephone fees. These monies provide a bus ride or cab fare home for released prisoners.

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

(continued)

Combining Statements - Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

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

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

Natureworks Grants Fund - This fund accounts for grant monies and investment interest that is used for adding a recreational facility for the Blossom Complex.

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

Tree Planting Grants Fund - This fund accounts for monies received from residents, plus City matching funds which are used to plant trees within the City.

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

Law Enforcement Mandatory Drug Fund - This fund accounts for monies received from drug fines and forfeited bonds to be used only for drug investigations.

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

Brecksville Safety Town Fund - This fund accounts for revenues and expenditures supporting the Safety Town Program for preschoolers.

Police Pension Fund - This fund accounts for amounts paid for police department employees to the State administered disability and pension fund.

Brecksville Traveler's Trips Fund - This fund accounts for program fees that allow seniors of the community to take trips and participate in various activities.

Safety Helmet Donation Fund - This fund accounts for donations to be used to buy bike helmets for those who cannot afford one.

Memorial Fund - This fund accounts for donations to be used in memory for a deceased community member.

(continued)

Combining Statements - Nonmajor Governmental Funds (continued)

Nonmajor Debt Service Fund

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term and special assessment principal, interest, and related costs.

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

Nonmajor Capital Projects Funds

Capital projects funds are established to account for financial resources to be used for the construction or acquisition of major capital facilities (other than those financed by proprietary funds.)

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

Capital Improvement Fund - This fund accounts for income tax monies for various capital projects of the City.

Equipment Replacement Fund - This fund accounts for transfers from the general fund to provide for the future purchase and replacement of equipment needed to operate City functions.

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

Library Improvement Fund - This fund accounts for monies received from a voted tax levy to construct and furnish a new library within the City.

Fire Station Building Fund - This fund accounts for financing, construction and related costs of improvements to the Fire Station.

Human Services Facilities Fund - This fund accounts for financing, construction and related costs of improvements to the human services facility.

Sewer Improvement Fund - This fund accounts for financing, construction and related costs of improvements to various sewer projects within the City.

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

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2003

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,687,599	\$431,176	\$4,821,098	\$6,939,873
Materials and Supplies Inventory	33,748	0	0	33,748
Accounts Receivable	3,403	0	0	3,403
Intergovernmental Receivable	261,069	16,716	95,686	373,471
Municipal Income Taxes Receivable	0	0	36,610	36,610
Property Taxes Receivable	687,186	261,474	0	948,660
Interfund Receivable	0	0	550,000	550,000
<i>Total Assets</i>	<u>\$2,673,005</u>	<u>\$709,366</u>	<u>\$5,503,394</u>	<u>\$8,885,765</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$95,194	\$0	\$22,848	\$118,042
Contracts Payable	19,416	0	56,651	76,067
Retainage Payable	32,236	0	74,003	106,239
Accrued Wages and Benefits	39,817	0	0	39,817
Interfund Payable	0	0	750,000	750,000
Intergovernmental Payable	22,479	0	0	22,479
Deferred Revenue	912,072	278,190	116,296	1,306,558
<i>Total Liabilities</i>	<u>1,121,214</u>	<u>278,190</u>	<u>1,019,798</u>	<u>2,419,202</u>
Fund Balances				
Reserved for Encumbrances	431,156	0	1,775,861	2,207,017
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,120,635	0	0	1,120,635
Debt Service Fund	0	431,176	0	431,176
Capital Projects Funds	0	0	2,707,735	2,707,735
<i>Total Fund Balances</i>	<u>1,551,791</u>	<u>431,176</u>	<u>4,483,596</u>	<u>6,466,563</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$2,673,005</u>	<u>\$709,366</u>	<u>\$5,503,394</u>	<u>\$8,885,765</u>

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2003

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property and Other Taxes	\$610,542	\$276,882	\$0	\$887,424
Municipal Income Taxes	0	0	192,000	192,000
Charges for Services	620,003	0	0	620,003
Licenses and Permits	52,564	0	89,230	141,794
Fines and Forfeitures	3,056	0	0	3,056
Intergovernmental	779,213	40,379	98,252	917,844
Interest	27,317	0	40,905	68,222
Donations	3,353	0	0	3,353
Rentals	49,424	0	0	49,424
Miscellaneous	14,655	0	9,402	24,057
<i>Total Revenues</i>	<u>2,160,127</u>	<u>317,261</u>	<u>429,789</u>	<u>2,907,177</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	15,399	1,982	0	17,381
Judicial System	1,040	0	0	1,040
Public Safety:				
Police	170,412	0	0	170,412
Street Construction, Maintenance and Repair	1,337,517	0	0	1,337,517
Housing and Community Development	452,267	0	0	452,267
Basic Utility Services	84,503	0	0	84,503
Recreational Activities	1,635,766	0	0	1,635,766
Capital Outlay	0	0	1,443,469	1,443,469
Debt Service:				
Principal Retirement	0	410,000	45,170	455,170
Interest and Fiscal Charges	0	232,687	0	232,687
<i>Total Expenditures</i>	<u>3,696,904</u>	<u>644,669</u>	<u>1,488,639</u>	<u>5,830,212</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,536,777)</u>	<u>(327,408)</u>	<u>(1,058,850)</u>	<u>(2,923,035)</u>
Other Financing Sources (Uses)				
Transfers In	1,235,038	436,405	3,289,170	4,960,613
Transfers Out	(335,867)	0	(77,740)	(413,607)
<i>Total Other Financing Sources (Uses)</i>	<u>899,171</u>	<u>436,405</u>	<u>3,211,430</u>	<u>4,547,006</u>
<i>Net Change in Fund Balances</i>	<u>(637,606)</u>	<u>108,997</u>	<u>2,152,580</u>	<u>1,623,971</u>
<i>Fund Balances Beginning of Year</i>	<u>2,189,397</u>	<u>322,179</u>	<u>2,331,016</u>	<u>4,842,592</u>
<i>Fund Balances End of Year</i>	<u>\$1,551,791</u>	<u>\$431,176</u>	<u>\$4,483,596</u>	<u>\$6,466,563</u>

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2003

	Motor Vehicle License Tax	Street Repair and Maintenance	State Highway	Community Center
Assets				
Equity in Pooled Cash and Cash Equivalents	\$157,838	\$176,192	\$174,863	\$205,232
Materials and Supplies Inventory	0	33,748	0	0
Accounts Receivable	0	0	0	2,207
Intergovernmental Receivable	15,432	185,907	15,072	0
Property Taxes Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$173,270</u>	<u>\$395,847</u>	<u>\$189,935</u>	<u>\$207,439</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$44,769	\$0	\$27,767
Contracts Payable	0	0	0	164
Retainage Payable	0	0	0	0
Accrued Wages and Benefits	0	0	0	39,817
Intergovernmental Payable	0	0	0	22,479
Deferred Revenue	12,860	154,817	12,551	0
<i>Total Liabilities</i>	<u>12,860</u>	<u>199,586</u>	<u>12,551</u>	<u>90,227</u>
Fund Balances				
Reserved for Encumbrances	20,000	53,987	0	20,812
Unreserved, Undesignated	140,410	142,274	177,384	96,400
<i>Total Fund Balances</i>	<u>160,410</u>	<u>196,261</u>	<u>177,384</u>	<u>117,212</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$173,270</u>	<u>\$395,847</u>	<u>\$189,935</u>	<u>\$207,439</u>

(continued)

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2003

	Special Programs	Road Maintenance	Federal Equitable Sharing	Indigent Prisoner Assistance
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$9,994	\$197,575	\$3,871	\$8,075
Materials and Supplies Inventory	0	0	0	0
Accounts Receivable	0	0	0	26
Intergovernmental Receivable	0	28,331	0	0
Property Taxes Receivable	0	528,604	0	0
<i>Total Assets</i>	<u>\$9,994</u>	<u>\$754,510</u>	<u>\$3,871</u>	<u>\$8,101</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0
Retainage Payable	0	0	0	0
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	0	0	0
Deferred Revenue	0	556,935	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>556,935</u>	<u>0</u>	<u>0</u>
Fund Balances				
Reserved for Encumbrances	0	108,328	0	0
Unreserved, Undesignated	9,994	89,247	3,871	8,101
<i>Total Fund Balances</i>	<u>9,994</u>	<u>197,575</u>	<u>3,871</u>	<u>8,101</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$9,994</u>	<u>\$754,510</u>	<u>\$3,871</u>	<u>\$8,101</u>

<u>Indigent Drivers</u>	<u>Enforcement and Education</u>	<u>Court Computerization</u>	<u>Natureworks Grants</u>	<u>Recycling Demo</u>
\$7,570	\$28,961	\$125,441	\$289,449	\$19,536
0	0	0	0	0
0	107	0	0	0
0	0	0	0	7,827
0	0	0	0	0
<u>\$7,570</u>	<u>\$29,068</u>	<u>\$125,441</u>	<u>\$289,449</u>	<u>\$27,363</u>
\$0	\$58	\$0	\$22,325	\$0
0	0	0	8,513	6,381
0	0	0	32,236	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	7,827
<u>0</u>	<u>58</u>	<u>0</u>	<u>63,074</u>	<u>14,208</u>
0	0	0	177,870	0
<u>7,570</u>	<u>29,010</u>	<u>125,441</u>	<u>48,505</u>	<u>13,155</u>
<u>7,570</u>	<u>29,010</u>	<u>125,441</u>	<u>226,375</u>	<u>13,155</u>
<u>\$7,570</u>	<u>\$29,068</u>	<u>\$125,441</u>	<u>\$289,449</u>	<u>\$27,363</u>

(continued)

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2003

	Tree Planting Grants	Law Enforcement	Law Enforcement Mandatory Drug	Vehicle Immobilization
Assets				
Equity in Pooled Cash and Cash Equivalents	\$148,788	\$45,068	\$39,599	\$20,373
Materials and Supplies Inventory	0	0	0	0
Accounts Receivable	0	1,063	0	0
Intergovernmental Receivable	0	0	0	0
Property Taxes Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$148,788</u>	<u>\$46,131</u>	<u>\$39,599</u>	<u>\$20,373</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$275	\$0	\$0	\$0
Contracts Payable	4,358	0	0	0
Retainage Payable	0	0	0	0
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	0	0	0
Deferred Revenue	0	0	0	0
<i>Total Liabilities</i>	<u>4,633</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Reserved for Encumbrances	6,853	43,306	0	0
Unreserved, Undesignated	137,302	2,825	39,599	20,373
<i>Total Fund Balances</i>	<u>144,155</u>	<u>46,131</u>	<u>39,599</u>	<u>20,373</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$148,788</u>	<u>\$46,131</u>	<u>\$39,599</u>	<u>\$20,373</u>

<u>Police Pension</u>	<u>Memorial</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$12,761	\$16,413	\$1,687,599
0	0	33,748
0	0	3,403
8,500	0	261,069
158,582	0	687,186
<u>\$179,843</u>	<u>\$16,413</u>	<u>\$2,673,005</u>
\$0	\$0	\$95,194
0	0	19,416
0	0	32,236
0	0	39,817
0	0	22,479
167,082	0	912,072
<u>167,082</u>	<u>0</u>	<u>1,121,214</u>
0	0	431,156
12,761	16,413	1,120,635
<u>12,761</u>	<u>16,413</u>	<u>1,551,791</u>
<u>\$179,843</u>	<u>\$16,413</u>	<u>\$2,673,005</u>

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003

	Motor Vehicle License Tax	Street Repair and Maintenance	State Highway	Community Center
Revenues				
Property and Other Taxes	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	620,003
Licenses and Permits	0	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	33,399	377,391	30,599	0
Interest	1,959	0	0	7,617
Donations	0	0	0	3,348
Rentals	0	0	0	49,424
Miscellaneous	0	0	0	4,648
<i>Total Revenues</i>	<u>35,358</u>	<u>377,391</u>	<u>30,599</u>	<u>685,040</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Judicial System	0	0	0	0
Public Safety:				
Police	0	0	0	0
Street Construction, Maintenance and Repair	0	374,632	5,098	0
Housing and Community Development	0	0	0	0
Basic Utility Services	0	0	0	0
Recreational Activities	0	0	0	1,633,750
<i>Total Expenditures</i>	<u>0</u>	<u>374,632</u>	<u>5,098</u>	<u>1,633,750</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>35,358</u>	<u>2,759</u>	<u>25,501</u>	<u>(948,710)</u>
Other Financing Sources (Uses)				
Transfers In	0	0	0	908,905
Transfers Out	0	(250,000)	0	(53,414)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(250,000)</u>	<u>0</u>	<u>855,491</u>
<i>Net Change in Fund Balances</i>	35,358	(247,241)	25,501	(93,219)
<i>Fund Balances Beginning of Year</i>	<u>125,052</u>	<u>443,502</u>	<u>151,883</u>	<u>210,431</u>
<i>Fund Balances End of Year</i>	<u>\$160,410</u>	<u>\$196,261</u>	<u>\$177,384</u>	<u>\$117,212</u>

Special Programs	Road Maintenance	Ohio Arts Grant	Federal Equitable Sharing	Indigent Prisoner Assistance	Indigent Drivers	Enforcement and Education	Court Computerization
\$0	\$469,648	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0	0
0	0	0	0	423	0	0	17,946
0	0	0	0	0	600	1,602	0
0	70,813	6,928	0	0	0	0	0
86	5,413	0	40	107	98	386	1,575
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
2,749	0	0	0	0	0	6,600	0
2,835	545,874	6,928	40	530	698	8,588	19,521
0	0	15,399	0	0	0	0	0
0	0	0	0	0	0	0	1,040
0	0	0	0	54	0	8,346	0
0	957,787	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
2,016	0	0	0	0	0	0	0
2,016	957,787	15,399	0	54	0	8,346	1,040
819	(411,913)	(8,471)	40	476	698	242	18,481
0	250,000	0	0	0	0	0	0
(8,905)	(11,732)	(6,828)	0	0	0	0	0
(8,905)	238,268	(6,828)	0	0	0	0	0
(8,086)	(173,645)	(15,299)	40	476	698	242	18,481
18,080	371,220	15,299	3,831	7,625	6,872	28,768	106,960
\$9,994	\$197,575	\$0	\$3,871	\$8,101	\$7,570	\$29,010	\$125,441

(continued)

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2003

	Natureworks Grants	Recycling Demo	Tree Planting Grants	Law Enforcement
Revenues				
Property and Other Taxes	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0
Licenses and Permits	0	0	31,900	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	200,000	23,839	15,000	0
Interest	4,503	396	2,563	1,698
Donations	0	0	0	0
Rentals	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>204,503</u>	<u>24,235</u>	<u>49,463</u>	<u>1,698</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Judicial System	0	0	0	0
Public Safety:				
Police	0	0	0	4,882
Street Construction, Maintenance and Repair	0	0	0	0
Housing and Community Development	404,757	0	47,510	0
Basic Utility Services	0	84,503	0	0
Recreational Activities	0	0	0	0
<i>Total Expenditures</i>	<u>404,757</u>	<u>84,503</u>	<u>47,510</u>	<u>4,882</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(200,254)</u>	<u>(60,268)</u>	<u>1,953</u>	<u>(3,184)</u>
Other Financing Sources (Uses)				
Transfers In	50,000	5,833	20,300	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>50,000</u>	<u>5,833</u>	<u>20,300</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(150,254)</u>	<u>(54,435)</u>	<u>22,253</u>	<u>(3,184)</u>
Fund Balances Beginning of Year	<u>376,629</u>	<u>67,590</u>	<u>121,902</u>	<u>49,315</u>
<i>Fund Balances End of Year</i>	<u><u>\$226,375</u></u>	<u><u>\$13,155</u></u>	<u><u>\$144,155</u></u>	<u><u>\$46,131</u></u>

Law Enforcement Mandatory Drug	Vehicle Immobilization	Brecksville Safety Town	Police Pension	Brecksville Traveler's Trips	Safety Helmet Donation	Memorial	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$140,894	\$0	\$0	\$0	\$610,542
0	0	0	0	0	0	0	620,003
0	0	2,295	0	0	0	0	52,564
854	0	0	0	0	0	0	3,056
0	0	0	21,244	0	0	0	779,213
566	275	35	0	0	0	0	27,317
0	0	0	0	0	0	5	3,353
0	0	0	0	0	0	0	49,424
0	0	658	0	0	0	0	14,655
1,420	275	2,988	162,138	0	0	5	2,160,127
0	0	0	0	0	0	0	15,399
0	0	0	0	0	0	0	1,040
3,650	0	2,584	149,957	939	0	0	170,412
0	0	0	0	0	0	0	1,337,517
0	0	0	0	0	0	0	452,267
0	0	0	0	0	0	0	84,503
0	0	0	0	0	0	0	1,635,766
3,650	0	2,584	149,957	939	0	0	3,696,904
(2,230)	275	404	12,181	(939)	0	5	(1,536,777)
0	0	0	0	0	0	0	1,235,038
0	0	(3,629)	0	(1,081)	(193)	(85)	(335,867)
0	0	(3,629)	0	(1,081)	(193)	(85)	899,171
(2,230)	275	(3,225)	12,181	(2,020)	(193)	(80)	(637,606)
41,829	20,098	3,225	580	2,020	193	16,493	2,189,397
\$39,599	\$20,373	\$0	\$12,761	\$0	\$0	\$16,413	\$1,551,791

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2003

	Issue II	Capital Improvement	Equipment Replacement	Recreation Expansion
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$419,684	\$608,094	\$72,601	\$111,799
Intergovernmental Receivable	686	95,000	0	0
Municipal Income Tax Receivable	0	36,610	0	0
Interfund Receivable	550,000	0	0	0
<i>Total Assets</i>	<u>\$970,370</u>	<u>\$739,704</u>	<u>\$72,601</u>	<u>\$111,799</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$17,325	\$0	\$0
Contracts Payable	3,676	0	0	0
Retainage Payable	0	0	0	0
Interfund Payable	0	0	0	0
Deferred Revenue	686	115,610	0	0
<i>Total Liabilities</i>	<u>4,362</u>	<u>132,935</u>	<u>0</u>	<u>0</u>
Fund Balances				
Reserved for Encumbrances	308,074	469,324	0	0
Unreserved, Undesignated (Deficit)	657,934	137,445	72,601	111,799
<i>Total Fund Balances (Deficit)</i>	<u>966,008</u>	<u>606,769</u>	<u>72,601</u>	<u>111,799</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$970,370</u>	<u>\$739,704</u>	<u>\$72,601</u>	<u>\$111,799</u>

Library Improvement	Fire Station Building	Human Services Facilities	Sewer Improvement	Public Utility Improvement	Total Nonmajor Capital Projects Funds
\$37,460	\$112,470	\$2,212,373	\$741,146	\$505,471	\$4,821,098
0	0	0	0	0	95,686
0	0	0	0	0	36,610
0	0	0	0	0	550,000
<u>\$37,460</u>	<u>\$112,470</u>	<u>\$2,212,373</u>	<u>\$741,146</u>	<u>\$505,471</u>	<u>\$5,503,394</u>
\$0	\$680	\$4,843	\$0	\$0	\$22,848
0	1,500	976	50,499	0	56,651
0	63,753	0	10,250	0	74,003
0	0	0	750,000	0	750,000
0	0	0	0	0	116,296
<u>0</u>	<u>65,933</u>	<u>5,819</u>	<u>810,749</u>	<u>0</u>	<u>1,019,798</u>
0	91,130	159,807	625,136	122,390	1,775,861
37,460	(44,593)	2,046,747	(694,739)	383,081	2,707,735
<u>37,460</u>	<u>46,537</u>	<u>2,206,554</u>	<u>(69,603)</u>	<u>505,471</u>	<u>4,483,596</u>
<u>\$37,460</u>	<u>\$112,470</u>	<u>\$2,212,373</u>	<u>\$741,146</u>	<u>\$505,471</u>	<u>\$5,503,394</u>

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2003

	Issue II	Capital Improvement	Equipment Replacement	Recreation Expansion
Revenues				
Municipal Income Taxes	\$0	\$192,000	\$0	\$0
Licenses and Permits	0	0	0	32,595
Intergovernmental	98,252	0	0	0
Interest	6,953	7,573	1,050	1,242
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>105,205</u>	<u>199,573</u>	<u>1,050</u>	<u>33,837</u>
Expenditures				
Capital Outlay	104,538	329,991	10,859	74
Debt Service:				
Principal Retirement	45,170	0	0	0
<i>Total Expenditures</i>	<u>149,708</u>	<u>329,991</u>	<u>10,859</u>	<u>74</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(44,503)</u>	<u>(130,418)</u>	<u>(9,809)</u>	<u>33,763</u>
Other Financing Sources (Uses)				
Transfers In	764,170	125,000	0	0
Transfers Out	0	(22,214)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>764,170</u>	<u>102,786</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	719,667	(27,632)	(9,809)	33,763
<i>Fund Balances Beginning of Year</i>	<u>246,341</u>	<u>634,401</u>	<u>82,410</u>	<u>78,036</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$966,008</u></u>	<u><u>\$606,769</u></u>	<u><u>\$72,601</u></u>	<u><u>\$111,799</u></u>

Library Improvement	Fire Station Building	Human Services Facilities	Sewer Improvement	Public Utility Improvement	Total Nonmajor Capital Projects Funds
\$0	\$0	\$0	\$0	\$0	\$192,000
0	0	0	0	56,635	89,230
0	0	0	0	0	98,252
371	4,050	14,559	1,024	4,083	40,905
0	9,402	0	0	0	9,402
371	13,452	14,559	1,024	60,718	429,789
0	336,377	513,408	130,893	17,329	1,443,469
0	0	0	0	0	45,170
0	336,377	513,408	130,893	17,329	1,488,639
371	(322,925)	(498,849)	(129,869)	43,389	(1,058,850)
0	0	2,400,000	0	0	3,289,170
0	0	0	(44,302)	(11,224)	(77,740)
0	0	2,400,000	(44,302)	(11,224)	3,211,430
371	(322,925)	1,901,151	(174,171)	32,165	2,152,580
37,089	369,462	305,403	104,568	473,306	2,331,016
\$37,460	\$46,537	\$2,206,554	(\$69,603)	\$505,471	\$4,483,596

Combining Statements - Fiduciary Funds

Fiduciary Funds

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

Private Purpose Trust Fund

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

Agency Funds

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

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

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

Route 21 Gas Lines Fund - This fund accounts for deposits held by the City for construction of new gas lines along Route 21. These monies are returned when the work is completed.

City of Brecksville, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2003

	Beginning Balance 12/31/02	Additions	Deductions	Ending Balance 12/31/03
Senior Citizens' Programs				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$7,638	\$17,173	\$11,028	\$13,783
Liabilities				
Undistributed Monies	\$7,638	\$17,173	\$11,028	\$13,783
Street Openings				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$198,950	\$45,950	\$41,950	\$202,950
Liabilities				
Deposits Held and Due to Others	\$198,950	\$45,950	\$41,950	\$202,950
Deposits and Fees				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$331,858	\$420,336	\$463,833	\$288,361
Liabilities				
Deposits Held and Due to Others	\$331,858	\$420,336	\$463,833	\$288,361
Route 21 Gas Lines				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$77	\$0	\$0	\$77
Liabilities				
Deposits Held and Due to Others	\$77	\$0	\$0	\$77

(continued)

City of Brecksville, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds (continued)
For the Year Ended December 31, 2003

	Beginning Balance 12/31/02	Additions	Deductions	Ending Balance 12/31/03
Total - All Agency Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$538,523	\$483,459	\$516,811	\$505,171
Liabilities				
Undistributed Monies	\$7,638	\$17,173	\$11,028	\$13,783
Deposits Held and Due to Others	530,885	466,286	505,783	491,388
<i>Total Liabilities</i>	\$538,523	\$483,459	\$516,811	\$505,171

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

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2003

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property and Other Taxes	\$1,574,137	\$1,603,012	\$1,649,057	\$46,045
Municipal Income Taxes	8,052,294	8,200,000	9,114,671	914,671
Charges for Services	49,099	50,000	139,298	89,298
Licenses and Permits	180,440	183,750	240,392	56,642
Fines and Forfeitures	310,308	316,000	319,101	3,101
Intergovernmental	1,062,473	908,150	1,270,773	362,623
Interest	166,938	170,000	71,421	(98,579)
Donations	2,553	2,600	5,781	3,181
Rentals	42,029	42,800	51,609	8,809
Miscellaneous	65,336	63,930	117,890	53,960
<i>Total Revenues</i>	<u>11,505,607</u>	<u>11,540,242</u>	<u>12,979,993</u>	<u>1,439,751</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive				
Mayor:				
Salaries and Wages	182,364	182,364	174,589	7,775
Fringe Benefits	83,056	73,401	72,920	481
Materials and Supplies	7,700	7,700	6,756	944
Capital Outlay	1,500	1,500	1,328	172
Total Mayor	<u>274,620</u>	<u>264,965</u>	<u>255,593</u>	<u>9,372</u>
Finance Director:				
Salaries and Wages	260,114	260,114	234,914	25,200
Fringe Benefits	80,468	71,277	69,420	1,857
Materials and Supplies	7,450	7,450	7,394	56
Capital Outlay	3,780	3,780	3,778	2
Total Finance Director	<u>351,812</u>	<u>342,621</u>	<u>315,506</u>	<u>27,115</u>
Purchasing Department:				
Salaries and Wages	156,117	156,117	150,365	5,752
Fringe Benefits	57,320	50,785	49,354	1,431
Materials and Supplies	3,240	3,240	2,468	772
Capital Outlay	5,000	5,000	1,297	3,703
Total Purchasing Department	<u>221,677</u>	<u>215,142</u>	<u>203,484</u>	<u>11,658</u>
Legal Department:				
Salaries and Wages	83,200	83,200	81,750	1,450
Fringe Benefits	31,476	27,806	27,717	89
Purchased Services	110,000	110,000	91,258	18,742
Materials and Supplies	1,500	1,500	317	1,183
Total Legal Department	<u>\$226,176</u>	<u>\$222,506</u>	<u>\$201,042</u>	<u>\$21,464</u>

(continued)

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2003*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Legislative:				
Salaries and Wages	\$131,607	\$135,082	\$135,081	\$1
Fringe Benefits	79,125	71,760	71,734	26
Purchased Services	15,264	16,200	9,059	7,141
Materials and Supplies	5,936	6,300	3,119	3,181
Capital Outlay	1,508	1,600	1,556	44
Total Legislative	233,440	230,942	220,549	10,393
Civil Service				
Salaries and Wages	3,500	3,500	1,251	2,249
Fringe Benefits	770	718	395	323
Purchased Services	1,500	1,500	0	1,500
Materials and Supplies	2,325	2,325	1,565	760
Total Civil Service	8,095	8,043	3,211	4,832
Land and Building:				
Salaries and Wages	224,000	293,000	293,000	0
Purchased Services	472,230	463,123	392,988	70,135
Materials and Supplies	99,026	93,789	75,434	18,355
Capital Outlay	403,953	298,215	137,195	161,020
Total Land and Building	1,199,209	1,148,127	898,617	249,510
Engineer:				
Purchased Services	54,784	54,784	39,482	15,302
Cable Advisory Commission:				
Salaries and Wages	1,000	1,000	415	585
Fringe Benefits	264	245	144	101
Purchased Services	3,000	3,000	0	3,000
Materials and Supplies	50	50	0	50
Total Cable Advisory Commission	4,314	4,295	559	3,736
County Auditor and Treasurer:				
Fringe Benefits	169,551	155,076	154,373	703
Purchased Services	68,000	68,000	56,251	11,749
Total County Auditor and Treasurer	\$237,551	\$223,076	\$210,624	\$12,452

(continued)

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2003*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Income Tax Administration:				
Salaries and Wages	\$12,200	\$12,200	\$12,200	\$0
Fringe Benefits	4,910	4,336	4,336	0
Purchased Services	383,001	383,001	354,898	28,103
Materials and Supplies	1,600	1,600	1,157	443
Total Income Tax Administration	401,711	401,137	372,591	28,546
Administrative Support:				
Salaries and Wages	39,990	39,990	32,990	7,000
Fringe Benefits	13,923	12,417	11,378	1,039
Purchased Services	351,136	351,136	340,341	10,795
Materials and Supplies	294,327	294,327	277,050	17,277
Capital Outlay	66,035	66,035	62,075	3,960
Other	3,218	3,218	0	3,218
Total Administrative Support	768,629	767,123	723,834	43,289
Human Resources Department:				
Salaries and Wages	185,901	185,901	126,957	58,944
Fringe Benefits	63,320	57,487	44,054	13,433
Purchased Services	29,900	29,900	21,213	8,687
Materials and Supplies	41,365	41,365	26,433	14,932
Capital Outlay	2,000	2,000	1,866	134
Total Human Resources Department	322,486	316,653	220,523	96,130
Blossom Hill:				
Salaries and Wages	104,500	104,500	99,709	4,791
Purchased Services	145,850	145,850	101,816	44,034
Materials and Supplies	8,150	8,150	7,360	790
Capital Outlay	7,358	7,358	6,922	436
Total Blossom Hill	265,858	265,858	215,807	50,051
Total Legislative and Executive	4,570,362	4,465,272	3,881,422	583,850
Judicial System:				
Mayor's Court:				
Salaries and Wages	98,508	98,508	93,725	4,783
Fringe Benefits	34,812	30,830	30,074	756
Purchased Services	26,000	26,000	22,370	3,630
Materials and Supplies	2,170	2,170	1,996	174
Capital Outlay	450	450	218	232
Total Judicial System	161,940	157,958	148,383	9,575
Total General Government	\$4,732,302	\$4,623,230	\$4,029,805	\$593,425

(continued)

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2003

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Public Safety:				
Police:				
Law Enforcement:				
Salaries and Wages	\$2,369,989	\$2,369,989	\$2,335,399	\$34,590
Fringe Benefits	810,012	720,908	687,848	33,060
Purchased Services	101,850	101,850	72,195	29,655
Materials and Supplies	125,383	125,383	91,484	33,899
Capital Outlay	42,620	47,620	33,280	14,340
Total Law Enforcement	3,449,854	3,365,750	3,220,206	145,544
Prisoner Support:				
Salaries and Wages	170,000	170,000	152,195	17,805
Fringe Benefits	72,448	64,972	56,468	8,504
Purchased Services	15,715	15,715	12,046	3,669
Materials and Supplies	15,649	15,649	12,598	3,051
Capital Outlay	1,250	1,250	706	544
Total Prisoner Support	275,062	267,586	234,013	33,573
Animal Control:				
Salaries and Wages	38,562	38,562	36,055	2,507
Fringe Benefits	15,185	13,481	12,870	611
Purchased Services	2,950	2,950	1,769	1,181
Materials and Supplies	1,241	1,241	1,124	117
Capital Outlay	740	740	632	108
Total Animal Control	58,678	56,974	52,450	4,524
Total Police	3,783,594	3,690,310	3,506,669	183,641
Fire:				
Hydrants:				
Salaries and Wages	8,500	10,500	10,035	465
Purchased Services	17,435	18,421	14,940	3,481
Materials and Supplies	10,986	15,500	14,998	502
Total Fire	36,921	44,421	39,973	4,448
Total Public Safety	3,820,515	3,734,731	3,546,642	188,089
Public Health Services:				
Cemetery:				
Salaries and Wages	93,447	83,000	78,202	4,798
Purchased Services	2,601	1,025	665	360
Materials and Supplies	4,118	5,271	3,744	1,527
Capital Outlay	781	1,000	676	324
Other	2,324	2,975	2,975	0
Total Cemetery	\$103,271	\$93,271	\$86,262	\$7,009

(continued)

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2003*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Board of Health:				
Purchased Services	\$41,484	\$41,484	\$41,484	\$0
Total Public Health Services	144,755	134,755	127,746	7,009
Street Construction, Maintenance and Repair:				
Street Repairs and Maintenance:				
Salaries and Wages	622,980	622,980	622,869	111
Fringe Benefits	845,348	746,599	745,821	778
Purchased Services	19,000	19,000	14,387	4,613
Materials and Supplies	47,884	47,884	43,306	4,578
Total Street Repairs and Maintenance	1,535,212	1,436,463	1,426,383	10,080
Signs:				
Salaries and Wages	31,000	31,000	27,402	3,598
Materials and Supplies	5,470	5,470	4,006	1,464
Total Signs	36,470	36,470	31,408	5,062
Snow and Ice Removal:				
Salaries and Wages	156,706	180,000	151,536	28,464
Purchased Services	26,176	15,000	11,682	3,318
Materials and Supplies	4,118	10,000	8,905	1,095
Total Snow and Ice Removal	187,000	205,000	172,123	32,877
Vehicle Maintenance:				
Salaries and Wages	157,554	167,000	161,878	5,122
Purchased Services	49,662	51,000	40,708	10,292
Materials and Supplies	139,692	138,638	109,839	28,799
Capital Outlay	9,738	10,000	7,196	2,804
Other	292	300	285	15
Total Vehicle Maintenance	356,938	366,938	319,906	47,032
Total Street Construction, Maintenance and Repair	2,115,620	2,044,871	1,949,820	95,051
Housing and Community Development:				
Planning Commission:				
Salaries and Wages	3,000	3,000	2,210	790
Fringe Benefits	1,101	945	826	119
Purchased Services	25,361	53,925	29,259	24,666
Materials and Supplies	1,867	1,800	560	1,240
Total Planning Commission	\$31,329	\$59,670	\$32,855	\$26,815

(continued)

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2003*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Board of Zoning Appeals:				
Salaries and Wages	\$1,500	\$1,500	\$764	\$736
Fringe Benefits	432	394	292	102
Purchased Services	1,500	1,500	0	1,500
Materials and Supplies	2,700	2,700	1,820	880
Total Board of Zoning Appeals	6,132	6,094	2,876	3,218
Housing and Building Inspection:				
Salaries and Wages	470,246	470,246	381,202	89,044
Fringe Benefits	163,334	146,125	130,592	15,533
Purchased Services	5,250	5,250	3,405	1,845
Materials and Supplies	26,292	26,292	14,136	12,156
Capital Outlay	11,000	11,000	9,066	1,934
Other	2,000	2,000	330	1,670
Total Housing and Building Inspection	678,122	660,913	538,731	122,182
Board of Design and Construction Review:				
Salaries and Wages	200	200	0	200
Fringe Benefits	28	28	0	28
Purchased Services	400	400	0	400
Materials and Supplies	400	400	0	400
Total Board of Design and Construction Review	1,028	1,028	0	1,028
Urban Forestry:				
Salaries and Wages	186,000	186,000	164,263	21,737
Purchased Services	21,500	21,500	14,604	6,896
Materials and Supplies	23,700	23,700	10,305	13,395
Capital Outlay	9,300	9,300	5,913	3,387
Total Urban Forestry	240,500	240,500	195,085	45,415
Total Housing and Community Development	957,111	968,205	769,547	198,658
Basic Utility Services				
Storm Sewers and Drains:				
Salaries and Wages	40,000	70,000	60,250	9,750
Purchased Services	130,929	113,490	46,460	67,030
Materials and Supplies	10,561	9,000	5,773	3,227
Total Storm Sewers and Drains	181,490	192,490	112,483	80,007
Refuse Collection:				
Salaries and Wages	230,000	222,000	210,391	11,609
Purchased Services	14,417	0	0	0
Other	235,583	250,000	248,680	1,320
Total Refuse Collection	\$480,000	\$472,000	\$459,071	\$12,929

(continued)

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2003*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Service Department:				
Salaries and Wages	\$186,162	\$281,629	\$281,629	\$0
Fringe Benefits	190,328	169,708	155,737	13,971
Purchased Services	11,960	25,944	25,944	0
Materials and Supplies	56,200	56,200	17,430	38,770
Capital Outlay	14,749	14,749	12,610	2,139
Total Service Department	459,399	548,230	493,350	54,880
Street Lighting:				
Purchased Services	85,000	85,000	85,000	0
House-Keeping Service				
Purchased Services	0	202,164	0	202,164
Rubbish Recycling:				
Salaries and Wages	285,160	270,000	270,000	0
Purchased Services	31,386	31,795	10,880	20,915
Materials and Supplies	24,081	23,800	5,518	18,282
Capital Outlay	1,968	2,000	0	2,000
Total Rubbish Recycling	342,595	327,595	286,398	41,197
Leaf Program:				
Salaries and Wages	66,500	66,500	66,500	0
Purchased Services	11,000	8,744	8,744	0
Materials and Supplies	500	500	458	42
Total Leaf Program	78,000	75,744	75,702	42
Total Basic Utility Services:	1,626,484	1,903,223	1,512,004	391,219
Recreational Activities				
Kid's Quarter:				
Materials and Supplies	500	500	102	398
Capital Outlay	14,500	14,500	7,274	7,226
Total Kid's Quarter	15,000	15,000	7,376	7,624
Brecksville Center for the Arts:				
Purchased Services	19,500	19,500	11,131	8,369
Materials and Supplies	6,550	6,550	6,393	157
Capital Outlay	4,555	4,555	1,772	2,783
Total Brecksville Center for the Arts	30,605	30,605	19,296	11,309
Total Recreational Activities:	45,605	45,605	26,672	18,933
<i>Total Expenditures</i>	13,442,392	13,454,620	11,962,236	1,492,384
<i>Excess of Revenues Over (Under) Expenditures</i>	(\$1,936,785)	(\$1,914,378)	\$1,017,757	\$2,932,135

(continued)

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Other Financing Sources (Uses)				
Sale of Capital Assets	\$19,640	\$20,000	\$23,417	\$3,417
Advance In	0	0	100,000	100,000
Advances Out	0	(300,000)	(300,000)	0
Transfers In	236,470	240,870	303,668	62,798
Transfers Out	(3,375,584)	(3,537,938)	(2,295,133)	1,242,805
<i>Total Other Financing Sources (Uses)</i>	<u>(3,119,474)</u>	<u>(3,577,068)</u>	<u>(2,168,048)</u>	<u>1,409,020</u>
<i>Net Change in Fund Balance</i>	(5,056,259)	(5,491,446)	(1,150,291)	4,341,155
<i>Fund Balance Beginning of Year</i>	5,266,928	5,266,928	5,266,928	0
Prior Year Encumbrances Appropriated	<u>191,289</u>	<u>191,289</u>	<u>191,289</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$401,958</u></u>	<u><u>(\$33,229)</u></u>	<u><u>\$4,307,926</u></u>	<u><u>\$4,341,155</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Department Fund
For the Year Ended December 31, 2003

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property and Other Taxes	\$1,707,397	\$1,581,282	\$1,596,805	\$15,523
Charges for Services	0	0	1,922	1,922
Licenses and Permits	103	100	170	70
Intergovernmental	100,881	242,652	246,689	4,037
Interest	20,001	7,000	7,478	478
Donations	0	0	600	600
Miscellaneous	0	0	724	724
<i>Total Revenues</i>	<u>1,828,382</u>	<u>1,831,034</u>	<u>1,854,388</u>	<u>23,354</u>
Expenditures				
Current:				
Public Safety:				
Fire:				
Salaries and Wages	1,358,419	1,353,120	1,283,339	69,781
Fringe Benefits	319,654	367,353	324,387	42,966
Purchased Services	128,631	111,124	64,110	47,014
Materials and Supplies	92,377	89,367	55,440	33,927
Capital Outlay	168,401	149,169	34,559	114,610
<i>Total Expenditures</i>	<u>2,067,482</u>	<u>2,070,133</u>	<u>1,761,835</u>	<u>308,298</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(239,100)</u>	<u>(239,099)</u>	<u>92,553</u>	<u>331,652</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	0	5,776	5,776
Transfers Out	(155,000)	(155,000)	(125,000)	30,000
<i>Total Other Financing Sources (Uses)</i>	<u>(155,000)</u>	<u>(155,000)</u>	<u>(119,224)</u>	<u>35,776</u>
<i>Net Change in Fund Balance</i>	(394,100)	(394,099)	(26,671)	367,428
<i>Fund Balance Beginning of Year</i>	388,350	388,350	388,350	0
Prior Year Encumbrances Appropriated	12,684	12,684	12,684	0
<i>Fund Balance End of Year</i>	<u><u>\$6,934</u></u>	<u><u>\$6,935</u></u>	<u><u>\$374,363</u></u>	<u><u>\$367,428</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Assessment Bond Retirement Fund
For the Year Ended December 31, 2003

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special Assessments	\$250,000	\$250,000	\$327,902	\$77,902
Interest	250,000	250,000	378,107	128,107
<i>Total Revenues</i>	<u>500,000</u>	<u>500,000</u>	<u>706,009</u>	<u>206,009</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Other	20,000	20,000	11,717	8,283
Debt Service:				
Principal Retirement	355,000	355,000	355,000	0
Interest and Fiscal Charges	250,000	250,000	246,457	3,543
Total Debt Service	<u>605,000</u>	<u>605,000</u>	<u>601,457</u>	<u>3,543</u>
<i>Total Expenditures</i>	<u>625,000</u>	<u>625,000</u>	<u>613,174</u>	<u>11,826</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(125,000)	(125,000)	92,835	217,835
Other Financing Sources				
Transfers In	<u>0</u>	<u>0</u>	<u>39,115</u>	<u>39,115</u>
<i>Net Change in Fund Balance</i>	(125,000)	(125,000)	131,950	256,950
<i>Fund Balance Beginning of Year</i>	<u>156,087</u>	<u>156,087</u>	<u>156,087</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$31,087</u></u>	<u><u>\$31,087</u></u>	<u><u>\$288,037</u></u>	<u><u>\$256,950</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Municipal Improvement Fund
For the Year Ended December 31, 2003

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	\$961,658	\$992,000	\$960,000	(\$32,000)
Interest	3,298	3,300	9,620	6,320
Miscellaneous	0	0	4,004	4,004
<i>Total Revenues</i>	<u>964,956</u>	<u>995,300</u>	<u>973,624</u>	<u>(21,676)</u>
Expenditures				
Capital Outlay:				
Purchased Services	596,493	658,825	101,711	557,114
Materials and Supplies	425	0	0	0
Capital Outlay	1,135,323	1,414,897	921,830	493,067
Total Capital Outlay	<u>1,732,241</u>	<u>2,073,722</u>	<u>1,023,541</u>	<u>1,050,181</u>
Debt Service:				
Principal Retirement	905,388	1,000,000	1,000,000	0
Interest and Fiscal Charges	21,277	23,500	23,500	0
Total Debt Service	<u>926,665</u>	<u>1,023,500</u>	<u>1,023,500</u>	<u>0</u>
<i>Total Expenditures</i>	<u>2,658,906</u>	<u>3,097,222</u>	<u>2,047,041</u>	<u>1,050,181</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,693,950)</u>	<u>(2,101,922)</u>	<u>(1,073,417)</u>	<u>1,028,505</u>
Other Financing Sources (Uses)				
Bond Anticipation Notes Issued	999,172	1,000,000	1,000,000	0
Transfers In	999,172	1,000,000	532,000	(468,000)
Transfers Out	(436,405)	(436,405)	(436,405)	0
<i>Total Other Financing Sources (Uses)</i>	<u>1,561,939</u>	<u>1,563,595</u>	<u>1,095,595</u>	<u>(468,000)</u>
<i>Net Change in Fund Balance</i>	(132,011)	(538,327)	22,178	560,505
<i>Fund Balance Beginning of Year</i>	568,014	568,014	568,014	0
Prior Year Encumbrances Appropriated	<u>2,633</u>	<u>2,633</u>	<u>2,633</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$438,636</u></u>	<u><u>\$32,320</u></u>	<u><u>\$592,825</u></u>	<u><u>\$560,505</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Buildings and Improvement Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Municipal Income Taxes	\$1,200,000	\$1,200,000	\$1,200,000	\$0
Interest	15,000	15,000	10,388	(4,612)
<i>Total Revenues</i>	1,215,000	1,215,000	1,210,388	(4,612)
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	1,215,000	1,215,000	1,210,388	(4,612)
Other Financing Uses				
Transfers Out	(2,780,000)	(2,780,000)	(2,680,000)	100,000
<i>Net Change in Fund Balance</i>	(1,565,000)	(1,565,000)	(1,469,612)	95,388
<i>Fund Balance Beginning of Year</i>	1,598,163	1,598,163	1,598,163	0
<i>Fund Balance End of Year</i>	<u>\$33,163</u>	<u>\$33,163</u>	<u>\$128,551</u>	<u>\$95,388</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Road Improvements Fund
For the Year Ended December 31, 2003

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	\$133,102	\$120,000	\$120,000	\$0
Intergovernmental	566,370	930,000	841,508	(88,492)
Interest	15,395	13,400	19,350	5,950
Miscellaneous	0	0	75,000	75,000
<i>Total Revenues</i>	<u>714,867</u>	<u>1,063,400</u>	<u>1,055,858</u>	<u>(7,542)</u>
Expenditures				
Capital Outlay:				
Road Repaving:				
Purchased Services	52,970	52,970	52,480	490
Materials and Supplies	175,343	175,343	168,180	7,163
Capital Outlay	<u>126,925</u>	<u>126,925</u>	<u>126,925</u>	<u>0</u>
Total Road Repaving	<u>355,238</u>	<u>355,238</u>	<u>347,585</u>	<u>7,653</u>
Sunnydale, Vera, Lloyd, Harold:				
Purchased Services	1,000	1,000	493	507
Capital Outlay	<u>72,779</u>	<u>72,779</u>	<u>26,378</u>	<u>46,401</u>
Total Sunnydale, Vera, Lloyd, Harold	<u>73,779</u>	<u>73,779</u>	<u>26,871</u>	<u>46,908</u>
Parkview Drive Reconstruction:				
Purchased Services	134,100	134,100	65,837	68,263
Materials and Supplies	1,000	1,000	441	559
Capital Outlay	<u>749,000</u>	<u>305,835</u>	<u>265,929</u>	<u>39,906</u>
Total Parkview Drive Reconstruction	<u>884,100</u>	<u>440,935</u>	<u>332,207</u>	<u>108,728</u>
Oakes Road Reconstruction:				
Purchased Services	49,576	76,032	70,614	5,418
Capital Outlay	<u>435,747</u>	<u>982,215</u>	<u>982,215</u>	<u>0</u>
Total Oakes Road Reconstruction	<u>485,323</u>	<u>1,058,247</u>	<u>1,052,829</u>	<u>5,418</u>
Route 82 Widening:				
Purchased Services	480	480	480	0
Capital Outlay	<u>24,768</u>	<u>24,768</u>	<u>24,768</u>	<u>0</u>
Total Route 82 Widening	<u>\$25,248</u>	<u>\$25,248</u>	<u>\$25,248</u>	<u>\$0</u>

(continued)

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Road Improvements Fund (continued)
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Route 82 Resurfacing:				
Capital Outlay	\$2,279	\$2,279	\$2,279	\$0
Citywide Traffic Resignal:				
Purchased Services	15,581	15,581	11,926	3,655
Capital Outlay	45,147	207,037	207,037	0
Total Citywide Traffic Resignal	60,728	222,618	218,963	3,655
<i>Total Expenditures</i>	1,886,695	2,178,344	2,005,982	172,362
<i>Excess of Revenues Under Expenditures</i>	(1,171,828)	(1,114,944)	(950,124)	164,820
Other Financing Sources (Uses)				
Advances In	0	161,890	100,000	(61,890)
Advances Out	0	(100,000)	(100,000)	0
Transfers In	748,533	643,000	630,000	(13,000)
Transfers Out	(618,265)	(962,155)	(515,251)	446,904
<i>Total Other Financing Sources (Uses)</i>	130,268	(257,265)	114,749	372,014
<i>Net Change in Fund Balance</i>	(1,041,560)	(1,372,209)	(835,375)	536,834
<i>Fund Balance Beginning of Year</i>	298,219	298,219	298,219	0
Prior Year Encumbrances Appropriated	1,203,260	1,203,260	1,203,260	0
<i>Fund Balance End of Year</i>	<u>\$459,919</u>	<u>\$129,270</u>	<u>\$666,104</u>	<u>\$536,834</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Motor Vehicle License Tax Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$30,000	\$30,000	\$33,058	\$3,058
Interest	1,045	1,045	1,959	914
<i>Total Revenues</i>	31,045	31,045	35,017	3,972
Expenditures				
Current:				
Street Construction, Maintenance and Repair:				
Street Repair and Maintenance:				
Capital Outlay	121,000	121,000	20,000	101,000
<i>Net Change in Fund Balance</i>	(89,955)	(89,955)	15,017	104,972
<i>Fund Balance Beginning of Year</i>	122,821	122,821	122,821	0
<i>Fund Balance End of Year</i>	<u>\$32,866</u>	<u>\$32,866</u>	<u>\$137,838</u>	<u>\$104,972</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Repair and Maintenance Fund
For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$330,000	\$330,000	\$372,004	\$42,004
Expenditures				
Current:				
Street Construction, Maintenance and Repair:				
Snow and Ice Removal:				
Materials and Supplies	98,137	98,137	98,137	0
Capital Outlay	348,953	348,953	334,800	14,153
<i>Total Expenditures</i>	447,090	447,090	432,937	14,153
<i>Excess of Revenues Under Expenditures</i>	(117,090)	(117,090)	(60,933)	56,157
Other Financing Uses				
Transfers Out	(250,000)	(250,000)	(250,000)	0
<i>Net Change in Fund Balance</i>	(367,090)	(367,090)	(310,933)	56,157
<i>Fund Balance Beginning of Year</i>	156,779	156,779	156,779	0
Prior Year Encumbrances Appropriated	231,590	231,590	231,590	0
<i>Fund Balance End of Year</i>	<u>\$21,279</u>	<u>\$21,279</u>	<u>\$77,436</u>	<u>\$56,157</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$27,000	\$27,000	\$30,162	\$3,162
Expenditures				
Current:				
Street Construction, Maintenance and Repair:				
Route 21 Center Strip:				
Salaries and Wages	12,000	12,000	5,098	6,902
Purchased Services	10,000	10,000	0	10,000
Materials and Supplies	10,000	10,000	0	10,000
Total Route 21 Center Strip	32,000	32,000	5,098	26,902
Snow and Ice Removal:				
Materials and Supplies	100,000	100,000	0	100,000
<i>Total Expenditures</i>	132,000	132,000	5,098	126,902
<i>Net Change in Fund Balance</i>	(105,000)	(105,000)	25,064	130,064
<i>Fund Balance Beginning of Year</i>	149,799	149,799	149,799	0
<i>Fund Balance End of Year</i>	\$44,799	\$44,799	\$174,863	\$130,064

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Center Fund
For the Year Ended December 31, 2003

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$535,242	\$580,173	\$620,485	\$40,312
Interest	8,242	8,000	7,617	(383)
Donations	1,030	1,000	3,348	2,348
Rentals	45,848	44,500	49,424	4,924
Miscellaneous	440	432	4,628	4,196
<i>Total Revenues</i>	<u>590,802</u>	<u>634,105</u>	<u>685,502</u>	<u>51,397</u>
Expenditures				
Current:				
Recreational Activities:				
Community Center:				
Salaries and Wages	853,160	835,635	785,355	50,280
Fringe Benefits	166,933	163,504	154,481	9,023
Purchased Services	471,740	455,017	398,720	56,297
Materials and Supplies	222,718	214,358	156,425	57,933
Capital Outlay	141,007	136,943	98,567	38,376
Other	17,466	27,156	22,845	4,311
<i>Total Expenditures</i>	<u>1,873,024</u>	<u>1,832,613</u>	<u>1,616,393</u>	<u>216,220</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,282,222)</u>	<u>(1,198,508)</u>	<u>(930,891)</u>	<u>267,617</u>
Other Financing Sources (Uses)				
Transfers In	1,030,106	999,803	908,905	(90,898)
Transfers Out	0	(53,414)	(53,414)	0
<i>Total Other Financing Sources (Uses)</i>	<u>1,030,106</u>	<u>946,389</u>	<u>855,491</u>	<u>(90,898)</u>
<i>Net Change in Fund Balance</i>	(252,116)	(252,119)	(75,400)	176,719
<i>Fund Balance Beginning of Year</i>	213,913	213,913	213,913	0
Prior Year Encumbrances Appropriated	<u>38,517</u>	<u>38,517</u>	<u>38,517</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$314</u></u>	<u><u>\$311</u></u>	<u><u>\$177,030</u></u>	<u><u>\$176,719</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Programs Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$75	\$75	\$86	\$11
Miscellaneous	838	838	2,749	1,911
<i>Total Revenues</i>	913	913	2,835	1,922
Expenditures				
Current:				
Recreational Activities:				
Special Events:				
Materials and Supplies	9,972	9,972	2,016	7,956
<i>Excess of Revenues Over (Under) Expenditures</i>	(9,059)	(9,059)	819	9,878
Other Financing Sources				
Transfers Out	(8,905)	(8,905)	(8,905)	0
<i>Net Change in Fund Balance</i>	(17,964)	(17,964)	(8,086)	9,878
<i>Fund Balance Beginning of Year</i>	18,080	18,080	18,080	0
<i>Fund Balance End of Year</i>	<u>\$116</u>	<u>\$116</u>	<u>\$9,994</u>	<u>\$9,878</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Road Maintenance Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property and Other Taxes	\$452,905	\$452,905	\$469,648	\$16,743
Intergovernmental	71,000	71,000	70,813	(187)
Interest	5,500	5,500	5,413	(87)
<i>Total Revenues</i>	<u>529,405</u>	<u>529,405</u>	<u>545,874</u>	<u>16,469</u>
Expenditures				
Current:				
Street Construction, Maintenance and Repair:				
Street Repair and Maintenance:				
Purchased Services	669,680	855,955	843,243	12,712
Materials and Supplies	3,022	3,500	3,141	359
Capital Outlay	162,407	219,731	219,731	0
<i>Total Expenditures</i>	<u>835,109</u>	<u>1,079,186</u>	<u>1,066,115</u>	<u>13,071</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(305,704)</u>	<u>(549,781)</u>	<u>(520,241)</u>	<u>29,540</u>
Other Financing Sources (Uses)				
Transfers In	0	250,000	250,000	0
Transfers Out	(10,130)	(11,732)	(11,732)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(10,130)</u>	<u>238,268</u>	<u>238,268</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(315,834)	(311,513)	(281,973)	29,540
<i>Fund Balance Beginning of Year</i>	37,410	37,410	37,410	0
Prior Year Encumbrances Appropriated	333,810	333,810	333,810	0
<i>Fund Balance End of Year</i>	<u>\$55,386</u>	<u>\$59,707</u>	<u>\$89,247</u>	<u>\$29,540</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Clean Ohio Grant Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$261,000	\$0	\$0	\$0
Expenditures				
Current:				
Public Health:				
Clean Ohio Conservation:				
Purchased Services	<u>261,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio Arts Grant Fund
For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$6,928	\$6,928	\$6,928	\$0
Interest	25	25	0	(25)
<i>Total Revenues</i>	6,953	6,953	6,928	(25)
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Ohio Arts Council:				
Purchased Services	15,146	15,399	15,399	0
<i>Excess of Revenues Under Expenditures</i>	(8,193)	(8,446)	(8,471)	(25)
Other Financing Uses				
Transfers Out	(6,828)	(6,828)	(6,828)	0
<i>Net Change in Fund Balance</i>	(15,021)	(15,274)	(15,299)	(25)
<i>Fund Balance Beginning of Year</i>	11,325	11,325	11,325	0
Prior Year Encumbrances Appropriated	3,974	3,974	3,974	0
<i>Fund Balance End of Year</i>	<u>\$278</u>	<u>\$25</u>	<u>\$0</u>	<u>(\$25)</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Federal Equitable Sharing Fund
For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$20	\$20	\$40	\$20
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Federal Equitable Sharing				
Other	<u>3,800</u>	<u>3,800</u>	<u>0</u>	<u>3,800</u>
<i>Net Change in Fund Balance</i>	(3,780)	(3,780)	40	3,820
<i>Fund Balance Beginning of Year</i>	<u>3,831</u>	<u>3,831</u>	<u>3,831</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$51</u></u>	<u><u>\$51</u></u>	<u><u>\$3,871</u></u>	<u><u>\$3,820</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Prisoner Assistance Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$700	\$700	\$397	(\$303)
Interest	60	60	107	47
<i>Total Revenues</i>	760	760	504	(256)
Expenditures				
Current:				
Public Safety:				
Police:				
Prisoner Support:				
Materials and Supplies	7,600	7,600	54	7,546
<i>Net Change in Fund Balance</i>	(6,840)	(6,840)	450	7,290
<i>Fund Balance Beginning of Year</i>	7,625	7,625	7,625	0
<i>Fund Balance End of Year</i>	<u>\$785</u>	<u>\$785</u>	<u>\$8,075</u>	<u>\$7,290</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Drivers Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$600	\$600	\$600	\$0
Interest	50	50	98	48
<i>Total Revenues</i>	650	650	698	48
Expenditures				
Current:				
Public Safety:				
Police:				
Purchased Services	6,700	6,700	0	6,700
<i>Net Change in Fund Balance</i>	(6,050)	(6,050)	698	6,748
<i>Fund Balance Beginning of Year</i>	6,872	6,872	6,872	0
<i>Fund Balance End of Year</i>	<u>\$822</u>	<u>\$822</u>	<u>\$7,570</u>	<u>\$6,748</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Enforcement and Education Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$1,750	\$1,750	\$1,495	(\$255)
Interest	230	230	386	156
Donations	500	500	0	(500)
Miscellaneous	6,800	6,800	6,600	(200)
<i>Total Revenues</i>	<u>9,280</u>	<u>9,280</u>	<u>8,481</u>	<u>(799)</u>
Expenditures				
Current:				
Public Safety:				
Police:				
Salaries and Wages	12,100	10,700	1,887	8,813
Purchased Services	14,116	16,666	6,035	10,631
Materials and Supplies	2,880	3,400	365	3,035
Capital Outlay	2,540	3,000	0	3,000
<i>Total Expenditures</i>	<u>31,636</u>	<u>33,766</u>	<u>8,287</u>	<u>25,479</u>
<i>Net Change in Fund Balance</i>	(22,356)	(24,486)	194	24,680
<i>Fund Balance Beginning of Year</i>	26,682	26,682	26,682	0
Prior Year Encumbrances Appropriated	<u>2,085</u>	<u>2,085</u>	<u>2,085</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$6,411</u></u>	<u><u>\$4,281</u></u>	<u><u>\$28,961</u></u>	<u><u>\$24,680</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Computerization Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$16,000	\$16,000	\$17,946	\$1,946
Interest	1,000	1,000	1,575	575
<i>Total Revenues</i>	17,000	17,000	19,521	2,521
Expenditures				
Current:				
General Government:				
Judicial:				
Court Computerization:				
Purchased Services	115,000	115,000	1,040	113,960
<i>Net Change in Fund Balance</i>	(98,000)	(98,000)	18,481	116,481
<i>Fund Balance Beginning of Year</i>	106,960	106,960	106,960	0
<i>Fund Balance End of Year</i>	<u>\$8,960</u>	<u>\$8,960</u>	<u>\$125,441</u>	<u>\$116,481</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Natureworks Grants Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$200,000	\$200,000	\$200,000	\$0
Interest	5,000	5,000	4,503	(497)
<i>Total Revenues</i>	<u>205,000</u>	<u>205,000</u>	<u>204,503</u>	<u>(497)</u>
Expenditures				
Current:				
Housing and Community Development:				
Nature Planning:				
Purchased Services	51,843	51,843	37,093	14,750
Materials and Supplies	500	500	476	24
Capital Outlay	666,222	666,222	601,351	64,871
<i>Total Expenditures</i>	<u>718,565</u>	<u>718,565</u>	<u>638,920</u>	<u>79,645</u>
<i>Excess of Revenues Under Expenditures</i>	(513,565)	(513,565)	(434,417)	79,148
Other Financing Sources				
Transfers In	50,000	50,000	50,000	0
<i>Net Change in Fund Balance</i>	(463,565)	(463,565)	(384,417)	79,148
<i>Fund Balance Beginning of Year</i>	41,594	41,594	41,594	0
Prior Year Encumbrances Appropriated	423,565	423,565	423,565	0
<i>Fund Balance End of Year</i>	<u>\$1,594</u>	<u>\$1,594</u>	<u>\$80,742</u>	<u>\$79,148</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recycling Demo Fund
For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$13,285	\$11,666	\$23,839	\$12,173
Interest	36	50	396	346
<i>Total Revenues</i>	13,321	11,716	24,235	12,519
Expenditures				
Current:				
Basic Utility Services:				
Rubbish Recycling:				
Capital Outlay	84,390	84,390	84,358	32
<i>Excess of Revenues Under Expenditures</i>	(71,069)	(72,674)	(60,123)	12,551
Other Financing Sources				
Transfers In	4,228	5,833	5,833	0
<i>Net Change in Fund Balance</i>	(66,841)	(66,841)	(54,290)	12,551
<i>Fund Balance Beginning of Year</i>	699	699	699	0
Prior Year Encumbrances Appropriated	66,891	66,891	66,891	0
<i>Fund Balance End of Year</i>	<u>\$749</u>	<u>\$749</u>	<u>\$13,300</u>	<u>\$12,551</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Tree Planting Grants Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$25,458	\$25,000	\$31,900	\$6,900
Intergovernmental	14,810	15,000	15,000	0
Interest	889	900	2,563	1,663
<i>Total Revenues</i>	<u>41,157</u>	<u>40,900</u>	<u>49,463</u>	<u>8,563</u>
Expenditures				
Current:				
Housing and Community Development:				
Tree Planning:				
Salaries and Wages	32,530	35,300	16,468	18,832
Materials and Supplies	11,540	12,131	12,131	0
Capital Outlay	114,851	111,177	22,739	88,438
Other	3,686	4,000	2,750	1,250
<i>Total Expenditures</i>	<u>162,607</u>	<u>162,608</u>	<u>54,088</u>	<u>108,520</u>
<i>Excess of Revenues Under Expenditures</i>	(121,450)	(121,708)	(4,625)	117,083
Other Financing Sources				
Transfers In	20,043	20,300	20,300	0
<i>Net Change in Fund Balance</i>	(101,407)	(101,408)	15,675	117,083
<i>Fund Balance Beginning of Year</i>	108,594	108,594	108,594	0
Prior Year Encumbrances Appropriated	13,308	13,308	13,308	0
<i>Fund Balance End of Year</i>	<u>\$20,495</u>	<u>\$20,494</u>	<u>\$137,577</u>	<u>\$117,083</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$1,000	\$1,000	\$0	(\$1,000)
Interest	400	400	635	235
<i>Total Revenues</i>	1,400	1,400	635	(765)
Expenditures				
Current:				
Public Safety:				
Police:				
Purchased Services	49,188	49,188	49,188	0
<i>Net Change in Fund Balance</i>	(47,788)	(47,788)	(48,553)	(765)
<i>Fund Balance Beginning of Year</i>	48,127	48,127	48,127	0
Prior Year Encumbrances Appropriated	1,188	1,188	1,188	0
<i>Fund Balance End of Year</i>	<u>\$1,527</u>	<u>\$1,527</u>	<u>\$762</u>	<u>(\$765)</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Mandatory Drug Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$500	\$500	\$854	\$354
Interest	350	350	566	216
<i>Total Revenues</i>	850	850	1,420	570
Expenditures				
Current:				
Public Safety:				
Police:				
Purchased Services	41,000	41,000	3,650	37,350
<i>Net Change in Fund Balance</i>	(40,150)	(40,150)	(2,230)	37,920
<i>Fund Balance Beginning of Year</i>	41,829	41,829	41,829	0
<i>Fund Balance End of Year</i>	<u>\$1,679</u>	<u>\$1,679</u>	<u>\$39,599</u>	<u>\$37,920</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Vehicle Immobilization Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$1,000	\$1,000	\$0	(\$1,000)
Interest	150	150	275	125
<i>Total Revenues</i>	1,150	1,150	275	(875)
Expenditures				
Current:				
Public Safety:				
Police:				
Purchased Services	20,000	20,000	0	20,000
<i>Net Change in Fund Balance</i>	(18,850)	(18,850)	275	19,125
<i>Fund Balance Beginning of Year</i>	20,098	20,098	20,098	0
<i>Fund Balance End of Year</i>	<u>\$1,248</u>	<u>\$1,248</u>	<u>\$20,373</u>	<u>\$19,125</u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Brecksville Safety Town Fund
For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$2,100	\$2,295	\$2,295	\$0
Interest	25	35	35	0
Miscellaneous	600	658	658	0
<i>Total Revenues</i>	<u>2,725</u>	<u>2,988</u>	<u>2,988</u>	<u>0</u>
Expenditures				
Current:				
Public Safety:				
Police:				
Salaries and Wages	1,000	1,000	1,000	0
Purchased Services	2,100	1,584	1,584	0
<i>Total Expenditures</i>	<u>3,100</u>	<u>2,584</u>	<u>2,584</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(375)	404	404	0
Other Financing Uses				
Transfers Out	0	(3,629)	(3,629)	0
<i>Net Change in Fund Balance</i>	(375)	(3,225)	(3,225)	0
<i>Fund Balance Beginning of Year</i>	<u>3,225</u>	<u>3,225</u>	<u>3,225</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,850</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Pension Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property and Other Taxes	\$135,672	\$135,672	\$140,894	\$5,222
Intergovernmental	21,500	21,500	21,244	(256)
<i>Total Revenues</i>	157,172	157,172	162,138	4,966
Expenditures				
Current:				
Public Safety:				
Police:				
Fringe Benefits	150,000	150,000	149,957	43
<i>Net Change in Fund Balance</i>	7,172	7,172	12,181	5,009
<i>Fund Balance Beginning of Year</i>	580	580	580	0
<i>Fund Balance End of Year</i>	<u>\$7,752</u>	<u>\$7,752</u>	<u>\$12,761</u>	<u>\$5,009</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Brecksville Traveler's Trips Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Public Safety:				
Police:				
Materials and Supplies	<u>939</u>	<u>939</u>	<u>939</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	(939)	(939)	(939)	0
Other Financing Uses				
Transfers Out	<u>(1,081)</u>	<u>(1,081)</u>	<u>(1,081)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(2,020)	(2,020)	(2,020)	0
<i>Fund Balance Beginning of Year</i>	<u>2,020</u>	<u>2,020</u>	<u>2,020</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Safety Helmet Donation Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues	\$0	\$0	\$0	\$0
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	0	0	0	0
Other Financing Uses				
Transfers Out	<u>(193)</u>	<u>(193)</u>	<u>(193)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(193)	(193)	(193)	0
<i>Fund Balance Beginning of Year</i>	<u>193</u>	<u>193</u>	<u>193</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Memorial Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Donations	\$0	\$0	\$5	\$5
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Memorials:				
Materials and Supplies	<u>16,323</u>	<u>16,323</u>	<u>0</u>	<u>16,323</u>
<i>Excess of Revenues Over</i> <i>(Under) Expenditures</i>	(16,323)	(16,323)	5	16,328
Other Financing Uses				
Transfers Out	<u>(85)</u>	<u>(85)</u>	<u>(85)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(16,408)	(16,408)	(80)	16,328
<i>Fund Balance Beginning of Year</i>	<u>16,493</u>	<u>16,493</u>	<u>16,493</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$85</u></u>	<u><u>\$85</u></u>	<u><u>\$16,413</u></u>	<u><u>\$16,328</u></u>

City of Brecksville, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Obligation Bond Retirement Fund
For the Year Ended December 31, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property and Other Taxes	\$274,105	\$274,105	\$276,882	\$2,777
Intergovernmental	35,000	35,000	40,379	5,379
<i>Total Revenues</i>	<u>309,105</u>	<u>309,105</u>	<u>317,261</u>	<u>8,156</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Other	385,000	385,000	1,982	383,018
Debt Service:				
Principal Retirement	410,000	410,000	410,000	0
Interest and Fiscal Charges	232,687	232,687	232,687	0
Total Debt Service	<u>642,687</u>	<u>642,687</u>	<u>642,687</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,027,687</u>	<u>1,027,687</u>	<u>644,669</u>	<u>383,018</u>
<i>Excess of Revenues Under Expenditures</i>	(718,582)	(718,582)	(327,408)	391,174
Other Financing Sources				
Transfers In	436,405	436,405	436,405	0
<i>Net Change in Fund Balance</i>	(282,177)	(282,177)	108,997	391,174
<i>Fund Balance Beginning of Year</i>	<u>322,179</u>	<u>322,179</u>	<u>322,179</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$40,002</u></u>	<u><u>\$40,002</u></u>	<u><u>\$431,176</u></u>	<u><u>\$391,174</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Issue II Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$875,000	\$875,000	\$98,252	(\$776,748)
Interest	3,000	3,000	6,953	3,953
<i>Total Revenues</i>	<u>878,000</u>	<u>878,000</u>	<u>105,205</u>	<u>(772,795)</u>
Expenditures				
Capital Outlay:				
Purchased Services	17,000	17,000	0	17,000
Capital Outlay	1,524,394	1,524,393	412,612	1,111,781
Total Capital Outlay	1,541,394	1,541,393	412,612	1,128,781
Debt Service:				
Principal Retirement	45,169	45,170	45,170	0
<i>Total Expenditures</i>	<u>1,586,563</u>	<u>1,586,563</u>	<u>457,782</u>	<u>1,128,781</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(708,563)</u>	<u>(708,563)</u>	<u>(352,577)</u>	<u>355,986</u>
Other Financing Sources (Uses)				
Advances Out	(550,000)	(550,000)	(550,000)	0
Transfers In	1,020,170	1,020,170	764,170	(256,000)
<i>Total Other Financing Sources (Uses)</i>	<u>470,170</u>	<u>470,170</u>	<u>214,170</u>	<u>(256,000)</u>
<i>Net Change in Fund Balance</i>	(238,393)	(238,393)	(138,407)	99,986
<i>Fund Balance Beginning of Year</i>	90,226	90,226	90,226	0
Prior Year Encumbrances Appropriated	156,115	156,115	156,115	0
<i>Fund Balance End of Year</i>	<u>\$7,948</u>	<u>\$7,948</u>	<u>\$107,934</u>	<u>\$99,986</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Improvement Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Municipal Income Taxes	\$192,000	\$192,000	\$192,000	\$0
Interest	5,000	5,000	7,573	2,573
<i>Total Revenues</i>	<u>197,000</u>	<u>197,000</u>	<u>199,573</u>	<u>2,573</u>
Expenditures				
Capital Outlay:				
Capital Outlay	826,215	967,545	799,455	168,090
<i>Excess of Revenues Under Expenditures</i>	<u>(629,215)</u>	<u>(770,545)</u>	<u>(599,882)</u>	<u>170,663</u>
Other Financing Sources (Uses)				
Transfers In	155,000	155,000	125,000	(30,000)
Transfers Out	(24,669)	(22,214)	(22,214)	0
<i>Total Other Financing Sources (Uses)</i>	<u>130,331</u>	<u>132,786</u>	<u>102,786</u>	<u>(30,000)</u>
<i>Net Change in Fund Balance</i>	(498,884)	(637,759)	(497,096)	140,663
<i>Fund Balance Beginning of Year</i>	605,556	605,556	605,556	0
Prior Year Encumbrances Appropriated	12,985	12,985	12,985	0
<i>Fund Balance End of Year</i>	<u>\$119,657</u>	<u>(\$19,218)</u>	<u>\$121,445</u>	<u>\$140,663</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Equipment Replacement Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$700	\$700	\$1,050	\$350
Expenditures				
Capital Outlay:				
Capital Outlay	<u>83,000</u>	<u>83,000</u>	<u>10,859</u>	<u>72,141</u>
<i>Net Change in Fund Balance</i>	(82,300)	(82,300)	(9,809)	72,491
<i>Fund Balance Beginning of Year</i>	<u>82,410</u>	<u>82,410</u>	<u>82,410</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$110</u></u>	<u><u>\$110</u></u>	<u><u>\$72,601</u></u>	<u><u>\$72,491</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Expansion Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$20,000	\$20,000	\$32,595	\$12,595
Interest	500	500	1,242	742
<i>Total Revenues</i>	<u>20,500</u>	<u>20,500</u>	<u>33,837</u>	<u>13,337</u>
Expenditures				
Capital Outlay:				
Materials and Supplies	97,900	97,900	0	97,900
Other	100	100	74	26
<i>Total Expenditures</i>	<u>98,000</u>	<u>98,000</u>	<u>74</u>	<u>97,926</u>
<i>Net Change in Fund Balance</i>	(77,500)	(77,500)	33,763	111,263
<i>Fund Balance Beginning of Year</i>	<u>78,036</u>	<u>78,036</u>	<u>78,036</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$536</u></u>	<u><u>\$536</u></u>	<u><u>\$111,799</u></u>	<u><u>\$111,263</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Library Improvement Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$300	\$300	\$371	\$71
Expenditures				
Capital Outlay:				
Purchased Services	<u>37,000</u>	<u>37,000</u>	<u>0</u>	<u>37,000</u>
<i>Net Change in Fund Balance</i>	(36,700)	(36,700)	371	37,071
<i>Fund Balance Beginning of Year</i>	<u>37,089</u>	<u>37,089</u>	<u>37,089</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$389</u></u>	<u><u>\$389</u></u>	<u><u>\$37,460</u></u>	<u><u>\$37,071</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Station Building Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$5,000	\$5,000	\$4,050	(\$950)
Miscellaneous	0	0	9,402	9,402
<i>Total Revenues</i>	<u>5,000</u>	<u>5,000</u>	<u>13,452</u>	<u>8,452</u>
Expenditures				
Capital Outlay:				
Purchased Services	110,204	80,495	72,329	8,166
Capital Outlay	<u>679,876</u>	<u>709,585</u>	<u>709,465</u>	<u>120</u>
<i>Total Expenditures</i>	<u>790,080</u>	<u>790,080</u>	<u>781,794</u>	<u>8,286</u>
<i>Net Change in Fund Balance</i>	(785,080)	(785,080)	(768,342)	16,738
<i>Fund Balance Beginning of Year</i>	87,423	87,423	87,423	0
Prior Year Encumbrances Appropriated	<u>700,079</u>	<u>700,079</u>	<u>700,079</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,422</u></u>	<u><u>\$2,422</u></u>	<u><u>\$19,160</u></u>	<u><u>\$16,738</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Human Services Facilities Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	<u>\$2,500</u>	<u>\$2,500</u>	<u>\$14,559</u>	<u>\$12,059</u>
Expenditures				
Capital Outlay:				
Purchased Services	714,858	714,858	660,373	54,485
Material and Supplies	10,500	10,500	6,443	4,057
Capital Outlay	<u>1,849,750</u>	<u>1,849,750</u>	<u>6,401</u>	<u>1,843,349</u>
<i>Total Expenditures</i>	<u>2,575,108</u>	<u>2,575,108</u>	<u>673,217</u>	<u>1,901,891</u>
<i>Excess of Revenues Under Expenditures</i>	(2,572,608)	(2,572,608)	(658,658)	1,913,950
Other Financing Sources				
Transfers In	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,400,000</u>	<u>(100,000)</u>
<i>Net Change in Fund Balance</i>	(72,608)	(72,608)	1,741,342	1,813,950
<i>Fund Balance Beginning of Year</i>	136,528	136,528	136,528	0
Prior Year Encumbrances Appropriated	<u>168,875</u>	<u>168,875</u>	<u>168,875</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$232,795</u>	<u>\$232,795</u>	<u>\$2,046,745</u>	<u>\$1,813,950</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Sewer Improvement Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$1,800	\$1,800	\$1,024	(\$776)
Expenditures				
Capital Outlay:				
Purchased Services	1,525,585	1,525,585	745,779	779,806
Capital Outlay	40,000	40,000	0	40,000
<i>Total Expenditures</i>	<u>1,565,585</u>	<u>1,565,585</u>	<u>745,779</u>	<u>819,806</u>
<i>Excess of Revenues</i> <i>Under Expenditures</i>	<u>(1,563,785)</u>	<u>(1,563,785)</u>	<u>(744,755)</u>	<u>819,030</u>
Other Financing Sources (Uses)				
Advances In	0	0	750,000	750,000
Advances Out	0	(200,000)	0	200,000
Transfers In	1,505,000	1,705,000	0	(1,705,000)
Transfers Out	(39,115)	(39,115)	(44,302)	(5,187)
<i>Total Other Financing Sources (Uses)</i>	<u>1,465,885</u>	<u>1,465,885</u>	<u>705,698</u>	<u>(760,187)</u>
<i>Net Change in Fund Balance</i>	(97,900)	(97,900)	(39,057)	58,843
<i>Fund Balance Beginning of Year</i>	<u>104,568</u>	<u>104,568</u>	<u>104,568</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$6,668</u>	<u>\$6,668</u>	<u>\$65,511</u>	<u>\$58,843</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Public Utility Improvement Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$37,000	\$37,000	\$56,635	\$19,635
Interest	5,000	5,000	4,083	(917)
<i>Total Revenues</i>	<u>42,000</u>	<u>42,000</u>	<u>60,718</u>	<u>18,718</u>
Expenditures				
Capital Outlay:				
Material and Supplies	43,224	15,000	6,275	8,725
Capital Outlay	191,049	190,000	133,444	56,556
Other	1,049	0	0	0
<i>Total Expenditures</i>	<u>235,322</u>	<u>205,000</u>	<u>139,719</u>	<u>65,281</u>
<i>Excess of Revenues Under Expenditures</i>	(193,322)	(163,000)	(79,001)	83,999
Other Financing Uses				
Transfers Out	(53,583)	(56,224)	(11,224)	45,000
<i>Net Change in Fund Balance</i>	(246,905)	(219,224)	(90,225)	128,999
<i>Fund Balance Beginning of Year</i>	449,306	449,306	449,306	0
Prior Year Encumbrances Appropriated	24,000	24,000	24,000	0
<i>Fund Balance End of Year</i>	<u>\$226,401</u>	<u>\$254,082</u>	<u>\$383,081</u>	<u>\$128,999</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Self Insurance Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$1,408,689	\$1,405,500	\$1,109,284	(\$296,216)
Interest	431	500	4,271	3,771
Miscellaneous	19,380	22,500	244,581	222,081
<i>Total Revenues</i>	<u>1,428,500</u>	<u>1,428,500</u>	<u>1,358,136</u>	<u>(70,364)</u>
Expenses				
Purchased Services	259,665	298,000	257,739	40,261
Claims	1,207,335	1,169,000	844,929	324,071
<i>Total Expenses</i>	<u>1,467,000</u>	<u>1,467,000</u>	<u>1,102,668</u>	<u>364,332</u>
<i>Net Change in Fund Equity</i>	(38,500)	(38,500)	255,468	293,968
<i>Fund Equity Beginning of Year</i>	<u>42,247</u>	<u>42,247</u>	<u>42,247</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$3,747</u></u>	<u><u>\$3,747</u></u>	<u><u>\$297,715</u></u>	<u><u>\$293,968</u></u>

City of Brecksville, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Cemetery Endowment Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$9	\$9	\$13	\$4
Expenses				
Materials and Supplies	308	308	0	308
Other	2,900	2,900	0	2,900
<i>Total Expenses</i>	<u>3,208</u>	<u>3,208</u>	<u>0</u>	<u>3,208</u>
<i>Net Change in Fund Equity</i>	(3,199)	(3,199)	13	3,212
<i>Fund Equity Beginning of Year</i>	<u>3,199</u>	<u>3,199</u>	<u>3,199</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$3,212</u></u>	<u><u>\$3,212</u></u>

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City of Brecksville, Ohio
*Governmental Activities Revenues by Source
and Expenses by Function
Last Four Years*

	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Program Revenues				
Charges for Services	\$1,538,212	\$1,389,736	\$1,401,161	\$1,370,499
Operating Grants and Contributions	588,861	778,363	515,523	653,787
Capital Grants and Contributions	3,627,626	1,507,521	2,431,667	0
General Revenues				
Municipal Income Taxes	4,127,860	3,930,627	3,901,487	3,550,817
Property Taxes	11,373,261	11,061,166	12,187,355	12,257,507
Intergovernmental	1,307,353	1,781,468	1,186,863	1,310,106
Investment Earnings	634,052	714,986	964,378	950,457
Gain on Sale of Capital Assets	16,532	18,321	1,915	0
Miscellaneous	247,880	325,194	676,866	248,960
Total	<u>\$23,461,637</u>	<u>\$21,507,382</u>	<u>\$23,267,215</u>	<u>\$20,342,133</u>
Expenses				
General Government:				
Legislative and Executive	\$4,135,163	\$4,088,405	\$3,793,512	\$3,478,288
Judicial System	151,387	158,683	125,666	154,482
Public Safety:				
Police	3,901,614	3,655,090	3,060,371	3,078,248
Fire	1,964,919	1,374,110	1,738,761	1,533,443
Public Health Services	118,442	145,378	54,214	96,675
Street Construction, Maintenance and Repair	4,132,195	2,784,828	2,760,673	4,486,001
Housing and Community Development	1,186,316	830,697	883,503	782,844
Basic Utility Services	1,884,812	1,701,700	1,659,828	2,019,430
Recreational Activities	1,859,992	1,522,030	1,437,308	1,343,632
Interest and Fiscal Charges	519,414	577,384	651,325	686,151
Total	<u>\$19,854,254</u>	<u>\$16,838,305</u>	<u>\$16,165,161</u>	<u>\$17,659,194</u>

Source: City financial records

City of Brecksville, Ohio
*Governmental Revenues by Source
and Expenditures by Function (1)*
Last Ten Years

	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Revenues				
Taxes (2)	\$15,798,469	\$15,605,768	\$16,544,343	\$14,872,585
Charges for Services	757,802	621,980	640,568	569,601
Licenses and Permits	382,356	335,530	290,325	376,390
Fines and Forfeitures	321,007	353,697	394,319	356,597
Intergovernmental	2,776,961	3,496,062	1,869,874	1,898,138
Special Assessments	327,902	325,000	265,000	535,262
Interest	629,781	714,986	960,118	973,121
Sales	0	0	0	0
Donations	9,734	8,611	15,130	11,227
Rentals	77,047	150,939	75,949	75,186
Miscellaneous	223,698	415,384	641,602	245,914
Total	<u><u>\$21,304,757</u></u>	<u><u>\$22,027,957</u></u>	<u><u>\$21,697,228</u></u>	<u><u>\$19,914,021</u></u>
Expenditures				
Current				
General Government: (3)				
Legislative and Executive	\$4,024,845	\$3,490,750	\$3,606,295	\$3,393,415
Judicial System	150,947	154,019	132,114	156,667
Public Safety: (3)				
Police	3,699,440	3,419,938	3,250,985	3,111,668
Fire	1,845,131	1,641,677	1,521,449	1,505,903
Public Health Services	118,588	142,703	103,780	93,325
Street Construction, Maintenance and Repair	3,327,036	2,568,880	2,299,218	2,478,337
Housing and Community Development	1,183,455	963,679	761,285	646,989
Basic Utility Services	1,640,660	1,324,054	1,246,551	1,289,244
Recreational Activities	1,661,078	1,492,749	1,264,053	1,151,375
Capital Outlay	3,997,138	4,825,124	2,959,846	5,369,478
Debt Service				
Principal Retirement	1,810,170	760,170	685,170	660,170
Interest and Fiscal Charges	502,644	584,633	617,742	689,069
Total	<u><u>\$23,961,132</u></u>	<u><u>\$21,368,376</u></u>	<u><u>\$18,448,488</u></u>	<u><u>\$20,545,640</u></u>

Source: City financial records

(1) Information is based on modified accrual.

(2) Includes All Taxes

(3) 2000 was the first year subcategories were identified for general government and public safety.

1999	1998	1997	1996	1995	1994
\$14,463,984	\$13,452,239	\$11,907,637	\$11,815,080	\$11,016,700	\$10,041,953
532,604	546,933	556,004	542,863	553,612	398,608
317,020	271,021	281,453	295,622	136,572	604,544
375,327	310,979	297,455	305,126	293,938	284,666
2,087,824	1,895,182	1,630,733	2,301,107	2,067,550	1,445,232
495,518	479,277	407,245	402,673	418,822	440,371
655,703	461,111	327,063	254,490	288,133	259,068
20,519	23,033	58,848	46,846	75,242	0
50,785	50,111	62,512	41,825	4,693	0
50,351	48,677	72,889	56,523	70,209	0
200,843	361,336	59,987	39,189	244,751	174,235
<u>\$19,250,478</u>	<u>\$17,899,899</u>	<u>\$15,661,826</u>	<u>\$16,101,344</u>	<u>\$15,170,222</u>	<u>\$13,648,677</u>
\$3,369,331	\$3,029,340	\$2,864,953	\$2,926,802	\$2,414,468	\$2,216,611
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
4,457,722	4,411,141	4,048,103	3,870,920	3,320,271	3,106,765
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
103,603	90,101	94,558	77,667	214,724	579,919
2,313,386	2,289,444	1,995,451	2,059,219	1,922,744	2,713,783
606,612	622,808	527,055	396,906	375,437	586,861
1,182,446	1,104,936	1,162,420	1,058,603	1,064,734	1,446,829
1,122,847	1,032,279	1,054,206	933,192	958,375	775,826
4,278,188	2,606,384	1,499,830	2,177,856	4,040,695	81
624,558	579,449	572,244	585,118	608,655	589,618
646,856	600,691	593,253	606,569	630,969	611,234
<u>\$18,705,549</u>	<u>\$16,366,573</u>	<u>\$14,412,073</u>	<u>\$14,692,852</u>	<u>\$15,551,072</u>	<u>\$12,627,527</u>

City of Brecksville, Ohio
Real Property and Public Utility Tax Levies And Collections
Last Ten Years

Year	Current Tax Levy (1)	Delinquent Tax Levy	Total Tax Levy	Current Collection (1)	Percent of Current Collections To Current Tax Levy
2003	\$4,394,725	\$180,832	\$4,575,557	\$4,260,805	96.95%
2002	4,196,571	139,812	4,336,383	4,056,919	96.67
2001	4,190,263	119,956	4,310,219	4,000,610	95.47
2000	3,707,702	93,935	3,801,637	3,579,270	96.54
1999	3,668,131	146,678	3,814,809	3,622,337	98.75
1998	3,622,243	132,168	3,754,411	3,557,785	98.22
1997	3,282,149	107,427	3,389,576	3,205,601	97.67
1996	3,225,251	99,787	3,325,038	3,187,376	98.83
1995	3,201,707	93,531	3,295,238	3,136,991	97.98
1994	2,770,327	144,057	2,914,384	2,731,058	98.58

Source: Cuyahoga County, Ohio; County Auditor

(1) Includes homestead/rollback taxes assessed locally but distributed through the State and reported as intergovernmental revenue.

(2) Includes penalties and interest, since by Ohio Law, they become part of tax obligation as assessment occurs.

Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Current Tax Levy	Outstanding Delinquent Taxes (2)	Percent of Delinquent Taxes to Total Tax Levy
\$115,999	\$4,376,804	99.59%	\$170,044	3.72 %
92,795	4,149,714	98.88	175,470	4.05
83,419	4,084,029	97.46	123,141	2.86
62,076	3,641,346	98.21	108,391	2.85
102,732	3,725,069	101.55	88,473	2.32
48,326	3,606,111	99.55	135,538	3.61
35,202	3,240,803	98.74	124,759	3.68
39,854	3,227,230	100.06	94,938	2.86
34,246	3,171,237	99.05	93,531	2.84
60,180	2,791,238	100.75	106,228	3.64

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

Year	Current Tax Levy	Delinquent Tax Levy	Total Tax Levy	Current Tax Collections
2003	\$238,088	\$32,119	\$270,207	\$219,492
2002	256,856	21,078	277,934	250,419
2001	261,601	71,664	333,265	258,309
2000	237,359	67,348	304,707	224,473
1999	243,380	62,049	305,429	242,928
1998	244,544	71,865	316,409	241,094
1997	282,281	80,182	362,463	281,275
1996	233,678	100,571	334,249	230,660
1995	213,790	103,474	317,264	209,496
1994	182,864	113,006	295,870	174,659

Source: Cuyahoga County, Ohio; County Auditor

- (1) Includes penalties and interest, since by Ohio Law, they become part of tax obligation as assessment occurs.

<u>Percent of Current Collections To Current Tax Levy</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Current Tax Levy</u>	<u>Outstanding Delinquent Taxes (1)</u>	<u>Percent of Delinquent Taxes to Total Tax Levy</u>
92.19%	\$16,707	\$236,199	99.21%	\$34,076	12.61%
97.49	10,669	261,088	101.65	16,976	6.11
98.74	18,873	277,182	105.96	55,465	16.64
94.57	12,668	237,141	99.91	71,591	23.50
99.81	6,282	249,210	102.40	55,615	18.21
98.59	8,637	249,731	102.12	66,428	20.99
99.64	6,556	287,831	101.97	61,562	16.98
98.71	3,018	233,678	100.00	63,137	18.89
97.99	4,293	213,789	100.00	103,474	32.61
95.51	10,303	184,962	101.15	110,062	37.20

City of Brecksville, Ohio
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Year	Real Property		Public Utility Property	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)
2003	\$478,490,900	\$1,367,116,857	\$20,984,450	\$23,845,966
2002	460,952,210	1,317,006,314	21,668,560	24,623,364
2001	447,218,260	1,277,766,457	33,447,710	38,008,761
2000	391,765,310	1,119,329,457	34,466,070	39,165,989
1999	386,598,490	1,104,567,114	35,334,490	40,152,830
1998	376,944,390	1,076,983,971	35,441,760	40,274,727
1997	346,920,010	991,200,029	25,843,020	29,367,068
1996	340,516,200	972,903,429	26,291,450	29,876,648
1995	332,150,090	949,000,257	28,182,460	32,025,523
1994	284,504,820	812,870,914	26,788,860	30,441,886

Source: Cuyahoga County, Ohio; County Auditor

(1) This amount is calculated based on the following percentages:

Real property is assessed at thirty-five percent of actual value.

Public utility is assessed at eighty-eight percent of actual value.

Capital assets for tangible personal property is assessed at twenty-five percent of actual value.

Inventory for tangible personal property is assessed at twenty-three percent of actual value.

Tangible Personal Property		Total		Ratio
Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value	
\$29,509,649	\$118,038,596	\$528,984,999	\$1,509,001,419	35.06%
30,013,647	120,054,588	512,634,417	1,461,684,266	35.07
27,244,402	108,977,608	507,910,372	1,424,752,827	35.65
27,974,748	111,898,992	454,206,128	1,270,394,438	35.75
27,789,077	111,156,308	449,722,057	1,255,876,252	35.81
32,077,445	128,309,780	444,463,595	1,245,568,479	35.68
26,554,299	106,217,196	399,317,329	1,126,784,293	35.44
24,021,325	96,085,300	390,828,975	1,098,865,376	35.57
20,546,575	82,186,300	380,879,125	1,063,212,080	35.82
19,434,765	77,739,060	330,728,445	921,051,861	35.91

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

City of Brecksville							
Year	General	Bond Retirement	Police Pension	Fire Levy	Road Improvement Levy	Library Levy	Total City
2003	\$3.51	\$0.00	\$0.30	\$3.40	\$1.00	\$0.49	\$8.70
2002	3.51	0.00	0.30	3.40	1.00	0.49	8.70
2001	3.51	0.00	0.30	3.40	1.00	0.49	8.70
2000	3.51	0.00	0.30	3.40	1.00	0.49	8.70
1999	3.51	0.00	0.30	3.40	1.00	0.49	8.70
1998	3.51	0.00	0.30	3.40	1.00	0.59	8.80
1997	3.51	0.00	0.30	3.40	1.00	0.59	8.80
1996	3.51	0.00	0.30	3.40	1.00	0.59	8.80
1995	3.51	0.00	0.30	3.40	1.00	0.69	8.90
1994	3.51	0.00	0.30	3.40	1.00	0.69	8.90

Source: Cuyahoga County, Ohio; County Auditor

<u>Library and County</u>	<u>School</u>	<u>Joint Vocational School</u>	<u>Total</u>
\$19.40	\$71.40	\$2.00	\$101.50
17.60	71.50	2.00	99.80
17.60	64.80	2.00	93.10
16.70	65.30	2.00	92.70
16.70	65.30	2.00	92.70
16.70	65.40	2.00	92.90
18.00	60.80	0.00	87.60
18.00	62.50	0.00	89.30
18.20	61.90	0.00	89.00
17.80	57.90	0.00	84.60

City of Brecksville, Ohio
Special Assessment Levies and Collections (1)
Last Ten Years

Year	Current Assessments Levied	Current Assessments Collected (3)	Percentage of Current Assessments Collected to Levy	Delinquent Assessments Collected	Percentage of Delinquent Assessments Collected to Current Levy
2003	\$668,832	\$263,790	39.44 %	\$64,112	9.59 %
2002	339,062	318,010	93.79	6,990	2.06
2001	276,963	260,484	94.05	4,516	1.63
2000	488,065	473,800	97.08	36,818	7.54
1999	488,692	444,991	91.06	50,527	10.34
1998	489,415	468,977	95.82	10,300	2.10
1997	392,505	392,481	99.99	14,764	3.76
1996	393,724	385,808	97.99	16,865	4.28
1995	393,132	384,076	97.70	9,530	2.42
1994	393,880	386,937	98.24	4,315	1.10

Source: Cuyahoga County, Ohio; County Auditor

- (1) Includes only special assessments collected by the County for the retirement of debt.
- (2) Includes penalties and interest, since by Ohio Law, they become part of tax obligation as assessment occurs.
- (3) Prior to 2001, special assessments include both principal and interest. 2001, 2002 and 2003 represents principal only.

Total Assessments Collected	Percentage of Total Collections to Current Levy	Accumulative Delinquency (2)
\$327,902	49.03 %	\$27,098
325,000	95.85	29,321
265,000	95.68	18,014
510,618	104.62	14,639
495,518	101.40	55,959
479,277	97.93	52,809
407,245	103.76	31,060
402,673	102.27	42,381
393,606	100.12	44,868
391,252	99.33	67,326

City of Brecksville, Ohio
*Ratio of Net General Bonded Debt to Assessed
 Value and Net Bonded Debt Per Capita
 Last Ten Years*

Year	Population	Net General Obligation Bonded Debt	Assessed Value	Ratio of Net Bonded Debt to Assessed Value	Net General Obligation Bonded Debt Per Capita
2003	13,382	\$3,700,739	\$528,984,999	0.77%	\$276.55
2002	13,382	4,552,221	512,634,417	0.89	340.17
2001	13,382	4,951,838	507,910,372	0.97	370.04
2000	13,382	5,339,386	454,206,128	1.18	399.00
1999	12,535	5,685,488	449,722,057	1.26	453.57
1998	12,535	6,010,299	444,463,595	1.35	479.48
1997	12,535	6,154,184	399,317,329	1.54	490.96
1996	12,535	6,339,162	390,828,975	1.62	505.72
1995	12,061	6,502,696	380,879,125	1.71	539.15
1994	12,061	6,759,858	330,728,445	2.04	560.47

Source: Cuyahoga Planning Commission
 Cuyahoga County, Ohio; County Auditor

City of Brecksville, Ohio
Computation of Legal Debt Margin
December 31, 2003

Total Assessed Property Value	\$528,984,999
Overall Debt Limitation (10 ½ % of Assessed Valuation)	\$55,543,425
Gross Indebtedness	10,065,369
Less: Special Assessments Bonds	(4,417,000)
OPWC Loans	(516,454)
General Obligation Bond Retirement Fund Balance	(431,176)
Net Debt Within 10 1/2% Limitations	4,700,739
<i>Overall Legal Debt Margin Within 10 1/2% Limitations</i>	<i>\$50,842,686</i>
Unvoted Debt Limitation (5 1/2% of Assessed Valuation)	\$29,094,175
Gross Indebtedness	10,065,369
Less: Special Assessments Bonds	(4,417,000)
OPWC Loans	(516,454)
General Obligation Bond Retirement Fund Balance	(431,176)
Net Debt Within 5 1/2% Limitations	4,700,739
<i>Unvoted Legal Debt Margin Within 5 1/2% Limitations</i>	<i>\$24,393,436</i>

Source: Cuyahoga County, Ohio; County Auditor

City of Brecksville, Ohio
Computation of Direct and Overlapping General Obligation Bonded Debt
December 31, 2003

	General Obligation Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City of Brecksville
Direct:			
City of Brecksville	\$4,131,915	100.00%	\$4,131,915
Overlapping:			
Cuyahoga County	183,239,636	1.85	3,389,933
Brecksville City Schools	31,836,817	59.36	18,898,335
Regional Transit Authority	130,795,000	1.85	2,419,708
<i>Total Overlapping</i>	345,871,453		24,707,975
Total	\$350,003,368		\$28,839,890

Source: Cuyahoga County, Ohio; County Auditor

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the City by the assessed valuation of the political subdivision.

City of Brecksville, Ohio
*Ratio of Annual Debt Service Expenditures For
 General Bonded Debt to Total Governmental Expenditures
 Last Ten Years*

Year	Principal	Interest	Total Debt Service	Total Governmental Expenditures	Ratio of Debt Service To Total Governmental Expenditures
2003	\$410,000	\$232,687	\$642,687	\$23,961,132	2.68 %
2002	390,000	250,875	640,875	21,368,376	3.00
2001	375,000	269,455	644,455	18,448,488	3.49
2000	355,000	286,637	641,637	20,545,640	3.12
1999	330,000	304,355	634,355	18,705,549	3.39
1998	320,000	321,020	641,020	16,366,573	3.92
1997	340,000	323,422	663,422	14,412,073	4.60
1996	235,000	430,445	665,445	14,692,852	4.53
1995	220,000	448,455	668,455	15,551,072	4.30
1994	205,000	465,155	670,155	12,627,527	5.31

Source: City financial records

City of Brecksville, Ohio
Property Value, Construction and Bank Deposits
Last Ten Years

Year	Property Value (1)	Number of Building Permits	Dollar Value of Building Permits	Bank Deposits (in thousands)(2)
2003	\$478,490,900	1,048	\$45,116,381	\$97,238,973
2002	460,952,210	1,117	22,806,516	95,761,917
2001	447,218,260	926	33,899,565	63,893,769
2000	391,765,310	929	32,891,302	61,942,764
1999	386,598,490	940	26,148,699	57,816,942
1998	376,944,390	982	18,849,006	58,904,596
1997	346,920,010	728	23,015,569	53,941,971
1996	340,516,200	780	23,649,978	27,068,211
1995	332,150,090	703	18,064,783	22,458,573
1994	284,504,820	740	25,313,314	20,885,453

Sources: Cuyahoga County, Ohio; County Auditor
City building permits reports
Federal Reserve Bank of Cleveland

(1) Represents total real property assessed value for the City

(2) In 1997 KeyBank adopted a single charter causing a significant increase in recorded bank deposits

City of Brecksville, Ohio
Principal Taxpayers - Real and Tangible Personal Property
December 31, 2003

Taxpayer	Assessed Value	Percent of Assessed Value
Cleveland Electric Illuminating Company	\$16,815,400	3.31 %
Ohio Bell Telephone	12,044,980	2.37
PMD Group, Inc.	7,692,300	1.51
Grand Bay of Brecksville	7,087,140	1.40
Gateway Association III & IV	4,479,850	0.88
Treeline, Inc.	3,399,970	0.67
Southpoint Association	2,827,490	0.56
Brecksville Shopping Center	2,798,410	0.55
Brecksville Land Development, LLC	2,673,930	0.53
312 Company	2,143,980	0.42
<i>Totals</i>	<u>\$61,963,450</u>	<u>12.20 %</u>
Real Property Assessed Valuation	\$478,490,900	
Tangible Personal Property Assessed Valuation	<u>29,509,649</u>	
Assessed Valuation	<u>\$508,000,549</u>	

Source: Cuyahoga County, Ohio; County Auditor

City of Brecksville, Ohio
Principal Taxpayers - Public Utility Property
 December 31, 2003

Taxpayer	Assessed Value	Percent of Assessed Value
Cleveland Electric Illuminating Company	\$13,907,250	66.27 %
Ohio Bell Telephone	2,692,380	12.83
Ameritech Advanced	1,464,020	6.98
East Ohio Gas Company	895,340	4.27
American Transmission System	584,120	2.78
AT&T Wireless	277,970	1.32
Sprint Communications	264,110	1.26
Qwest Communications Corporation	263,800	1.26
North Coast Gas Transmission	260,580	1.24
Verizon Select Services	212,910	1.02
<i>Totals</i>	<u>\$20,822,480</u>	<u>99.23 %</u>
Assessed Valuation	<u>\$20,984,450</u>	

Source: Cuyahoga County, Ohio; County Auditor

City of Brecksville, Ohio
Demographic Statistics

Last Six Census		December 31, 2003	
Year	Population		
		Sex:	
		Male	6,675
2000	13,382	Female	6,707
1990	11,818	Median Age	44.1
1980	10,132	Total Households	5,033
1970	9,137	Persons Per Household	2.55
1960	5,435	Median Income	
		Household	\$76,159
1950	2,664	Family	\$86,848
		Median Dollar Value of Housing Units	\$215,800

Source: U.S. Bureau of the Census and City Records

City of Brecksville, Ohio

Miscellaneous Statistics

December 31, 2003

Year Founded	1811
Year of Incorporation	1921
Year Became a City	1960
Year of Adoption of Original City Charter	1956
Form of Government	Mayor and Seven Councilmen
Area-Square Miles	19.54
Election of November 2002:	
Number of Registered Voters - Last General Election	10,324
Number of Votes Cast - Last General Election	5,058
Percentage of Registered Votes Cast	48.99%
Fire Department:	
Number of Stations	1
Number of Uniformed Employees:	
Full-Time	14
Part-Time	21
Number of Paramedics:	
Full-Time	13
Part-Time	9
Police Department:	
Number of Stations	1
Number of Uniformed Employees:	
Full-Time	30
Part-Time	11
Number of Full-Time Dispatchers	5
Buildings:	
Permits Issued	1,048
Estimated Cost of Construction	\$45,116,381
Parks and Recreation:	
Number of Parks	3
Number of Ball Diamonds	10
Number of Running Tracks	3
Total Number of Playgrounds	8
Number of Golf Courses	2
Number of Tennis Courts	3
Number of Football Stadiums	1
Number of Full Size Soccer Fields	2

Source: City Records



**Auditor of State
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CITY OF BRECKSVILLE

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 5, 2004**