

Mary Taylor, CPA
Auditor of State

CITY OF BRECKSVILLE
CUYAHOGA COUNTY

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Mary Taylor, CPA

Auditor of State

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

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

To the City Council:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brecksville, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2007, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 9, 2008. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not to opine on the effectiveness of the City's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the City's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the City's internal control will not prevent or detect a more than inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the City's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

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

We did note a certain noncompliance or other matter that we reported to the City's management in a separate letter dated June 9, 2008.

We intend this report solely for the information and use of the audit committee, management, and the City Council. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

June 9, 2008

CITY OF BRECKSVILLE, OHIO

COMPREHENSIVE

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2007

ISSUED BY THE DEPARTMENT OF FINANCE

Virginia Price, CPA,

FINANCE DIRECTOR

City of Brecksville, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2007
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JERRY N. HRUBY, MAYOR AND SAFETY DIRECTOR
CITY COUNCIL
LARRY J. POTLA, PRESIDENT
GREGORY SKALJAC, VICE-PRESIDENT
GERALD F. BROSKI
LOUIS N. CAROUSE, JR.
DAVID J. DEUCH
NORA MURPHY
CARL J. OPATRYN
MARY SCULLIN, CLERK

June 9, 2008

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

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

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

State statutes require the City of Brecksville (the City) to be subjected to an annual examination by the Auditor of State. The Auditor of State's office rendered an opinion on the City's financial statements as of December 31, 2007, and the Independent Accountants' Report on the basic financial statements is included in the financial section of this report.

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

Profile of the Government

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

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. A nine-member Charter Review Commission reviews the Charter every ten years and did so in 2003.

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



9069 Brecksville Road • Brecksville, Ohio 44141 • (440)526-2609 • Fax: (440)526-7798

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 City. The Mayor is also the Safety Director and presides over the Mayor's Court.

Mayor Jerry N. Hruby was re-elected to a sixth consecutive term as mayor in the November general election. The mayor is the only mayor to be elected to six consecutive four-year terms since Brecksville became a village in 1921.

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

Security of one's person and property is foremost on the minds of our full-time Police Department and Fire Department. Brecksville takes pride in its low crime rate and rapid response by both police and fire units.

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

Residents have a variety of nearby transportation options because Brecksville is uniquely located "At the Center of It All." By automobile or by connections through downtown Cleveland on the Regional Transit Authority bus and rail lines, one can reach all areas of Cuyahoga County conveniently. State Routes 21 and 82 bisect Brecksville and there is easy access to Interstate Highways I-77, I-480 and I-80, which is the Ohio Turnpike. Amtrak cross-country rail service is available in downtown Cleveland, and Hopkins International Airport is located about fifteen miles from Brecksville.

Entertainment abounds just a short distance away for residents of Brecksville. In downtown Cleveland, the Cleveland Browns of the NFL play in their spectacular Browns Stadium. Progressive Field is the home of the Cleveland Indians. The Cleveland Cavaliers of the NBA play at Quicken Loans Arena which is also a venue for concerts by major recording artists, the circus, ice shows, and a variety of other professional attractions. Cleveland State University's Wolstein Center is home to the Cleveland State University Vikings and even more concerts and shows.

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 in the Warehouse District on the west side of the downtown area and two concert venues in the "Flats" 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 Hospitals serve as emergency care facilities for our residents and visitors who require use of our Fire Department's ambulances and staff of professional paramedics and EMTs. The Greater Cleveland area is known worldwide for excellence in health care.

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

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 fields and soccer fields. At City Hall there are three lighted baseball fields and three lighted tennis courts. Outdoor basketball courts are located on Stadium Drive. The 65,000 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.

Brecksville's \$10 million, 46,000 square foot Human Services Center and expanded facilities for the Community Center opened its doors in 2006. The second floor of the new building houses the Community Center's vast new cardio-vascular fitness section. Headquartered in the new Center is the Department of Human Services which maintains many programs including snow removal and a food bank for low income seniors. It coordinates the local Meals on Wheels program and provides free health screenings. The Human Services Center has a 30' X 50' water therapy exercise pool on the lower level and a full service kitchen with an accompanying large gathering area seating 120. A delicious and nutritious low cost lunch is served by volunteers every Tuesday and Thursday followed by a free movie on Thursday. The cost of operation of the Human Services Center is tempered by the employment of only three full time and five part time employees.

A quality education for our children is provided by the Brecksville-Broadview Heights City School District. Brecksville is also home to the Cuyahoga Valley Career Center which is the area's high school age vocational school and it also provides a multitude of adult education programs for residents.

Local Economy

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 complex located on Brecksville's south side. Each day approximately 11,000 people come to work in Brecksville.

A local developer, The Dalad Group, has purchased property at Miller Road and I-77 and has proposed a mixed-use plan for development of the vacant land. The proposal includes offices, motor services, restaurants, 400,000 square feet of retail, a hotel and a gated, single family residential development. The Dalad Group presented its plans at a public hearing in 2007.

The Dalad Group property will be a linked development with the adjacent 110 acre Veterans Administration hospital (VA) property at Miller and Brecksville Roads which the City has been working to acquire under an Enhanced Use Lease agreement. In the next few years as the hospital vacates the grounds in stages, the City will move forward with its four-phase redevelopment plan. The land is zoned office/laboratory. Although the loss of jobs will represent a 10 percent (\$1.4 million) loss to the City's income tax base, the Mayor and City Council have planned for this eventuality and it is anticipated that future revenues from the redevelopment plan will exceed current revenues. It is expected that a development plan for the VA property will be approved in 2008 with the "Vetdev" group working with the City.

In 2007 the Caruso Coffee Company moved into its newly-constructed building at 6100 West Snowville Road, and the Akzo Nobel Company is working on an 8,700 square foot office/laboratory addition to its building at 6101 West Snowville Road which will bring 40 chemists to Brecksville. A new development by the Geis Company, accessed by a new street, Katherine Boulevard is reaching fruition with a first building to be occupied by Applied Medical Technology, Inc. On June 19, 2007 City Council passed Ordinance 4335 providing for the issuance and sale of \$2,200,000 notes, in anticipation of the issuance of bonds, to pay, in anticipation of the levy and collection of special assessments, for the construction of the Katherine Boulevard development. Clear Choice Lasik Eye Surgery has a two-story, 25,000 square foot building under construction on Edgerton Road.

The Mayor and City Council are developing a master plan for the newly acquired 102 acre "Tree Farm." The farm, located adjacent to the Blossom Property on Oakes Road, is a strategic purchase from the City of Cleveland. It will enable the City to add more playing fields, a field house, outdoor basketball court and possibly a water park.

Brecksville continues its long-standing policy of controlled growth. On November 16, 2004 City Council accepted the recommendation of the Planning Commission for preliminary approval of a major subdivision of about 100 homes on approximately 145 acres on the south side of Snowville Road, west of Dewey Road, to be known as the Woodlands of Snowville. No visible progress occurred in 2007 on the three-phase development. Construction is expected to begin in 2008. In conjunction with this project the Echo Hills wastewater treatment plant conversion will be connected to the Snowville Road/Dewey Road sanitary sewer which will accommodate the Woodlands development. Echo Hills is an adjacent development off Snowville Road.

Construction continues on a Petros Homes development called One Chippewa Trail. It is located just east of the downtown area on Chippewa Road.

The City has been involved in an ongoing legal case with Palmieri/Brecksville Road Realty LLC which purchased land formerly owned by BFGoodrich in Brecksville's south side industrial area. Although the land was zoned office/laboratory and voters overwhelmingly elected to maintain that zoning, the Palmieri Company went to court to request that the zoning be changed to R-40 residential. No activity has transpired since then.

Accomplishments

The City of Brecksville's Finance Department was proud to receive its seventeenth Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the Fiscal Year ended December 31, 2006.

In response to the great flood of 2006, the City completed and distributed an Emergency Preparedness Manual and initiated the "CodeRed" automated telephone warning system for residents. A weather alert system will be added in 2008 to CodeRed and a video supporting the Emergency Preparedness Manual will be produced.

The City purchased property in the adjacent City of Broadview Heights to construct the Edgerton Storm Water Management facility which will control storm water from the Ohio Turnpike and Seneca Golf Course.

During the summer of 2007 the Ohio Department of Transportation completed the repaving of the entire length of Brecksville Road (Ohio State Route 21) in the City.

The City completed a lighting upgrade project in the Community Center's Jack A. Hruby Natatorium.

The City 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 metal, glass, newspapers, magazines, plastic containers and yard waste.

The City pays \$15,000 in annual dues to the Chemical Abuse Prevention Association (CAPA) for a part time 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 City of Brecksville and the CARE Concerned Citizens Group. The CARE program entered its 26th year in 2007, attesting to the program's longevity and commitment.

The 25th Annual Yuletide Hunger Program and its companion program, Adopt-A-Family, distributed a one-month's supply of food to more than 100 families and Christmas gifts to many of those families with small children. The effort began in Brecksville in 1983 and now serves Brecksville residents and people in three adjoining communities.

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 1971 an original play has been produced every year. 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.

Major Initiatives

In 2008 the City will:

- Complete the rebuilding, expansion and paving of the parking lot and access road at the Community Center. On June 19, 2007 City Council passed an Ordinance providing for the issuance and sale of \$800,000 notes, in anticipation of bonds to pay the cost of the improvement.
- Construct a new lighting system for the ball fields behind City Hall.
- Take delivery of a new Sutphen pumper fire truck to replace a 1975 pumper.
- See the Ohio Bell Telephone Company, D.B.A. AT&T Ohio, install Internet Protocol Video Service for residents.

The City of Brecksville will continue to enhance 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.

Long-Term Financial Planning

In 2008 and beyond the City will:

- Continue its long range plans to avoid a reoccurrence of the sizeable damage inflicted by the June 22, 2006 flood. Fitzwater Road will be rebuilt and storm sewers installed. Greenhaven Parkway will have an upgraded storm and sanitary sewer system constructed.
- Continue planning for a new police facility and the reconfiguration of City Hall when the police department moves into its new quarters. City Council expects to hire an architect in 2008.
- Continue working on the master plan for the Blossom Hill/Tree Farm recreation complex.

Relevant Financial Policies

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 improvements fund, \$120,000 to the road improvements fund and \$192,000 to the capital improvement fund. The remainder is credited to the general fund.

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

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

Awards and Acknowledgements

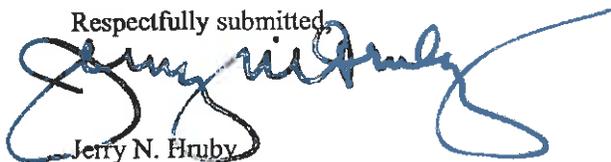
The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to those governmental entities whose CAFR is easily readable, efficiently organized, and conforms to GFOA reporting standards. Such a report must satisfy both generally accepted accounting principles (GAAP) as well as applicable legal requirements. The City of Brecksville received this honor for its Comprehensive Annual Financial Report for the year ended December 31, 2006. A Certificate of Achievement is valid for a period of one year only. The City of Brecksville believes the current report conforms to the Certificate of Achievement Program requirements, and has submitted it to the GFOA to determine its eligibility for another Certificate of Achievement.

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

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

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

Respectfully submitted,



Jerry N. Hruby
Mayor



Virginia Price, CPA
Director of Finance

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, 2006

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.



Charles S. Cox

President

Jeffrey R. Emer

Executive Director

City of Brecksville, Ohio

City Officials

ELECTED OFFICIALS

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

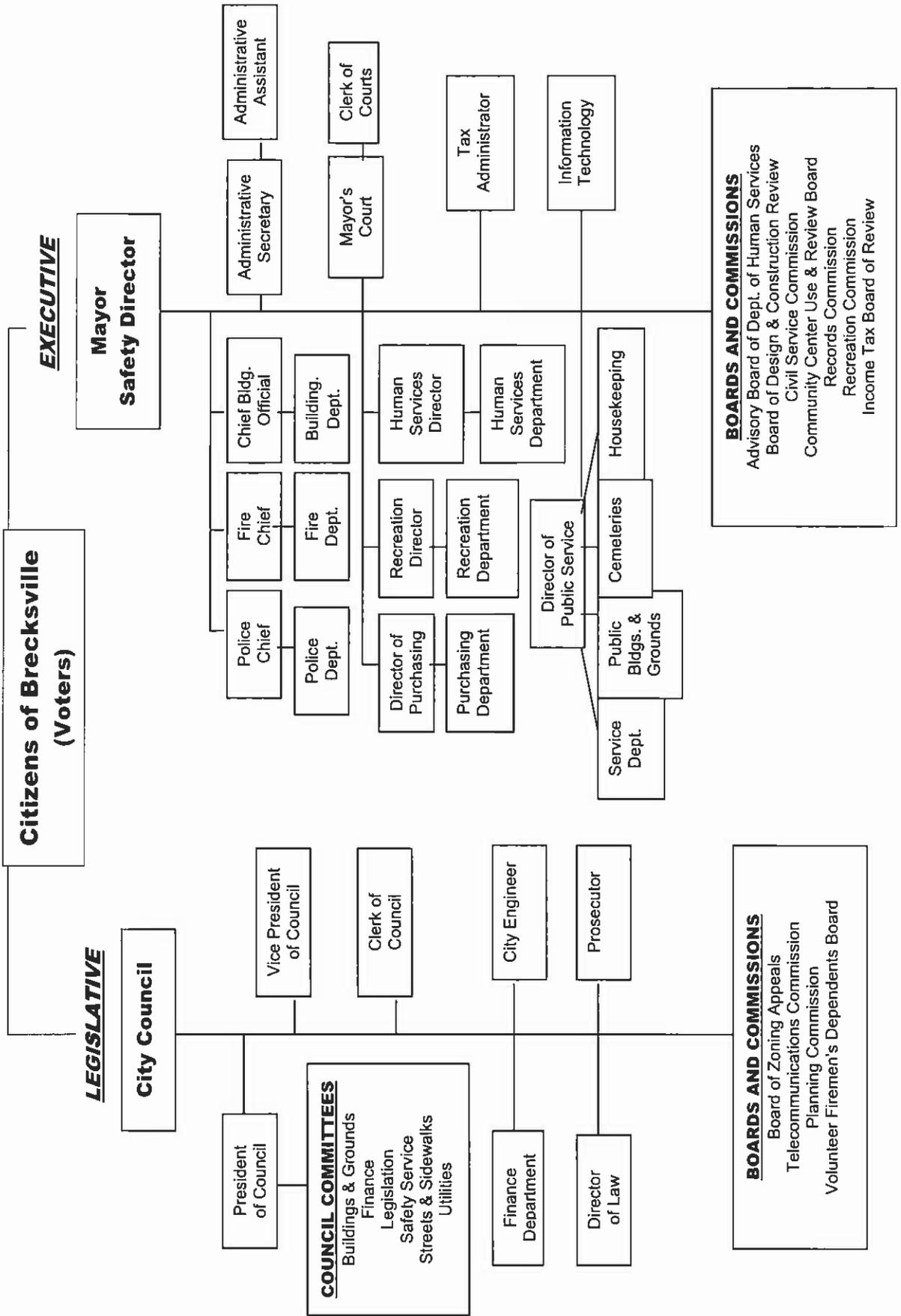
APPOINTED OFFICIALS

Director of Finance.....Virginia Price
Police Chief.....Dennis A. Kancler
Fire ChiefEdwin D. Egut
* Service Director.....Robert J. Pech
Director of Purchasing.....Donna Shirer
Chief Building Official.....Scott Packard
Clerk of Courts.....Shelley Kazimore
Director of Recreation.....Thomas Tupa
Director of Law.....Paul A. Grau
ProsecutorSergio I. Digeronimo
City Engineer.....Victoria McCauley
Clerk of Council.....Mary Scullin

* Service Director – Ron Weidig effective 1/2/08

CITY OF BRECKSVILLE, OHIO

ORGANIZATIONAL CHART



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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

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

To the City Council:

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, 2007, 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 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, 2007, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General and Fire Department Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2008, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

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www.auditor.state.oh.us

We conducted our audit to opine 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 provide additional information 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.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

June 9, 2008

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2007
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, 2007. 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 2007 are as follows:

- Total Net Assets increased \$3,465,852, or a 4.38 percent increase over 2006.
- The City's return on assets was 3.17 percent.
- Total Assets of Governmental Activities increased \$4,745,886, which represents a 4.53 percent increase over 2006.
- Total expenses of all City services were \$22,521,624 in 2007, an increase of \$938,873 over 2006.
- Total Current Liabilities increased by \$2,582,018, or 37.71 percent from 2006 caused by the issuance of \$3,000,000 of one year notes maturing in July of 2008.
- Total Capital Assets increased by \$1,501,081, or 1.99 percent over 2006.
- Total Liabilities at 2007 were \$1,280,034 more than year 2006, a 4.99 percent increase with the \$3,000,000 in new notes contributing to the increase.

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 non-major 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 2007?" 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 similar to the accounting method used by the private sector. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2007
Unaudited

These two statements report the City's net assets and the changes in those assets. The change in 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 needs 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 used to maintain control over resources segregated for specific activities or objectives. The City of Brecksville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the City's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The presentation of the City's major funds begins on page 16. 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, Buildings and Improvements and Road Improvements.

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

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2007
Unaudited

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 2007 compared to 2006.

Table 1
Net Assets

	Governmental Activities		
	2007	2006	Change
Assets			
Current and Other Assets	\$32,407,789	\$29,162,984	\$3,244,805
Capital Assets, Net	77,044,464	75,543,383	1,501,081
<i>Total Assets</i>	<u>109,452,253</u>	<u>104,706,367</u>	<u>4,745,886</u>
Liabilities			
Current and Other Liabilities	9,429,057	6,847,039	2,582,018
Long-Term Liabilities			
Due Within One Year	1,567,434	1,540,163	27,271
Due in More Than One Year	15,889,300	17,218,555	(1,329,255)
<i>Total Liabilities</i>	<u>26,885,791</u>	<u>25,605,757</u>	<u>1,280,034</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	60,553,136	57,841,389	2,711,747
Restricted for:			
Capital Projects	5,991,605	4,400,084	1,591,521
Debt Service	4,811,900	5,162,626	(350,726)
Fire Department	375,265	279,010	96,255
Community Center	282,524	218,840	63,684
Street Construction, Repair, and Maintenance	876,258	1,110,622	(234,364)
Other Purposes	1,296,150	697,202	598,948
Unrestricted	8,379,624	9,390,837	(1,011,213)
<i>Total Net Assets</i>	<u>\$82,566,462</u>	<u>\$79,100,610</u>	<u>\$3,465,852</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 \$82,566,462 at year end 2007. By far the largest portion of the City of Brecksville's net assets (73 percent) is its investment in capital assets including land, buildings, streets, water lines, storm water lines, and machinery net of related debt. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City of Brecksville's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2007
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The City's net assets increased by \$3,465,852 during the current fiscal year. The largest contributing factor to this increase is the \$3,244,805 increase in Current and Other Assets being held in capital improvement funds obtained by note issuance, but not yet expended at year end. Another factor for this increase is the City's previous year's infrastructure spending, resulting in an expansion in Capital Assets of \$1,501,081. The City budgets \$100,000 per month from income tax revenues to provide future funding for specific building or infrastructure improvements. At the end of 2007, the City's total liabilities to net asset ratio was 32.56 percent.

The City carefully invests its cash and equivalents in a variety of investment types with the primary focus being safety of principal, but with an attention to investment opportunities to increase yield. The Investment Board which consists of the Mayor, Finance Director and Law Director pay close attention to daily interest rates and long-term financial trends. The City realized \$1,047,479 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, 2007 compared to 2006.

Table 2
Changes in Net Assets

	Governmental Activities		
	2007	2006	Change
Program Revenues			
Charges for Services	\$1,923,815	\$1,828,168	\$95,647
Operating Grants and Contributions	709,663	683,895	25,768
Capital Grants and Contributions	0	53,095	(53,095)
<i>Total Program Revenues</i>	<u>2,633,478</u>	<u>2,565,158</u>	<u>68,320</u>
General Revenues			
Property Taxes	4,969,483	4,500,339	469,144
Income Taxes	14,960,947	15,214,097	(253,150)
Grants and Entitlements	1,659,652	1,545,865	113,787
Investment Earnings	1,047,479	636,011	411,468
Gain on Sale of Capital Assets	10,011	4,087	5,924
Other	706,426	270,020	436,406
<i>Total General Revenues</i>	<u>23,353,998</u>	<u>22,170,419</u>	<u>1,183,579</u>
<i>Total Revenues</i>	<u>\$25,987,476</u>	<u>\$24,735,577</u>	<u>\$1,251,899</u>

(continued)

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2007
Unaudited

Table 2 (continued)
Changes in Net Assets

	Governmental Activities		
	2007	2006	Change
Program Expenses			
General Government:			
Legislative and Executive	\$5,592,721	\$5,443,397	\$149,324
Judicial	179,656	171,607	8,049
Public Safety:			
Police	4,148,827	3,996,184	152,643
Fire	2,294,629	2,248,157	46,472
Public Health Services	154,672	153,476	1,196
Street Construction, Maintenance and Repairs	4,220,016	3,913,477	306,539
Housing and Community Development	1,092,407	956,383	136,024
Basic Utility Services	2,128,748	2,048,065	80,683
Recreational Activities	1,940,978	1,843,775	97,203
Interest and Fiscal Charges	768,970	808,230	(39,260)
<i>Total Program Expenses</i>	<u>22,521,624</u>	<u>21,582,751</u>	<u>938,873</u>
<i>Change in Net Assets</i>	3,465,852	3,152,826	313,026
Net Assets Beginning of Year	79,100,610	75,947,784	3,152,826
Net Assets End of Year	<u>\$82,566,462</u>	<u>\$79,100,610</u>	<u>\$3,465,852</u>

Governmental Activities

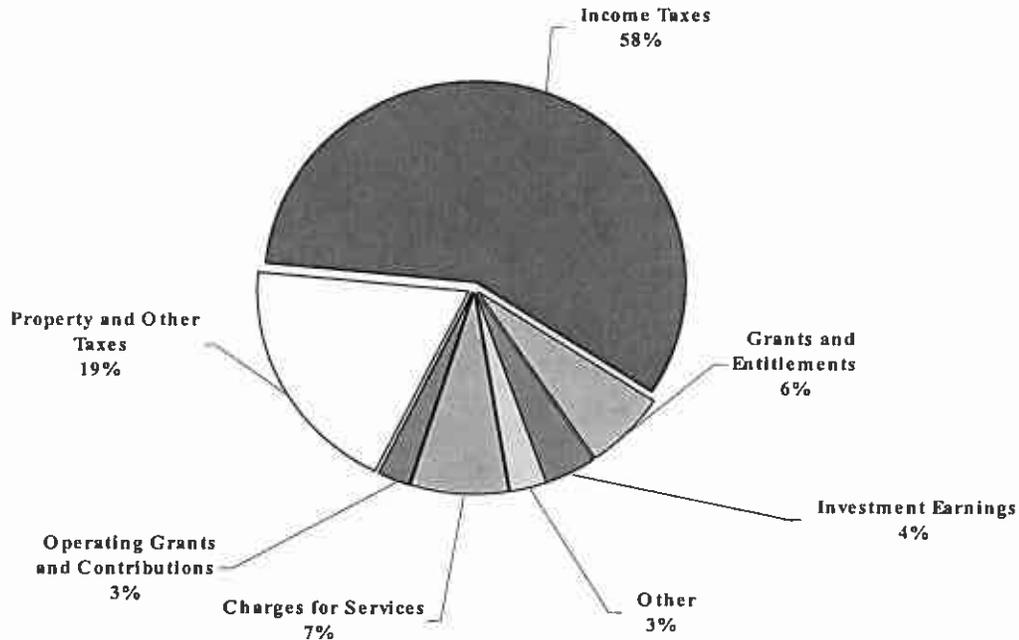
Several revenue sources fund our governmental activities with City income tax being the largest contributor. The income tax rate of 2 percent was created by City Charter and became effective January 1990. This tax created by Charter amendment will remain until such time as the City's electorate changes the rate, which is not anticipated. The income tax revenue amount for 2007 was \$14,960,947. General revenues from grants and entitlements, such as local government funds, are also sources of revenue

City income tax collections in 2007 were down 1.66 percent from 2006 collections. This decrease can be attributed to larger than normal net profit refunds and a slight downturn in taxes from individuals. The City has enjoyed a healthy revenue stream in its income tax collections for the past fifteen years. The catalyst behind its historical growth is a strong economic development program. The City enjoys an income tax base of numerous large and small businesses which provides stability in collections and insures that the City will be able to meet its financial needs even if the City loses one or more of the businesses. City income tax revenue of \$2,472,000 per year is earmarked for specific City improvements. \$80,000 per month or \$960,000 per year is allocated toward general municipal improvements. \$100,000 per month or \$1,200,000 per year is allocated toward building improvements. \$10,000 per month or \$120,000 per year 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.

City of Brecksville
Management's Discussion and Analysis
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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 \$25,987,476 in total revenue, income tax accounts for 58 percent of that total. Property taxes of \$4,969,483 accounts for 19 percent of total revenue, with program revenues, grants and entitlements, investment income and miscellaneous income accounting for the remaining 23 percent.

2007 Revenues by Source



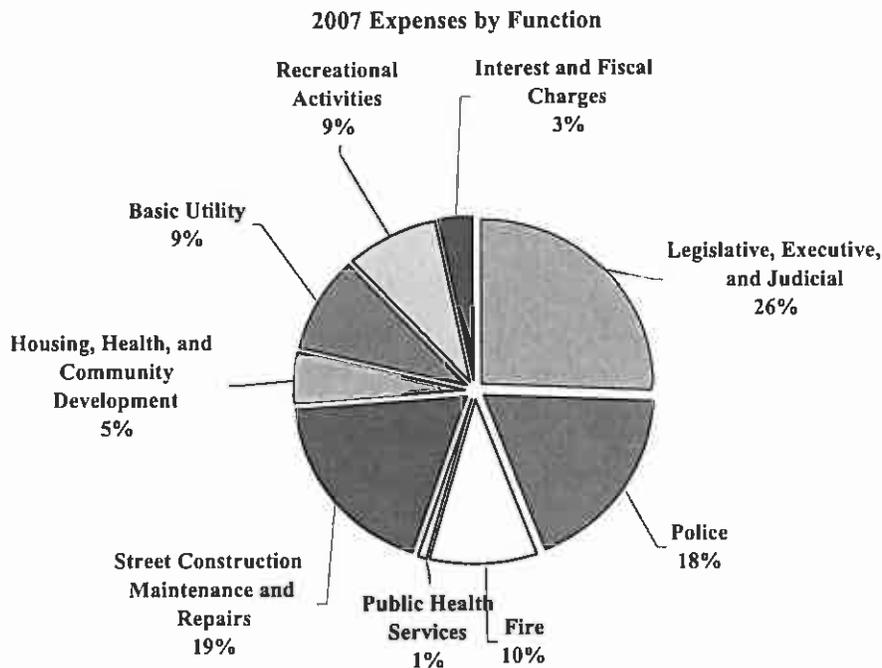
Public safety, including the police and fire departments, accounted for program expenses of \$6,443,456 which is 28 percent of total City expenses for the year 2007. Street construction, maintenance and repair expenses of \$4,220,016 accounted for 19 percent. These two figures illustrate the City's commitment toward infrastructure maintenance as well as the safety of our citizens. The police and fire departments live within their overtime budgets, which accounts 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.

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

As stated previously, 19 percent of our year 2007 program expenses were for road and infrastructure maintenance and repair and an additional 9 percent was used to provide 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.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2007
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The City's Funds

Information about the City's Governmental funds begins on page 16. These funds are accounted for using the modified accrual basis of accounting. All Governmental Funds had total revenue of \$26,024,782 and expenditures of \$25,434,507. The most significant fund is our General Fund with an unreserved fund balance at year-end of \$6,213,938 compared to annual expenditures of \$14,451,878. General Fund revenues exceeded expenditures by \$2,581,956 indicating that the City operations are able to be funded with current revenues. However, the General Fund balance decreased \$1,333,006 due to \$3,950,000 in transfers out to other funds including \$800,000 for operation of the Recreation Department and \$3,150,000 toward capital projects. Another significant fund is the Fire Department Fund with revenues of \$2,253,336, expenditures of \$2,104,482, and transfers to other funds for capital purchases of \$100,000. The City has four other funds it also considers major. These four funds are the Special Assessment Bond Retirement Fund, the General Municipal Improvement Fund, the Buildings and Improvements Fund, and the Road Improvements Fund. The funds have revenues of \$624,415, \$1,378,006, \$1,357,686, and \$140,592 with expenditures of \$625,487, \$2,119,142, \$76,008, and \$424,958, respectively. The General Municipal Improvement Fund had transfers from other funds in the amount of \$2,300,000, and the Buildings and Improvements Fund had transfers from other funds in the amount of \$340,000. Both amounts were for capital projects. The Buildings and Improvements Fund also had transfers out to other funds in the amount of \$1,165,630 to the General Obligation Bond Retirement Fund.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. During the course of 2007, the City amended its General Fund budget several times. The final budgeted revenues were \$611,961 higher than original budgeted revenues because income tax and estate tax revenues were greater than originally anticipated. The large variance between final budget and actual expenditures was due to several factors, including two fewer police officers than budgeted for, and money not spent from the income tax reserve. All recommendations for budget changes come to the Finance

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2007
Unaudited

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.

Capital Assets and Debt Administration

Capital Assets

Table 3
 Capital Assets at December 31

	Governmental Activities	
	2007	2006
Land	\$9,209,142	\$9,027,253
Construction in Progress	3,594,660	2,749,981
Buildings and Improvements	19,441,847	19,868,328
Machinery and Equipment	4,633,969	4,685,756
Furniture and Fixtures	55,439	48,998
Infrastructure		
Roads	14,987,078	14,055,041
Sidewalks	1,007,797	1,097,546
Guardrails	49,922	52,604
Traffic Signals	1,830,183	1,937,512
Storm Sewer	5,288,912	4,954,176
Sanitary Sewer	9,963,901	10,008,990
Water Lines	6,981,614	7,057,198
Total Capital Assets	<u>\$77,044,464</u>	<u>\$75,543,383</u>

Total capital assets, net of depreciation, increased \$1,501,081 from 2006. The largest increase was in road infrastructure, which was comprised of a number of street projects with the most sizeable being the creation of an office park access road off of Miller Road. The increases reflected in both storm sewer and construction in progress assets is the result of several water drainage and retention projects initiated in 2007.

The City of Brecksville seeks grants for infrastructure projects as well as improving our City facilities. In 2007, the City received \$176,065 in Federal Emergency Management Agency grants in reimbursement for repairs the City made to infrastructure damaged by floods in the summer of 2006. Repairs and improvements include storm and sanitary lines, roads and slopes.

As indicated by the steady increases in our capital assets, the City is committed to a long-term goal of rebuilding its infrastructure and facilities. We have a five year capital plan in place providing for rebuilding major residential streets, water, sewer and storm sewer lines, and adding additional facilities to complement our current structures. Use of grants and loans, as well as short-term notes, enable the City to improve its capital assets, and at the same time, maintain our fund levels. See note 9 for additional information on the City's capital assets.

Debt

As of December 31, 2007, the City of Brecksville had \$20,456,734 in bonds, notes, loans, and compensated absences outstanding with \$4,567,434 due within one year.

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2007
Unaudited

Table 4
 Outstanding Debt at Year End

	Governmental Activities	
	2007	2006
General Obligation Bonds	\$11,875,548	\$12,761,477
Special Assessment Bonds	4,169,352	4,569,483
Notes	3,000,000	0
OPWC Loans	709,295	763,179
Compensated Absences	702,539	664,579
Total	\$20,456,734	\$18,758,718

The General Obligation Bond Retirement bonds are composed of a Library Refunding Bond of \$899,999, two Community Center Bonds, one for \$1,016,364 and one for \$775,000, a Human Services Facility Bond of \$5,200,784 and the 2005 Tree Farm Property Bond for \$3,983,401. 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 of income tax proceeds 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 Bonds consist of Sewer Project #1312, Old Royalton Road Water Main, Oakhurst-Fitzwater Sanitary Sewer Refunding, Southpointe Parkway, Four Seasons Sewer and Water, the Service Road Sewer and Water, Route 21/Hilton/Whitewood Sewer and Storm, and Route 21 Access Road. 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, and Oakhurst-Fitzwater Sanitary Sewer. In 2004 the City refunded the Community Center Improvement Bonds of 1992. The bonds were reissued along with \$6,000,000 of new bonds for the Human Service Facility project.

The OPWC Loans are paid semi-annually from the Issue II Fund and will be paid in full in the year 2027. The City's overall debt increased in 2007 by \$1,698,016 due to the issuance of a \$3,000,000 various purpose improvement note. The City's overall legal ten and one-half percent debt limitation (voted and unvoted) on December 31, 2007 was \$67.03 million. The aggregated outstanding debt subject to the ten and one half percent limitation is \$11.55 million. The difference of \$55.48 million between the maximum issuable amount and the outstanding amount represents the aggregate principal amount of additional voted and unvoted nonexempt debt which the City may issue without exceeding the ten and one-half percent limitation. See Note 15 and Note 16 for additional information on the City's debt.

Current Financial Related Activities

The City of Brecksville is financially strong. 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, and expanded our Municipal Parking Lot, Service Department and recreational playing fields. The current addition to our Community Center building provides additional space for recreational activities and a diverse

City of Brecksville
Management's Discussion and Analysis
For the Year Ended December 31, 2007
Unaudited

operations center for our Human Services department including classrooms, meeting rooms, food service facilities and a physical therapy pool. The 102 acre tree farm property provides opportunities for additional recreational and cemetery use.

For many years the City has reduced its health care costs by operating a self-funded insurance program and joining a group rating workers' compensation program. 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. In 2004, the City created a health care cost committee comprised of representatives from all departments to address the issue of rising health care and develop strategies to minimize increases. In 2007, the City was able to realize no increase in its health care expenses compared to 2006 with no change in benefit coverage. Using a five year average, the percentage increase from 2003 through 2007 was 4 percent.

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 six cities in Ohio with the coveted Aa1 rating. Less than three percent of communities nationwide have achieved an Aa1 rating. Only two Ohio cities are rated AAA. In 2005, Moody's renewed this rating when reviewing the City in relation to its new bond issue. In its report Moody's said, "We expect the City's financial operations to remain sound, given conservative fiscal management and the support of healthy reserves."

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. For the first time, the City prepared a Popular Annual Financial Report (PAFR) for the fiscal year ended December 31, 2006. The financial information for this report is taken from the Comprehensive Annual Financial Report and condensed into a ten page reader friendly financial publication. The report was submitted to the GFOA where it received an Award for Outstanding Achievement. The Auditor of the State of Ohio presented Brecksville with the Making Your Tax Dollars Count Award for the fiscal year 2006 audit. Fewer than five percent of all Ohio government agencies are eligible for this award. This award recognizes those that place a high priority on financial accountability. Our commitment to our residents has always been one of full disclosure of the financial position of the City and work to make that information available to them. The City's website www.brecksville.oh.us contains both the CAFR and PAFR as well as other financial information related to revenue, expenditures, and property and income tax.

Contacting the City's Finance Department

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

Basic Financial Statements

City of Brecksville, Ohio
Statement of Net Assets
December 31, 2007

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$18,336,956
Cash and Cash Equivalents in Segregated Accounts	24,026
Materials and Supplies Inventory	139,932
Accounts Receivable	52,493
Accrued Interest Receivable	52,250
Intergovernmental Receivable	990,752
Prepaid Items	76,084
Municipal Income Taxes Receivable	3,432,459
Property Taxes Receivable	5,007,678
Deferred Charges	105,330
Special Assessments Receivable	4,189,829
Nondepreciable Capital Assets	12,803,802
Depreciable Capital Assets, Net	64,240,662
<i>Total Assets</i>	109,452,253
Liabilities	
Accounts Payable	117,840
Contracts Payable	189,260
Retainage Payable	67,076
Accrued Wages and Benefits	419,128
Intergovernmental Payable	342,091
Matured Compensated Absences Payable	59,193
Deferred Revenue	4,609,484
Accrued Interest Payable	115,025
Claims Payable	151,169
Notes Payable	3,000,000
Vacation Benefits Payable	358,791
Long-Term Liabilities:	
Due Within One Year	1,567,434
Due In More Than One Year	15,889,300
<i>Total Liabilities</i>	26,885,791
Net Assets	
Invested in Capital Assets, Net of Related Debt	60,553,136
Restricted for:	
Capital Projects	5,991,605
Debt Service	4,811,900
Fire Department	375,265
Community Center	282,524
Street Construction, Repair and Maintenance	876,258
Other Purposes	1,296,150
Unrestricted	8,379,624
<i>Total Net Assets</i>	\$82,566,462

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Activities
For the Year Ended December 31, 2007

	Expenses	Program Revenues		Net (Expense)
		Charges for Services and Operating Assessments	Operating Grants and Contributions	Revenue and Changes in Net Assets
				Governmental Activities
Governmental Activities				
General Government:				
Legislative and Executive	\$5,592,721	\$513,336	\$5,010	(\$5,074,375)
Judicial System	179,656	201,864	131	22,339
Public Safety:				
Police	4,148,827	9,085	29,040	(4,110,702)
Fire	2,294,629	3,255	175	(2,291,199)
Public Health Services	154,672	7,906	114	(146,652)
Street Construction, Maintenance and Repair	4,220,016	105,053	668,446	(3,446,517)
Housing and Community Development	1,092,407	55,745	583	(1,036,079)
Basic Utility Services	2,128,748	116,823	3,376	(2,008,549)
Recreational Activities	1,940,978	910,748	2,788	(1,027,442)
Interest and Fiscal Charges	768,970	0	0	(768,970)
Total Governmental Activities	\$22,521,624	\$1,923,815	\$709,663	(19,888,146)

General Revenues

Property Taxes Levied for:

General Purposes	2,028,243
Fire Department	1,964,679
Streets	577,846
Police Department	173,354
Debt Service	225,361

Municipal Income Taxes Levied for:

General Purposes	12,386,754
Capital Outlay	2,574,193

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings	1,659,652
Gain on Sale of Capital Assets	1,047,479
Miscellaneous	10,011
	706,426

Total General Revenues 23,353,998

Change in Net Assets 3,465,852

Net Assets Beginning of Year 79,100,610

Net Assets End of Year \$82,566,462

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
 Balance Sheet
 Governmental Funds
 December 31, 2007

	General	Fire Department	Special Assessment Bond Retirement	General Municipal Improvement	Buildings and Improvements	Road Improvements
Assets						
Equity in Pooled Cash and Cash Equivalents	\$6,023,187	\$427,048	\$486,147	\$5,277,782	\$711,479	\$403,741
Cash and Cash Equivalents						
In Segregated Accounts	24,026	0	0	0	0	0
Materials and Supplies Inventory	102,290	0	0	0	0	0
Accounts Receivable	48,417	0	0	1,546	0	0
Accrued Interest Receivable	52,250	0	0	0	0	0
Intergovernmental Receivable	433,497	100,560	0	0	0	81,125
Prepaid Items	75,934	150	0	0	0	0
Municipal Income Taxes Receivable	2,845,311	0	0	228,019	285,023	28,502
Property Taxes Receivable	2,043,832	1,979,781	0	0	0	0
Special Assessments Receivable	0	0	4,189,829	0	0	0
Total Assets	\$11,648,744	\$2,507,539	\$4,675,976	\$5,507,347	\$996,502	\$513,368
Liabilities and Fund Balances						
Liabilities						
Accounts Payable	\$61,623	\$355	\$0	\$252	\$4,210	\$0
Contracts Payable	11,888	0	0	0	0	0
Retainage Payable	0	0	0	40,112	0	0
Notes Payable	0	0	0	3,000,000	0	0
Accrued Wages and Benefits	336,800	59,165	0	0	0	0
Accrued Interest Payable	0	0	0	59,667	0	0
Matured Compensated Absences	59,193	0	0	0	0	0
Intergovernmental Payable	136,841	85,817	0	0	0	0
Deferred Revenue	4,381,531	2,080,341	4,189,829	148,019	185,023	99,627
Total Liabilities	4,987,876	2,225,678	4,189,829	3,248,050	189,233	99,627
Fund Balances						
Reserved for Encumbrances	446,930	3,458	0	2,728,543	43,039	0
Unreserved						
Undesignated, Reported in:						
General Fund	6,213,938	0	0	0	0	0
Special Revenue Funds	0	278,403	0	0	0	0
Debt Service Funds	0	0	486,147	0	0	0
Capital Projects Funds (Deficit)	0	0	0	(469,246)	764,230	413,741
Total Fund Balances	6,660,868	281,861	486,147	2,259,297	807,269	413,741
Total Liabilities and Fund Balances	\$11,648,744	\$2,507,539	\$4,675,976	\$5,507,347	\$996,502	\$513,368

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, 2007

Other Governmental Funds	Total Governmental Funds		
\$4,735,769	\$18,065,153	Total Governmental Fund Balances	\$15,356,489
0	24,026	<i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
37,642	139,932	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	77,044,464
2,530	52,493	Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
0	52,250	Property Taxes	398,194
375,570	990,752	Intergovernmental	734,420
0	76,084	Municipal Income Taxes	2,487,985
45,604	3,432,459	Special Assessments	4,189,829
984,065	5,007,678	Total	7,810,428
0	4,189,829	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.	120,634
\$6,181,180	\$32,030,656	In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(55,358)
\$51,400	\$117,840	Vacation benefits payables is not expected to be paid with expendable available financial resources and therefore are not reported in the fund.	(358,791)
177,372	189,260	In the statement of activities, bond issuance costs are amortized over the term of the bonds, whereas in governmental funds a bond issuance expenditure is reported when bonds are issued.	105,330
26,964	67,076	Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
0	3,000,000	General Obligation Bonds	(11,875,548)
23,163	419,128	Special Assessment Bonds	(4,169,352)
0	59,667	OPWC Loans	(709,295)
0	59,193	Compensated Absences	(702,539)
119,433	342,091	Total	(17,456,734)
1,335,542	12,419,912	<i>Net Assets of Governmental Activities</i>	<u>\$82,566,462</u>
1,733,874	16,674,167		
1,140,318	4,581,684		
0	6,213,938		
1,679,822	1,958,225		
323,226	809,373		
1,303,940	1,793,269		
4,447,306	15,356,489		
\$6,181,180	\$32,030,656		

City of Brecksville, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2007

	General	Fire Department	Special Assessment Bond Retirement	General Municipal Improvement	Buildings and Improvements	Road Improvements
Revenues						
Property and Other Taxes	\$1,972,216	\$1,910,408	\$0	\$0	\$0	\$0
Municipal Income Taxes	12,252,747	0	0	960,000	1,200,000	120,000
Charges for Services	99,018	1,318	0	0	0	0
Licenses and Permits	288,448	186	0	1,546	0	0
Fines and Forfeitures	272,731	0	0	0	0	0
Intergovernmental	1,258,843	295,349	0	45,713	0	0
Special Assessments	0	0	624,415	0	0	0
Interest	463,379	44,532	0	211,397	21,880	20,442
Donations	10,483	150	0	0	0	0
Rentals	66,849	0	0	0	0	0
Miscellaneous	349,120	1,393	0	159,350	135,806	150
Total Revenues	17,033,834	2,253,336	624,415	1,378,006	1,357,686	140,592
Expenditures						
Current:						
General Government:						
Legislative and Executive	5,445,610	0	5,962	0	0	0
Judicial System	188,321	0	0	0	0	0
Public Safety:						
Police	3,822,868	0	0	0	0	0
Fire	34,901	2,104,482	0	0	0	0
Public Health Services	137,731	0	0	0	0	0
Street Construction, Maintenance and Repair	2,077,991	0	0	0	0	0
Housing and Community Development	810,936	0	0	0	0	0
Basic Utility Services	1,911,697	0	0	0	0	0
Recreational Activities	21,823	0	0	0	0	0
Capital Outlay	0	0	0	2,059,475	76,008	424,958
Debt Service:						
Principal Retirement	0	0	400,000	0	0	0
Interest and Fiscal Charges	0	0	219,525	59,667	0	0
Accretion on Capital Appreciation Bonds	0	0	0	0	0	0
Total Expenditures	14,451,878	2,104,482	625,487	2,119,142	76,008	424,958
Excess of Revenues Over (Under) Expenditures	2,581,956	148,854	(1,072)	(741,136)	1,281,678	(284,366)
Other Financing Sources (Uses)						
Sale of Capital Assets	35,038	0	0	0	0	0
Transfers In	0	0	0	2,300,000	340,000	0
Transfers Out	(3,950,000)	(100,000)	0	0	(1,165,630)	0
Total Other Financing Sources (Uses)	(3,914,962)	(100,000)	0	2,300,000	(825,630)	0
Net Change in Fund Balances	(1,333,006)	48,854	(1,072)	1,558,864	456,048	(284,366)
Fund Balances Beginning of Year	7,993,874	233,007	487,219	700,433	351,221	698,107
Fund Balances End of Year	\$6,660,868	\$281,861	\$486,147	\$2,259,297	\$807,269	\$413,741

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, 2007*

Other Governmental Funds	Total Governmental Funds		
\$949,586	\$4,832,210	Net Change in Fund Balances - Total Governmental Funds	\$625,313
192,000	14,724,747	<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
828,263	928,599	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.	
80,221	370,401	Capital Asset Additions	4,179,756
8,823	281,554	Current Year Depreciation	(2,653,648)
794,827	2,394,732	Total	1,526,108
0	624,415	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.	(25,027)
267,090	1,028,720	Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	
3,842	14,475	Property Taxes	137,273
52,385	119,234	Intergovernmental	(39,892)
59,876	705,695	Municipal Income Taxes	236,200
3,236,913	26,024,782	Special Assessments	(400,388)
		Total	(66,807)
		Repayment of long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	1,338,884
		Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
13,138	5,464,710	Accrued Interest on Bonds	3,367
0	188,321	Amortization of Issuance Cost	(9,035)
240,393	4,063,261	Amortization of Premium on Bonds	9,805
0	2,139,383	Amortization of Accounting Loss	(1,928)
0	137,731	Bond Accretion	(6,817)
1,088,882	3,166,873	Total	(4,608)
25,724	836,660	Some expenses require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
2,034	1,913,731	Compensated Absences	(37,960)
1,655,779	1,677,602	Vacation Payable	(26,716)
1,182,548	3,742,989	Total	(64,676)
822,631	1,222,631	The internal service fund used by management to charge the individual funds is reported in the district-wide statement of activities. Governmental activities. Governmental fund expenditures and related internal service fund revenues are eliminated.	136,665
485,170	764,362		
116,253	116,253	Change in Net Assets of Governmental Activities	\$3,465,852
5,632,552	25,434,507		
(2,395,639)	590,275		
0	35,038		
2,961,367	5,601,367		
(385,737)	(5,601,367)		
2,575,630	35,038		
179,991	625,313		
4,267,315	14,731,176		
<u>\$4,447,306</u>	<u>\$15,356,489</u>		

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, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property and Other Taxes	\$1,926,873	\$1,874,073	\$1,972,216	\$98,143
Municipal Income Taxes	11,548,000	11,698,000	11,979,279	281,279
Charges for Services	64,400	64,400	102,113	37,713
Licenses and Permits	289,900	289,900	275,578	(14,322)
Fines and Forfeitures	281,000	281,000	275,887	(5,113)
Intergovernmental	1,056,363	1,297,463	1,348,021	50,558
Interest	301,168	421,168	415,045	(6,123)
Donations	5,950	5,950	10,483	4,533
Rentals	50,400	50,400	75,932	25,532
Miscellaneous	140,100	293,761	349,120	55,359
<i>Total Revenues</i>	<u>15,664,154</u>	<u>16,276,115</u>	<u>16,803,674</u>	<u>527,559</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	7,026,845	7,186,001	5,847,025	1,338,976
Judicial System	165,628	172,528	145,963	26,565
Public Safety:				
Police	4,099,534	4,202,864	3,856,641	346,223
Fire	63,368	63,368	36,504	26,864
Public Health Services	138,811	158,811	140,755	18,056
Street Construction, Maintenance and Repair	2,240,942	2,300,942	2,113,357	187,585
Housing and Community Development	894,514	900,014	817,334	82,680
Basic Utility Services	2,138,568	2,137,859	1,956,880	180,979
Recreational Activities	26,074	27,019	21,823	5,196
<i>Total Expenditures</i>	<u>16,794,284</u>	<u>17,149,406</u>	<u>14,936,282</u>	<u>2,213,124</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,130,130)</u>	<u>(873,291)</u>	<u>1,867,392</u>	<u>2,740,683</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	23,000	23,000	35,038	12,038
Transfers Out	(3,900,000)	(3,950,000)	(3,950,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(3,877,000)</u>	<u>(3,927,000)</u>	<u>(3,914,962)</u>	<u>12,038</u>
<i>Net Change in Fund Balance</i>	<u>(5,007,130)</u>	<u>(4,800,291)</u>	<u>(2,047,570)</u>	<u>2,752,721</u>
<i>Fund Balance Beginning of Year</i>	6,891,720	6,891,720	6,891,720	0
Prior Year Encumbrances Appropriated	642,244	642,244	642,244	0
<i>Fund Balance End of Year</i>	<u>\$2,526,834</u>	<u>\$2,733,673</u>	<u>\$5,486,394</u>	<u>\$2,752,721</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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property and Other Taxes	\$1,877,080	\$1,877,080	\$1,910,408	\$33,328
Charges for Services	0	0	1,318	1,318
Licenses and Permits	0	0	186	186
Intergovernmental	313,236	313,236	297,153	(16,083)
Interest	34,440	34,440	44,532	10,092
Donations	0	0	150	150
Miscellaneous	0	0	1,393	1,393
<i>Total Revenues</i>	<u>2,224,756</u>	<u>2,224,756</u>	<u>2,255,140</u>	<u>30,384</u>
Expenditures				
Current:				
Public Safety:				
Fire	<u>2,357,408</u>	<u>2,357,408</u>	<u>2,097,622</u>	<u>259,786</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(132,652)</u>	<u>(132,652)</u>	<u>157,518</u>	<u>290,170</u>
Other Financing Uses				
Transfers Out	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(232,652)</u>	<u>(232,652)</u>	<u>57,518</u>	<u>290,170</u>
<i>Fund Balance Beginning of Year</i>	338,684	338,684	338,684	0
Prior Year Encumbrances Appropriated	<u>27,118</u>	<u>27,118</u>	<u>27,118</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$133,150</u></u>	<u><u>\$133,150</u></u>	<u><u>\$423,320</u></u>	<u><u>\$290,170</u></u>

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Fund Net Assets
Proprietary Fund
December 31, 2007

	<u>Internal Service Fund - Insurance</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$271,803
Liabilities	
Claims Payable	<u>151,169</u>
Net Assets	
Unrestricted	<u><u>\$120,634</u></u>

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, 2007

	Internal Service Fund - Insurance
Operating Revenues	
Charges for Services	\$1,313,230
Miscellaneous	731
	1,313,961
Operating Expenses	
Purchased Services	246,484
Claims	949,571
	1,196,055
<i>Operating Income</i>	117,906
Non-Operating Revenues	
Interest	18,759
<i>Change in Net Assets</i>	136,665
<i>Net Assets (Deficit) Beginning of Year</i>	(16,031)
<i>Net Assets End of Year</i>	\$120,634

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2007

	Internal Service Fund - Insurance
<i>Increase (Decrease) In Cash and Cash Equivalents</i>	
Cash Flows from Operating Activities	
Cash Received from Interfund Services	\$1,313,230
Cash Received from Other Operating Sources	731
Cash Payments to Suppliers for Goods and Services	(246,484)
Cash Payments for Claims	(984,939)
<i>Net Cash Provided by Operating Activities</i>	82,538
Cash Flows from Investing Activities	
Interest	18,759
<i>Net Increase In Cash and Cash Equivalents</i>	101,297
<i>Cash and Cash Equivalents Beginning of Year</i>	170,506
<i>Cash and Cash Equivalents End of Year</i>	\$271,803
 Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
<i>Operating Income</i>	\$117,906
Decrease in Claims Payable	(35,368)
<i>Net Cash Provided by Operating Activities</i>	\$82,538
See accompanying notes to the basic financial statements	

City of Brecksville, Ohio
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2007

	Private Purpose Trust	
	Cemetery	Agency
Assets		
Equity Pooled in Cash and Cash Equivalents	\$3,134	\$517,842
Liabilities		
Undistributed Monies	0	14,638
Deposits Held and Due to Others	0	503,204
<i>Total Liabilities</i>	0	\$517,842
Net Assets		
Held in Trust for Cemetery	\$3,134	

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, 2007

	Private Purpose Trust
	Cemetery
Additions	
Interest	\$185
Deductions	
Materials and Supplies	152
<i>Change in Net Assets</i>	33
<i>Net Assets Beginning of Year</i>	3,101
<i>Net Assets End of Year</i>	\$3,134

See accompanying notes to the basic financial statements

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Note 1 – Description of the City and Reporting Entity

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

Reporting Entity

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

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board; and 1) the City is able to significantly influence the programs or services performed or provided by the organization; or 2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations 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 one insurance purchasing pool, the Ohio Association of Public Treasurers rating pool and two jointly governed organizations, the Southwest Council of Governments and the Northeast Ohio Public Energy Council. 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 17 and 18 to the basic financial statements.

Note 2 – Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities and to its internal service fund unless those pronouncements conflict with or contradict GASB pronouncements. The more significant of the City's accounting policies are described below.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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 primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. These statements usually distinguish between those activities of the City that are governmental and those that are considered business-type. The City, however, has no business-type activities.

The statement of net 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.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Fire Department 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 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.

General Municipal Improvement 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.

Buildings and Improvements Fund The buildings and improvement capital projects fund accounts for City income tax to be used for the acquisition, construction, or improvement of major capital facilities.

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

Fiduciary Funds Fiduciary fund reporting focuses on net 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 donations from citizens held for and used by senior citizens for home visitations, street opening fees, and deposits pledged by contractors.

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.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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 included on the statement of fund 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), grants, fees and rentals.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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, 2007, but which were levied to finance year 2008 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.

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. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents".

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

Investments are reported at fair value which is based on quoted market prices.

During 2007, investments were limited to federal home loan bank bonds, federal home loan mortgage bonds, commercial paper, federal national mortgage association bonds, federal farm credit bank 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, 2007.

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 2007 amounted to \$463,379, of which \$113,207 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.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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, 2007, 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.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their 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:

<u>Description</u>	<u>Estimated Lives</u>
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 and includes infrastructure acquired prior to December 31, 1980.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

I. 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.

J. Accrued Liabilities and Long-Term Obligations

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

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

K. 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.

L. 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.

M. 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 enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The government-wide statement of net assets reports \$13,633,702 of restricted net assets, none of which is restricted by enabling legislation. Net assets restricted for other purposes include law enforcement, court computerization, recycling, tree planting and natureworks.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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

N. Internal Activity

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

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

O. Bond Issuance Costs

Bond issuance costs for underwriting fees and bond insurance for the Community Center refunding bonds and Human Services Facility general obligation bonds are being amortized using the straight-line method over the life of the bonds on the government-wide statements. The straight-line method of amortization is not materially different from the effective-interest method.

P. Bond Premium

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

Q. Deferred Loss on Refunding

The difference between the reacquisition price (funds required to refund the old debt) of the Library and Community Center refunding bonds and the net carrying amount of the old debt, the deferred amount (loss) on refunding, is being amortized as a component of interest expense. The accounting loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as part of the general obligation bonds payable on the statement of net assets.

R. 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.

S. 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.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

T. Budgetary Process

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

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

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

Note 3 – Change in Accounting Principles

For 2007, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions", GASB Statement No. 48, "Sales and Pledges of Receivables and Future Revenues and Intra-Equity Transfers of Assets and Future Revenues" and GASB Statement No. 50, "Pension Disclosures".

GASB Statement No. 45 improves the relevance and usefulness of financial reporting by requiring systematic, accrual-basis measurement and recognition of OPEB costs over a period that approximates employees' years of service and providing information about actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan. An OPEB liability at transition was determined in accordance with this Statement for both the OPERS and the OP&F post-employment healthcare plans in the amount of \$14,097 and \$69,655, respectively, which are the same as the previously reported liabilities.

GASB Statement No. 48 addresses how to account for the exchange of an interest in expected cash flows from collecting specific receivables or specific future revenues for immediate cash payments. The statement established criteria used to determine whether the transaction should be recorded as revenue or as a liability (a sale or a collateralized borrowing). The implementation of this statement did not result in any change to the City's financial statements.

GASB Statement No. 50 requires employers contributing to defined benefit pension plans to include the legal or contractual maximum contribution rates in the notes to the financial statements. The implementation of this statement did not result in any change to the City's financial statements.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Note 4 – Accountability

At December 31, 2007 the police pension special revenue fund had an individual fund deficit in the amount of \$80,723. The deficit is caused by the recognition of expenditures on the modified accrual basis of accounting. The general fund is liable for any deficits in this fund and provides operating transfers when cash is required, not when accruals occur.

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. Investments reported at cost (budget) rather than fair value (GAAP).

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

Net Change in Fund Balance		
General and Fire Department Special Revenue Funds		
	General	Fire Department
GAAP Basis	(\$1,333,006)	\$48,854
Net Adjustment for Revenue Accruals	(250,887)	1,804
Beginning Fair Value Adjustment for Investments	(4,358)	0
Ending Fair Value Adjustment for Investments	25,085	0
Net Adjustment for Expenditure Accruals	27,304	10,588
Encumbrances	(511,708)	(3,728)
Budget Basis	(\$2,047,570)	\$57,518

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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 monies 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 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 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 securities listed above;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations;
7. The State Treasurer's investment pool (STAROhio); and
8. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 25 percent of the interim monies available for investment at any one time.

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.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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.

Deposits

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

At year-end, the carrying amount of the City's deposits was \$9,671,571 and the bank balance was \$9,699,880. Of the uninsured bank balance, \$576,192 was collateralized with securities held by the pledging institution's trust department, not in the City's name.

Investments

Investments are reported at fair value. As of December 31, 2007, the City had the following investments:

	Maturity				Total
	Less Than Six Months	More Than Six Months But Less Than One Year	More Than One Year But Less Than Two Years	More Than Two Years	
Federal Home Loan Bank Bonds	\$0	\$2,292,675	\$0	\$0	\$2,292,675
Federal Home Loan Mortgage Bonds	982,009	0	0	0	982,009
Federal National Mortgage Association Bonds	0	0	999,730	0	999,730
Federal Farm Credit Bank Bonds	0	0	0	1,000,000	1,000,000
Commercial Paper	3,914,533	0	0	0	3,914,533
STAROhio	21,440	0	0	0	21,440
Total Portfolio	\$4,917,982	\$2,292,675	\$999,730	\$1,000,000	\$9,210,387

Interest Rate Risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City's investment policy addresses interest rate risk by requiring that the City's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding that need to sell securities on the open market prior to maturity and by investing operating funds primarily in short-term investments. The City investment policy also limits security purchases to those that mature in five years unless specifically matched to a specific cash flow.

Credit Risk is addressed by the City's investment policy by the requirements that all investments are authorized by Ohio Revised Code and that the portfolio be diversified both by types of investment and issuer. All investments of the City carry a rating AAA by Standard & Poor's, except for the commercial paper, which carries a rating of A1+ by Standard & Poor's. Ohio law requires that investments in commercial paper are limited to notes rated at the time of purchase to the highest classification established by two nationally recognized standard rating services.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Concentration of Credit Risk is defined by the Governmental Accounting Standards Board as five percent or more in the securities of a single issuer. The City's investment policy requires diversification of the portfolio but does not indicate specific percentage allocations. The following is the City's allocation as of December 31, 2007:

Investment Issuer	Percentage of Investments
Federal Home Loan Bank Bonds	24.89 %
Federal Home Loan Mortgage Bonds	10.66
Federal National Mortgage Association Bonds	10.85
Federal Farm Credit Bank Bonds	10.86
Commercial Paper	42.50
STAROhio	0.24
Total	100.00 %

Note 7 – Receivables

Receivables at December 31, 2007, 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. All receivables except for special assessments and delinquent property taxes are expected to be collected within one year.

Special assessments expected to be collected in more than one year amount to \$3,752,000 in the special assessments bond retirement fund. At December 31, 2007 the amount of delinquent special assessments was \$22,829.

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 2007 for real and public utility property taxes represents collections of the 2006 taxes. Property tax payments received during 2007 for tangible personal property (other than public utility property) is for 2007 taxes.

2007 real property taxes are levied after October 1, 2007 on the assessed value as of January 1, 2007, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2007 real property taxes are collected in and intended to finance 2008.

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.

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. 2007 public utility property taxes which became a lien on December 31, 2006, are levied after October 1, 2007, and are collected in 2008 with real property taxes.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

2007 tangible personal property taxes are levied after October 1, 2006, on the value as of December 31, 2006. Collections are made in 2007. Tangible personal property assessments are being phased out – the assessment percentage for all property including inventory for 2007 is 12.5 percent. This will be reduced to 6.25 percent for 2008, and zero for 2009. Payments 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 full tax rate for all City operations for the year ended December 31, 2007, was \$8.60 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2007 property tax receipts were based are as follows:

Category	Assessed Value
Real Estate	
Residential/Agricultural	\$481,735,920
Other Real Estate	115,062,150
Tangible Personal Property	
Public Utility	19,525,150
General	22,088,288
Total Assessed Values	\$638,411,508

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, 2007 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 2007 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, 2007

C. Intergovernmental Receivables

A summary of the intergovernmental receivables follows:

Governmental Activities	
Homestead and Rollback	\$254,357
Local Government	203,806
Excise Tax	170,323
Estate Tax	109,097
Gasoline Tax	89,806
Ohio Department of Development Grant	81,125
Auto Registration	48,360
Permissive Tax	17,097
D.A.R.E. Grant	16,781
Total	<u><u>\$990,752</u></u>

Note 8 – Interfund Transfers

Interfund transfers for the year ended December 31, 2007 consisted of the following:

<u>Transfer To</u>	Transfers From				<u>Totals</u>
	General	Fire Department	Buildings and Improvement	Other Governmental	
General Municipal Improvement	\$2,300,000	\$0	\$0	\$0	\$2,300,000
Buildings and Improvements	0	0	0	340,000	340,000
Other Governmental Funds	1,650,000	100,000	1,165,630	45,737	2,961,367
Total All Funds	<u><u>\$3,950,000</u></u>	<u><u>\$100,000</u></u>	<u><u>\$1,165,630</u></u>	<u><u>\$385,737</u></u>	<u><u>\$5,601,367</u></u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to provide additional resources for current operations or debt service; and reclassification of prior year distributed monies, to segregate money for anticipated capital projects. The General Municipal Improvement Fund received \$2,300,000 in transfers from the General Fund to support both road improvement and storm water detention projects. To provide funds for loan payments, transfers totaling \$45,737 were made to the Issue II Fund from the Capital Improvement Fund, the Public Utility Fund, and the Road Improvement Fund. The General Bond Retirement Fund is funded for loan payment obligations from the Buildings and Improvement Fund. In 2007, this amount was \$1,165,630. The Capital Improvement Fund and the Community Center Recreation Fund each received \$800,000 from the General Fund for community center operations and police, service, and general administration capital equipment, respectively. The Building and Improvements Fund received \$340,000 from the Human Services Facilities Fund in anticipation of closing the fund due to project completion.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Note 9 – Capital Assets

A summary of changes in capital assets during 2007 follows:

Governmental Activities	Balance 12/31/2006	Additions	Deductions	Balance 12/31/2007
<i>Capital Assets not being Depreciated:</i>				
Land	\$9,027,253	\$181,889	\$0	\$9,209,142
Construction in Progress	2,749,981	2,006,494	(1,161,815)	3,594,660
Total Capital Assets not being Depreciated	11,777,234	2,188,383	(1,161,815)	12,803,802
<i>Capital Assets being Depreciated:</i>				
Buildings and Improvements	26,586,528	301,315	0	26,887,843
Machinery and Equipment	10,053,721	642,192	(382,221)	10,313,692
Furniture and Fixtures	695,072	43,708	(5,100)	733,680
<i>Infrastructure:</i>				
Roads	32,535,280	1,692,019	0	34,227,299
Sidewalks	3,589,949	0	0	3,589,949
Guardrails	425,927	0	0	425,927
Traffic Signals	2,314,614	0	0	2,314,614
Storm Sewers	6,778,891	403,771	0	7,182,662
Sanitary Sewers	12,655,448	70,183	0	12,725,631
Water Lines	9,263,718	0	0	9,263,718
Total Capital Assets being Depreciated	104,899,148	3,153,188	(387,321)	107,665,015
<i>Less Accumulated Depreciation:</i>				
Buildings and Improvements	(6,718,200)	(727,796)	0	(7,445,996)
Machinery and Equipment	(5,367,965)	(668,952)	357,194	(5,679,723)
Furniture and Fixtures	(646,074)	(37,267)	5,100	(678,241)
<i>Infrastructure:</i>				
Roads	(18,480,239)	(759,982)	0	(19,240,221)
Sidewalks	(2,492,403)	(89,749)	0	(2,582,152)
Guardrails	(373,323)	(2,682)	0	(376,005)
Traffic Signals	(377,102)	(107,329)	0	(484,431)
Storm Sewers	(1,824,715)	(69,035)	0	(1,893,750)
Sanitary Sewers	(2,646,458)	(115,272)	0	(2,761,730)
Water Lines	(2,206,520)	(75,584)	0	(2,282,104)
Total Accumulated Depreciation	(41,132,999)	(2,653,648) *	362,294	(43,424,353)
Total Capital Assets being Depreciated, Net	63,766,149	499,540	(25,027)	64,240,662
Governmental Activities Capital Assets, Net	\$75,543,383	\$2,687,923	(\$1,186,842)	\$77,044,464

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

*Depreciation expense was charged to governmental activities as follows:

General Government:	
Legislative and Executive	\$185,445
Public Safety:	
Police	112,272
Fire	159,637
Street Construction, Maintenance and Repair	1,311,683
Housing and Community Development	300,736
Basic Utility Services	281,601
Recreational Activities	302,274
Total Depreciation Expense	<u>\$2,653,648</u>

Note 10 – 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, 2007.

B. Litigation

There is only one lawsuit pending against the City and it contains no monetary claim, so there is no pending liability at this time.

Note 11 – Other Employee Benefits

A. Compensated Absences

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

Employees earn sick leave at the rate of 6.46 hours per pay for firefighters and 4.61 hours per pay for all other employees. Sick leave accumulation is limited to 120 days for police and unlimited for all others. Upon retirement or death, an employee can be paid thirty-three percent of accumulated, unused sick leave.

B. Dental Insurance

The City provides dental benefits to employees through Assurant. The family and single premiums for 2007 were \$71.25 and \$23.98, respectively.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Note 12 – Defined Benefit Pension Plans

A. Ohio Public Employees Retirement System

Plan Description - 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 employer contributions (employer contributions vest over five years at 20 percent 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. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only within the traditional pension 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) 222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2007, members in state and local classifications contributed 9.5 percent of covered payroll, public safety members contributed 9.75 percent and law enforcement members contributed 10.1 percent.

The City's contribution rate for 2007 was 13.85 percent, except for those plan members in law enforcement or public safety, for whom the City's contribution was 17.17 percent of covered payroll. For the period July 1 through June 30, a portion of the City's contribution equal to 5 percent of covered payroll was allocated to fund the post-employment health care plan; for the period July 1 to December 31, 2007 this amount was increased to 6 percent. Employer contribution rates are actuarially determined. State statute sets a maximum contribution rate for the City of 14 percent, except for public safety and law enforcement, where the maximum employer contribution rate is 18.1 percent.

The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2007, 2006, and 2005 were \$508,847, \$565,116 and \$565,363 respectively; 93.57 percent has been contributed for 2007 and 100 percent for 2006 and 2005. Contributions to the member-directed plan for 2007 were \$12,393 made by the City and \$8,501 made by the plan members.

B. Ohio Police and Fire Pension Fund

Plan Description - 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 pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information 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.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations. The City's contribution was 19.5 percent for police officers and 24 percent for firefighters. Contribution rates are established by State statute. For 2007, a portion of the City's contribution equal to 6.75 percent of covered payroll was allocated to fund the post-employment health care plan. The City's pension contributions to the OP&F for police and firefighters were \$278,290 and \$200,787 for the year ended December 31, 2007, \$244,727 and \$181,298 for the year ended December 31, 2006, and \$238,802 and \$165,517 for the year ended December 31, 2005. The full amount has been contributed for 2006 and 2005. 69.53 percent has been contributed for police and 71.39 percent has been contributed for firefighters for 2007.

Note 13 – Postemployment Benefits

A. Ohio Public Employees Retirement System

Plan Description – OPERS maintains a cost sharing multiple employer defined benefit post-employment health care plan for qualifying members of both the traditional and combined pension plans. Members of the member-directed plan do not qualify for ancillary benefits, including post-employment health care. The plan includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement.

To qualify for post-employment health care coverage, age and service retirees under the traditional and combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not require, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 800-222-7377.

Funding Policy – The post-employment health care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). State statute requires that public employers fund post-employment health care through contributions to OPERS. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2007, local government employers contributed 13.85 percent of covered payroll (17.17 percent for public safety and law enforcement). Each year, the OPERS retirement board determines the portion of the employer contribution rate that will be set aside for funding post-employment health care benefits. The amount of employer contributions which was allocated to fund post-employment health care was 5.00 percent of covered payroll from January 1 through June 30, 2007, and 6.00 percent from July 1 to December 31, 2007.

The retirement board is also authorized to establish rules for the payment of a portion of the health care benefits by the retiree or the retiree's surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment health care plan.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2007, 2006 and 2005 were \$388,928, \$276,415 and \$236,801 respectively; 93.57 percent has been contributed for 2007 and 100 percent for 2006 and 2005.

On September 9, 2004 the OPERS Retirement Board adopted a Health Care Preservation Plan with an effective date of January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

B. Police and Firemen's Disability and Pension Fund

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

OP&F provides access to post-retirement healthcare coverage for any person who receives or is eligible to receive a monthly service, disability or survivor benefit or is a spouse or eligible dependent child of such person.

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – OP&F's post-employment healthcare plan was established and is administered as an Internal Revenue Code 401(h) account within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees. The Ohio Revised Code sets the contribution rates for participating employers and for plan members to the OP&F. Participating employers are required to contribute to the pension plan a rates expressed as percentages of the payroll of active pension plan members, currently, 19.50 percent and 24.00 percent of covered payroll for police and firefighters, respectively.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made to the pension plan to the 401(h) account as the employer contribution for employee healthcare benefits. For the year ended December 31, 2007, the employer contribution allocated to the healthcare plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the healthcare plan each year is subject to the trustees' primary responsibility to ensure that pension benefits are adequately funded and also is limited by the provisions of Section 401(h).

The OP&F Board of Trustees is also authorized to establish requirements for contributions to the healthcare plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the OPEB Plan.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police and firefighters were \$147,330 and \$78,569 for the year ended December 31, 2007, \$161,416 and \$86,465 for the year ended December 31, 2006, and \$157,508 and \$78,939 for the year ended December 31, 2005. The full amount has been contributed for 2006 and 2005. 69.53 percent has been contributed for police and 71.39 percent has been contributed for firefighters for 2007.

Note 14 – Risk Management

A. Property and Liability

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2007, the City contracted with several companies for various types of insurance as follows:

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage Amount</u>
Wichert Insurance Services	Blanket Building/Contents	\$36,524,444
	Crime	250,000
	Public Officials Liability	1,000,000
	General Liability	1,000,000
	Garage Keepers Liability	120,000
	Auto	1,000,000
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.

B. Workers' Compensation

The City participates in the Ohio Association of Public Treasurers rating pool (See Note 17). The intent of the OAPT is to achieve the benefit of a reduced premium for the participants, foster safer working environments and foster cost-effective claims management by virtue of its grouping and representation with other participants. The workers' compensation experience rating of the participating cities is calculated as one experience and a common premium rate is applied to all cities in the OAPT. Each participant pays its workers' compensation premium to the State based on the rate for the OAPT group rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings of the OAPT. 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 OAPT. Participation in the OAPT is limited to cities that can meet the OAPT's selection criteria. The firm of Integrated Consulting Services provides administrative, cost control and actuarial services to the OAPT.

C. Employee Insurance Benefits

The City manages employee health benefits on a self-insured basis. The employee health benefit plan provides basic health coverage through Medical Mutual, the third-party administrator of the program, which reviews and pays the claims. A specific excess loss coverage insurance (stop-loss) policy with Medical Mutual covers claims in excess of \$75,000 per person per year to a maximum specific benefit of \$1,000,000 per person.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

The claims liability of \$151,169, reported in the self-insurance fund at December 31, 2007, 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:

	Balance at Beginning of Year	Current Year Claims	Claims Payment	Balance at End of Year
2006	\$109,944	\$1,038,818	\$962,225	\$186,537
2007	186,537	949,571	984,939	151,169

Note 15 – Long-Term Obligations

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

	Original Issue Date	Interest Rate	Original Issue Amount	Date of Maturity
General Obligation				
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 Refunding	2004	2.00% to 3.00%	1,785,000	December 1, 2012
Human Services Facility	2004	2.10% to 5.00%	6,000,000	December 1, 2023
Tree Farm Property	2005	3.00% to 4.75%	4,205,000	December 1, 2025
Community Center Refunding 1997	1997	3.75% to 5.10%	1,585,000	December 1, 2012
Special Assessment				
Route 21 Access Road	2005	3.10% to 4.75%	165,000	December 1, 2025
Sewer Project #1312 #2	1988	7.25%	2,310,000	December 1, 2008
Old Royalton Road Water Main	1989	7.25%	117,000	December 1, 2009
Oakhurst-Fitzwater Sanitary Sewer Refunding	1997	3.75% to 5.10%	875,000	December 1, 2012
Southpointe Parkway	1997	3.85% to 5.35%	1,190,000	December 1, 2017
Service Road Sewer and Water	2001	4.00% to 4.90%	935,000	December 1, 2021
Four Seasons Sewer and Water	2001	4.00% to 4.90%	1,265,000	December 1, 2021
Route 21, Hilton, Whitewood Sewer and Storm	2005	3.00% to 5.00%	1,075,000	December 1, 2025
OPWC Loans				
Elm Street Improvement	1996	0.00%	234,638	January 1, 2016
Fairview, Pershing, Wallings Water Main	1999	0.00%	224,480	January 1, 2019
Brecksville Center and Old Town Water Main	1999	0.00%	224,475	July 1, 2019
Route 21 Hilton, Whitewood Sanitary Sewer	2005	0.00%	231,143	July 1, 2025
Fitzwater, Riverview, Wiese, Carriage Hill Cleaning	2006	0.00%	162,934	January 1, 2027

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

A schedule of changes in bonds and other long-term obligations of the City during 2007 follows:

	Principal Outstanding 12/31/2006	Additions	Deletions	Principal Outstanding 12/31/2007	Amounts Due in One Year
Governmental Activities					
<i>General Obligations Bonds:</i>					
<i>Library Refunding</i>					
Current Interest Serial Bonds	\$900,000	\$0	\$0	\$900,000	\$165,000
Capital Appreciation Bonds	47,746	0	(43,747)	3,999	3,999
Accretion on Capital Appreciation Bonds	105,436	6,817	(116,253)	(4,000)	0
Total Library Refunding Bonds	1,053,182	6,817	(160,000)	899,999	168,999
<i>Community Center Refunding Bonds</i>					
Community Center Refunding Bonds	1,220,000	0	(195,000)	1,025,000	195,000
Unamortized Loss	(11,566)	0	1,928	(9,638)	0
Premium on Refunding Bonds	1,202	0	(200)	1,002	200
Total Community Center Refunding Bonds	1,209,636	0	(193,272)	1,016,364	195,200
<i>Human Services Facility Bonds</i>					
Human Services Facility Bonds	5,350,000	0	(240,000)	5,110,000	245,000
Premium on Bonds	96,458	0	(5,674)	90,784	5,674
Total Human Services Facility Bonds	5,446,458	0	(245,674)	5,200,784	250,674
<i>Tree Farm Property Bonds</i>					
Tree Farm Property Bonds	4,070,000	0	(155,000)	3,915,000	155,000
Premium on Bonds	72,201	0	(3,800)	68,401	3,800
Total Tree Farm Property Bonds	4,142,201	0	(158,800)	3,983,401	158,800
<i>Community Center Refunding 1997</i>					
Community Center Refunding 1997	910,000	0	(135,000)	775,000	140,000
Total General Obligation Bonds	12,761,477	6,817	(892,746)	11,875,548	913,673
<i>Special Assessment Bonds with Governmental Commitment:</i>					
<i>Route 21 Access Road</i>					
Route 21 Access Road	165,000	0	(5,000)	160,000	5,000
Premium on Bonds	2,483	0	(131)	2,352	131
Total Route 21 Access Road	167,483	0	(5,131)	162,352	5,131
<i>Sewer Project #1312 #2</i>					
Sewer Project #1312 #2	240,000	0	(120,000)	120,000	120,000
<i>Old Royalton Road Water Main</i>					
Old Royalton Road Water Main	27,000	0	(10,000)	17,000	10,000
<i>Oakhurst-Fitzwater Sanitary Sewer</i>					
Oakhurst-Fitzwater Sanitary Sewer	500,000	0	(75,000)	425,000	80,000
<i>Southpointe Parkway</i>					
Southpointe Parkway	780,000	0	(55,000)	725,000	60,000
<i>Service Road Sewer and Water</i>					
Service Road Sewer and Water	750,000	0	(45,000)	705,000	45,000
<i>Four Seasons Sewer and Water</i>					
Four Seasons Sewer and Water	1,050,000	0	(50,000)	1,000,000	55,000
<i>Route 21, Hilton, Whitewood Sewer and Storm</i>					
Route 21, Hilton, Whitewood Sewer and Storm	1,055,000	0	(40,000)	1,015,000	40,000
Total Special Assessment Bonds	\$4,569,483	\$0	(\$400,131)	\$4,169,352	\$415,131

(continued)

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

	Principal Outstanding 12/31/2006	Additions	Deletions	Principal Outstanding 12/31/2007	Amounts Due in One Year
<i>OPWC Loans:</i>					
Elm Street Improvement	\$111,453	\$0	(\$11,732)	\$99,721	\$11,732
Fairview, Pershing, Walling Water Main	134,688	0	(11,224)	123,464	11,224
Brecksville Center and Old Town Water Main	140,297	0	(11,224)	129,073	11,224
Route 21, Hilton, Whitewood Sanitary Sewer	213,807	0	(11,557)	202,250	11,557
Fitzwater, Riverview Wiese, Carriage Hill Cleaning	162,934	0	(8,147)	154,787	8,147
<i>Total OPWC Loans</i>	<u>763,179</u>	<u>0</u>	<u>(53,884)</u>	<u>709,295</u>	<u>53,884</u>
Compensated Absences	<u>664,579</u>	<u>92,659</u>	<u>(54,699)</u>	<u>702,539</u>	<u>184,746</u>
<i>Total Governmental Activities</i>	<u>\$18,758,718</u>	<u>\$99,476</u>	<u>(\$1,401,460)</u>	<u>\$17,456,734</u>	<u>\$1,567,434</u>

All bonds are secured by the full faith and credit of the City. General obligation bonds will be paid from taxes receipted 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 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, \$1,851,915 of these bonds were refunded and re-issued at a lower interest rate with a final maturity at December 1, 2012.

On October 9, 1997, the City issued \$1,851,915 in voted general obligation bonds which include serial and capital appreciation (deep discount) bonds in the amounts of \$1,630,000 and \$221,915 respectively. The general obligation bonds were issued to refund bonds which were issued for the purpose of construction of the library. The bonds were issued for a fifteen year period with final maturity at December 1, 2012. All bonds will be retired from the debt service fund.

The serial and capital appreciation bond remained outstanding at December 31, 2007. The capital appreciation bonds were originally sold at a discount of \$211,915, which is being accreted annually until the point of maturity of the capital appreciation bonds, which is 2000 through 2008.

The maturity amount of outstanding capital appreciation bonds at December 31, 2007 is \$3,999. The accretion recorded for 2007 was \$6,817, for a total outstanding bond liability of \$899,999 at December 31, 2007.

On September 8, 1992 the City issued \$3,000,000 in 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 March 1, 2004, \$1,785,000 of these bonds were refunded and re-issued at a lower interest rate with final maturity at December 1, 2012.

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

On March 1, 2004, the City issued \$6,000,000 in general obligation bonds for construction of the Human Services Facility and Community Center expansion. The bonds were issued for a twenty year period with final maturity at December 1, 2023.

On October 27, 2005, the City issued \$4,205,000 in general obligation bonds for the purchase of the Cleveland Tree Farm property. The bonds were issued for a twenty year period with final maturity at December 1, 2025.

On September 1, 1991, the City issued \$2,000,000 in 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 interest rate with final maturity at December 1, 2012. At December 31, 2007, \$775,000 of these bonds are outstanding.

On October 19, 2005, the City issued \$165,000 in special assessment bonds for construction of an access road off Route 21. The bonds were issued for a twenty year period with final maturity at December 1, 2025.

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.

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

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

The City's overall legal debt margin was \$55,480,886 at December 31, 2007. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2007, are as follows:

	General Obligation Bonds			Special Assessment Bonds		OPWC Loans	Totals
	Capital	Serial Bonds		Principal	Interest	Principal	
	Appreciation	Principal	Interest				
2008	\$3,999	\$900,000	\$506,727	\$415,000	\$198,541	\$53,884	\$2,078,151
2009	0	930,000	470,502	287,000	177,425	53,884	1,918,811
2010	0	960,000	431,452	300,000	164,743	53,884	1,910,079
2011	0	1,000,000	389,524	315,000	151,811	53,884	1,910,219
2012	0	1,035,000	348,063	335,000	137,712	53,884	1,909,659
2013-2017	0	2,520,000	1,308,768	1,280,000	504,413	251,821	5,865,002
2018-2022	0	3,090,000	761,000	955,000	198,164	126,577	5,130,741
2023-2026	0	1,290,000	104,613	280,000	28,538	61,477	1,764,628
Total	\$3,999	\$11,725,000	\$4,320,649	\$4,167,000	\$1,561,347	\$709,295	\$22,487,290

Note 16 – Notes Payable

On July 5, 2007, the City issued \$3,000,000 in a Various Purpose Bond Anticipation Note. The note has an interest rate of 4.00% and a maturity date of July 3, 2008. The total principal and interest amount due on the maturity date will be \$3,119,333. A portion equaling \$800,000 will be used to pay the costs of improving the Community Center by expanding and reconstructing the parking facilities. The remaining \$2,200,000 of the note will be used for the construction of the Katherine Boulevard development.

Note 17 – Insurance Purchasing Pool

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

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

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Note 18 – Jointly Governed Organizations

A. Southwest Council of Governments

The Southwest Council of Governments (the Council) helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions and regional development. The board is comprised of one member from each of the sixteen participating entities. The board exercises total control over the operation of the Council including budgeting, appropriating, contracting and designating management. Budgets are adopted by the board. Each City's degree of control is limited to its representation on the board. In 2007, 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 contacting 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 126 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 2007, 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 Joseph Migliorini, the Board Chairman, at 175 South Main Street, Akron, Ohio, 44308 or at the website www.nopecinfo.org.

Note 19 – Operating Lease

During 2004, the City entered into an operating lease with the Cuyahoga County Port Authority for a piece of land. The lease is an economic development program designed to bring consolidated operations of the House of LaRose distribution center and corporate offices into the City of Brecksville from their existing facilities in Akron and Cuyahoga Heights. As an incentive for the House of LaRose to locate within the City, the City developed a plan whereby the Cleveland-Cuyahoga County Port Authority agreed to purchase a portion of the land needed for this consolidation and expansion project which in turn leased this land to the City of Brecksville. The City in turn subleased the property to the House of LaRose. Recognizing the job creation and revenue generation potential for the City and County, the City and Port Authority utilized the following structure to bring this consolidation and expansion project to fruition. The Port Authority agreed to issue tax-exempt revenue bonds and use the proceeds of the bonds to acquire the land. The City and Port Authority then entered into an annual lease agreement (renewable for ten years) where the City leases the land for an amount equal to the bond payment of the Port

City of Brecksville, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Authority plus some administrative fees. The City then subleases the property to the House of LaRose for their operations for \$1 a year. In return for the House of LaRose's sublease, they agree to reach a job creation and retention goal along with an aggregate wage structure for these jobs. Provided the House of LaRose complies with the terms of the economic development agreement for the ten-year period, they have the option to purchase the land from the Port Authority for \$10. The City's participation in the annual lease would end at that time, and it would have no future obligation related to the agreement or acquire any assets. The City paid \$255,550 on the lease in 2007. The City will be making the following lease payments in:

2008	\$258,112
2009	255,250
2010	257,175
2011	258,675
2012	259,750
2013-2014	731,238

Note 20 – Contractual Commitments

At December 31, 2007, the City's significant contractual commitments consisted of:

Project	Contract Amount	Amount Paid	Remaining on Contract
Economic Development	\$211,000	\$0	\$211,000
Street Construction	3,217,878	1,041,183	2,176,695
Engineering	148,080	98,391	49,689
Community Center Parking Lot	690,499	354,800	335,699
Professional Services	48,972	7,684	41,288
Community Center Building Improvements	101,240	0	101,240
Human Services Building Construction	198,710	164,186	34,524
Information Technology Equipment	203,088	18,071	185,017
Service Equipment	26,013	0	26,013
Fire Equipment	447,083	0	447,083
Totals	\$5,292,563	\$1,684,315	\$3,608,248

**Combining and Individual
Fund Statements and 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.

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.

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.

(continued)

Combining Statements - Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

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.

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

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

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.

(continued)

Combining Statements - Nonmajor Governmental Funds (continued)

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.

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

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, 2007

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$2,205,897	\$336,082	\$2,193,790	\$4,735,769
Materials and Supplies Inventory	37,642	0	0	37,642
Accounts Receivable	2,530	0	0	2,530
Intergovernmental Receivable	364,035	11,535	0	375,570
Municipal Income Taxes Receivable	0	0	45,604	45,604
Property Taxes Receivable	756,972	227,093	0	984,065
<i>Total Assets</i>	<u>\$3,367,076</u>	<u>\$574,710</u>	<u>\$2,239,394</u>	<u>\$6,181,180</u>
 Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$29,314	\$12,856	\$9,230	\$51,400
Contracts Payable	34,037	0	143,335	177,372
Retainage Payable	24,264	0	2,700	26,964
Accrued Wages and Benefits	23,163	0	0	23,163
Intergovernmental Payable	113,933	0	5,500	119,433
Deferred Revenue	1,067,310	238,628	29,604	1,335,542
<i>Total Liabilities</i>	<u>1,292,021</u>	<u>251,484</u>	<u>190,369</u>	<u>1,733,874</u>
 Fund Balances				
Reserved for Encumbrances	395,233	0	745,085	1,140,318
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,679,822	0	0	1,679,822
Debt Service Fund	0	323,226	0	323,226
Capital Projects Funds	0	0	1,303,940	1,303,940
<i>Total Fund Balances</i>	<u>2,075,055</u>	<u>323,226</u>	<u>2,049,025</u>	<u>4,447,306</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$3,367,076</u>	<u>\$574,710</u>	<u>\$2,239,394</u>	<u>\$6,181,180</u>

City of Brecksville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2007

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property and Other Taxes	\$730,451	\$219,135	\$0	\$949,586
Municipal Income Taxes	0	0	192,000	192,000
Charges for Services	828,263	0	0	828,263
Licenses and Permits	31,291	0	48,930	80,221
Fines and Forfeitures	8,823	0	0	8,823
Intergovernmental	767,114	27,713	0	794,827
Interest	134,423	0	132,667	267,090
Donations	3,842	0	0	3,842
Rentals	52,385	0	0	52,385
Miscellaneous	14,278	0	45,598	59,876
<i>Total Revenues</i>	<u>2,570,870</u>	<u>246,848</u>	<u>419,195</u>	<u>3,236,913</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	160	12,978	0	13,138
Public Safety:				
Police	240,393	0	0	240,393
Street Construction, Maintenance and Repair	1,088,882	0	0	1,088,882
Housing and Community Development	25,724	0	0	25,724
Basic Utility Services	2,034	0	0	2,034
Recreational Activities	1,655,779	0	0	1,655,779
Capital Outlay	0	0	1,182,548	1,182,548
Debt Service:				
Principal Retirement	0	768,747	53,884	822,631
Interest and Fiscal Charges	0	485,170	0	485,170
Accretion on Capital Appreciation Bonds	0	116,253	0	116,253
<i>Total Expenditures</i>	<u>3,012,972</u>	<u>1,383,148</u>	<u>1,236,432</u>	<u>5,632,552</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(442,102)</u>	<u>(1,136,300)</u>	<u>(817,237)</u>	<u>(2,395,639)</u>
Other Financing Sources (Uses)				
Transfers In	800,000	1,165,630	995,737	2,961,367
Transfers Out	(11,732)	0	(374,005)	(385,737)
<i>Total Other Financing Sources (Uses)</i>	<u>788,268</u>	<u>1,165,630</u>	<u>621,732</u>	<u>2,575,630</u>
<i>Net Change in Fund Balances</i>	346,166	29,330	(195,505)	179,991
<i>Fund Balances Beginning of Year</i>	<u>1,728,889</u>	<u>293,896</u>	<u>2,244,530</u>	<u>4,267,315</u>
<i>Fund Balances End of Year</i>	<u>\$2,075,055</u>	<u>\$323,226</u>	<u>\$2,049,025</u>	<u>\$4,447,306</u>

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2007

	Motor Vehicle License Tax	Street Repair and Maintenance	State Highway	Community Center
Assets				
Equity in Pooled Cash and Cash Equivalents	\$25,212	\$584,652	\$51,812	\$417,387
Materials and Supplies Inventory	0	37,642	0	0
Accounts Receivable	0	0	0	2,530
Intergovernmental Receivable	17,097	285,352	23,136	0
Property Taxes Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$42,309</u>	<u>\$907,646</u>	<u>\$74,948</u>	<u>\$419,917</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$0	\$459	\$28,855
Contracts Payable	0	31,388	0	2,649
Retainage Payable	0	0	0	24,264
Accrued Wages and Benefits	0	0	0	23,163
Intergovernmental Payable	0	0	0	9,850
Deferred Revenue	14,474	238,108	19,306	0
<i>Total Liabilities</i>	<u>14,474</u>	<u>269,496</u>	<u>19,765</u>	<u>88,781</u>
Fund Balances				
Reserved for Encumbrances	0	52,437	32,923	8,877
Unreserved, Undesignated (Deficit)	27,835	585,713	22,260	322,259
<i>Total Fund Balances (Deficit)</i>	<u>27,835</u>	<u>638,150</u>	<u>55,183</u>	<u>331,136</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$42,309</u>	<u>\$907,646</u>	<u>\$74,948</u>	<u>\$419,917</u>

(continued)

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2007

	Special Programs	Road Maintenance	Federal Equitable Sharing	Indigent Prisoner Assistance
Assets				
Equity in Pooled Cash and Cash Equivalents	\$8,122	\$560,942	\$4,147	\$9,869
Materials and Supplies Inventory	0	0	0	0
Accounts Receivable	0	0	0	0
Intergovernmental Receivable	0	29,577	0	0
Property Taxes Receivable	0	582,287	0	0
<i>Total Assets</i>	<u>\$8,122</u>	<u>\$1,172,806</u>	<u>\$4,147</u>	<u>\$9,869</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	611,864	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>611,864</u>	<u>0</u>	<u>0</u>
Fund Balances				
Reserved for Encumbrances	0	300,176	0	0
Unreserved, Undesignated (Deficit)	8,122	260,766	4,147	9,869
<i>Total Fund Balances (Deficit)</i>	<u>8,122</u>	<u>560,942</u>	<u>4,147</u>	<u>9,869</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$8,122</u>	<u>\$1,172,806</u>	<u>\$4,147</u>	<u>\$9,869</u>

<u>Indigent Drivers</u>	<u>Enforcement and Education</u>	<u>Court Computerization</u>	<u>Natureworks Grants</u>	<u>Recycling Demo</u>
\$10,867	\$50,495	\$224,602	\$950	\$14,963
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>\$10,867</u>	<u>\$50,495</u>	<u>\$224,602</u>	<u>\$950</u>	<u>\$14,963</u>
\$0	\$0	\$0	\$0	\$0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	820	0	0	0
<u>10,867</u>	<u>49,675</u>	<u>224,602</u>	<u>950</u>	<u>14,963</u>
<u>10,867</u>	<u>50,495</u>	<u>224,602</u>	<u>950</u>	<u>14,963</u>
<u>\$10,867</u>	<u>\$50,495</u>	<u>\$224,602</u>	<u>\$950</u>	<u>\$14,963</u>

(continued)

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2007

	Tree Planting Grants	Law Enforcement	Law Enforcement Mandatory Drug	Vehicle Immobilization
Assets				
Equity in Pooled Cash and Cash Equivalents	\$140,776	\$11,395	\$13,602	\$34,167
Materials and Supplies Inventory	0	0	0	0
Accounts Receivable	0	0	0	0
Intergovernmental Receivable	0	0	0	0
Property Taxes Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$140,776</u>	<u>\$11,395</u>	<u>\$13,602</u>	<u>\$34,167</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	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 Fund Balances				
Reserved for Encumbrances	0	0	0	0
Unreserved, Undesignated (Deficit)	140,776	11,395	13,602	34,167
<i>Total Fund Balances (Deficit)</i>	<u>140,776</u>	<u>11,395</u>	<u>13,602</u>	<u>34,167</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$140,776</u>	<u>\$11,395</u>	<u>\$13,602</u>	<u>\$34,167</u>

<u>Police Pension</u>	<u>Memorial</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$23,360	\$18,577	\$2,205,897
0	0	37,642
0	0	2,530
8,873	0	364,035
<u>174,685</u>	<u>0</u>	<u>756,972</u>
<u>\$206,918</u>	<u>\$18,577</u>	<u>\$3,367,076</u>
\$0	\$0	\$29,314
0	0	34,037
0	0	24,264
0	0	23,163
104,083	0	113,933
<u>183,558</u>	<u>0</u>	<u>1,067,310</u>
<u>287,641</u>	<u>0</u>	<u>1,292,021</u>
0	0	395,233
<u>(80,723)</u>	<u>18,577</u>	<u>1,679,822</u>
<u>(80,723)</u>	<u>18,577</u>	<u>2,075,055</u>
<u>\$206,918</u>	<u>\$18,577</u>	<u>\$3,367,076</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, 2007

	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	828,263
Licenses and Permits	0	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	34,887	573,471	46,497	0
Interest	2,796	26,179	2,074	33,697
Donations	0	0	0	2,772
Rentals	0	0	0	52,385
Miscellaneous	0	0	0	13,028
<i>Total Revenues</i>	<u>37,683</u>	<u>599,650</u>	<u>48,571</u>	<u>930,145</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Public Safety:				
Police	0	0	0	0
Street Construction, Maintenance and Repair	154,746	448,617	33,790	0
Housing and Community Development	0	0	0	0
Basic Utility Services	0	0	0	0
Recreational Activities	0	0	0	1,654,429
<i>Total Expenditures</i>	<u>154,746</u>	<u>448,617</u>	<u>33,790</u>	<u>1,654,429</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(117,063)</u>	<u>151,033</u>	<u>14,781</u>	<u>(724,284)</u>
Other Financing Sources (Uses)				
Transfers In	0	0	0	800,000
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>800,000</u>
<i>Net Change in Fund Balances</i>	<u>(117,063)</u>	<u>151,033</u>	<u>14,781</u>	<u>75,716</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>144,898</u>	<u>487,117</u>	<u>40,402</u>	<u>255,420</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$27,835</u>	<u>\$638,150</u>	<u>\$55,183</u>	<u>\$331,136</u>

Special Programs	Road Maintenance	Federal Equitable Sharing	Indigent Prisoner Assistance	Indigent Drivers	Enforcement and Education	Court Computerization
\$0	\$561,885	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
1,435	0	0	0	0	0	16,106
0	0	0	0	525	2,062	0
0	84,775	0	0	0	0	0
0	38,210	242	577	616	3,009	12,637
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	1,250	0
1,435	684,870	242	577	1,141	6,321	28,743
0	0	0	0	0	0	160
0	0	0	30	0	4,869	0
0	451,729	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
1,350	0	0	0	0	0	0
1,350	451,729	0	30	0	4,869	160
85	233,141	242	547	1,141	1,452	28,583
0	0	0	0	0	0	0
0	(11,732)	0	0	0	0	0
0	(11,732)	0	0	0	0	0
85	221,409	242	547	1,141	1,452	28,583
8,037	339,533	3,905	9,322	9,726	49,043	196,019
\$8,122	\$560,942	\$4,147	\$9,869	\$10,867	\$50,495	\$224,602

(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, 2007

	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	13,750	0
Fines and Forfeitures	0	0	0	1,647
Intergovernmental	0	2,000	0	0
Interest	0	845	8,917	837
Donations	0	0	0	0
Rentals	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>2,845</u>	<u>22,667</u>	<u>2,484</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Public Safety:				
Police	0	0	0	7,762
Street Construction, Maintenance and Repair	0	0	0	0
Housing and Community Development	0	0	25,724	0
Basic Utility Services	0	2,034	0	0
Recreational Activities	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>2,034</u>	<u>25,724</u>	<u>7,762</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>0</u>	<u>811</u>	<u>(3,057)</u>	<u>(5,278)</u>
Other Financing Sources (Uses)				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	0	811	(3,057)	(5,278)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>950</u>	<u>14,152</u>	<u>143,833</u>	<u>16,673</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$950</u>	<u>\$14,963</u>	<u>\$140,776</u>	<u>\$11,395</u>

Law Enforcement Mandatory Drug	Vehicle Immobilization	Police Pension	Memorial	Total Nonmajor Special Revenue Funds
\$0	\$0	\$168,566	\$0	\$730,451
0	0	0	0	828,263
0	0	0	0	31,291
529	4,060	0	0	8,823
0	0	25,484	0	767,114
1,923	1,864	0	0	134,423
0	0	0	1,070	3,842
0	0	0	0	52,385
0	0	0	0	14,278
<u>2,452</u>	<u>5,924</u>	<u>194,050</u>	<u>1,070</u>	<u>2,570,870</u>
0	0	0	0	160
29,590	0	198,142	0	240,393
0	0	0	0	1,088,882
0	0	0	0	25,724
0	0	0	0	2,034
0	0	0	0	1,655,779
<u>29,590</u>	<u>0</u>	<u>198,142</u>	<u>0</u>	<u>3,012,972</u>
<u>(27,138)</u>	<u>5,924</u>	<u>(4,092)</u>	<u>1,070</u>	<u>(442,102)</u>
0	0	0	0	800,000
0	0	0	0	(11,732)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>788,268</u>
<u>(27,138)</u>	<u>5,924</u>	<u>(4,092)</u>	<u>1,070</u>	<u>346,166</u>
<u>40,740</u>	<u>28,243</u>	<u>(76,631)</u>	<u>17,507</u>	<u>1,728,889</u>
<u>\$13,602</u>	<u>\$34,167</u>	<u>(\$80,723)</u>	<u>\$18,577</u>	<u>\$2,075,055</u>

City of Brecksville, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2007

	Issue II	Capital Improvement	Equipment Replacement	Recreation Expansion	Library Improvement
Assets					
Equity in Pooled Cash and Cash Equivalents	\$340,839	\$1,114,128	\$85,658	\$137,276	\$37,460
Municipal Income Tax Receivable	0	45,604	0	0	0
Total Assets	\$340,839	\$1,159,732	\$85,658	\$137,276	\$37,460
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$0	\$550	\$0	\$8,680	\$0
Contracts Payable	0	70,905	0	72,430	0
Retainage Payable	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0
Deferred Revenue	0	29,604	0	0	0
Total Liabilities	0	101,059	0	81,110	0
Fund Balances					
Reserved for Encumbrances	0	641,969	0	28,641	0
Unreserved, Undesignated	340,839	416,704	85,658	27,525	37,460
Total Fund Balances	340,839	1,058,673	85,658	56,166	37,460
Total Liabilities and Fund Balances	\$340,839	\$1,159,732	\$85,658	\$137,276	\$37,460

Fire Station Building	Police Station Building	Human Services Facilities	Sewer Improvement	Public Utility Improvement	Total Nonmajor Capital Projects Funds
\$0	\$19,196	\$115,500	\$72,317	\$271,416	\$2,193,790
0	0	0	0	0	45,604
<u>\$0</u>	<u>\$19,196</u>	<u>\$115,500</u>	<u>\$72,317</u>	<u>\$271,416</u>	<u>\$2,239,394</u>
\$0	\$0	\$0	\$0	\$0	\$9,230
0	0	0	0	0	143,335
0	0	2,700	0	0	2,700
0	0	0	0	5,500	5,500
0	0	0	0	0	29,604
0	0	2,700	0	5,500	190,369
33,076	0	34,524	0	6,875	745,085
(33,076)	19,196	78,276	72,317	259,041	1,303,940
0	19,196	112,800	72,317	265,916	2,049,025
<u>\$0</u>	<u>\$19,196</u>	<u>\$115,500</u>	<u>\$72,317</u>	<u>\$271,416</u>	<u>\$2,239,394</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, 2007

	Issue II	Capital Improvement	Equipment Replacement	Recreation Expansion	Library Improvement
Revenues					
Municipal Income Taxes	\$0	\$192,000	\$0	\$0	\$0
Licenses and Permits	0	0	0	27,570	0
Interest	21,333	67,512	4,982	8,987	0
Miscellaneous	0	0	0	0	0
<i>Total Revenues</i>	<u>21,333</u>	<u>259,512</u>	<u>4,982</u>	<u>36,557</u>	<u>0</u>
Expenditures					
Capital Outlay	0	754,978	0	121,854	0
Debt Service:					
Principal Retirement	53,884	0	0	0	0
<i>Total Expenditures</i>	<u>53,884</u>	<u>754,978</u>	<u>0</u>	<u>121,854</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(32,551)</u>	<u>(495,466)</u>	<u>4,982</u>	<u>(85,297)</u>	<u>0</u>
Other Financing Sources (Uses)					
Transfers In	45,737	900,000	0	0	0
Transfers Out	0	(11,224)	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>45,737</u>	<u>888,776</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	13,186	393,310	4,982	(85,297)	0
<i>Fund Balances Beginning of Year</i>	<u>327,653</u>	<u>665,363</u>	<u>80,676</u>	<u>141,463</u>	<u>37,460</u>
<i>Fund Balances End of Year</i>	<u><u>\$340,839</u></u>	<u><u>\$1,058,673</u></u>	<u><u>\$85,658</u></u>	<u><u>\$56,166</u></u>	<u><u>\$37,460</u></u>

Fire Station Building	Police 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	21,360	48,930
1,081	0	19,295	4,205	5,272	132,667
0	0	45,598	0	0	45,598
<u>1,081</u>	<u>0</u>	<u>64,893</u>	<u>4,205</u>	<u>26,632</u>	<u>419,195</u>
35,806	156	28,497	0	241,257	1,182,548
0	0	0	0	0	53,884
<u>35,806</u>	<u>156</u>	<u>28,497</u>	<u>0</u>	<u>241,257</u>	<u>1,236,432</u>
<u>(34,725)</u>	<u>(156)</u>	<u>36,396</u>	<u>4,205</u>	<u>(214,625)</u>	<u>(817,237)</u>
0	0	0	0	50,000	995,737
0	0	(340,000)	0	(22,781)	(374,005)
0	0	(340,000)	0	27,219	621,732
<u>(34,725)</u>	<u>(156)</u>	<u>(303,604)</u>	<u>4,205</u>	<u>(187,406)</u>	<u>(195,505)</u>
<u>34,725</u>	<u>19,352</u>	<u>416,404</u>	<u>68,112</u>	<u>453,322</u>	<u>2,244,530</u>
<u>\$0</u>	<u>\$19,196</u>	<u>\$112,800</u>	<u>\$72,317</u>	<u>\$265,916</u>	<u>\$2,049,025</u>

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.

City of Brecksville, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2007

	Beginning Balance 12/31/06	Additions	Deductions	Ending Balance 12/31/07
Senior Citizens' Programs				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$17,150	\$7,973	\$10,485	\$14,638
Liabilities				
Undistributed Monies	\$17,150	\$7,973	\$10,485	\$14,638
Street Openings				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$228,740	\$36,850	\$34,250	\$231,340
Liabilities				
Deposits Held and Due to Others	\$228,740	\$36,850	\$34,250	\$231,340
Deposits and Fees				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$289,334	\$180,818	\$198,288	\$271,864
Liabilities				
Deposits Held and Due to Others	\$289,334	\$180,818	\$198,288	\$271,864
Total - All Agency Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$535,224	\$225,641	\$243,023	\$517,842
Liabilities				
Undistributed Monies	\$17,150	\$7,973	\$10,485	\$14,638
Deposits Held and Due to Others	518,074	217,668	232,538	503,204
<i>Total Liabilities</i>	\$535,224	\$225,641	\$243,023	\$517,842

**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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property and Other Taxes	\$1,926,873	\$1,874,073	\$1,972,216	\$98,143
Municipal Income Taxes	11,548,000	11,698,000	11,979,279	281,279
Charges for Services	64,400	64,400	102,113	37,713
Licenses and Permits	289,900	289,900	275,578	(14,322)
Fines and Forfeitures	281,000	281,000	275,887	(5,113)
Intergovernmental	1,056,363	1,297,463	1,348,021	50,558
Interest	301,168	421,168	415,045	(6,123)
Donations	5,950	5,950	10,483	4,533
Rentals	50,400	50,400	75,932	25,532
Miscellaneous	140,100	293,761	349,120	55,359
Total Revenues	15,664,154	16,276,115	16,803,674	527,559
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Mayor:				
Salaries and Wages	209,470	169,270	165,420	3,850
Fringe Benefits	77,203	72,403	70,463	1,940
Materials and Supplies	4,620	4,620	4,153	467
Capital Outlay	4,048	4,048	2,148	1,900
Total Mayor	295,341	250,341	242,184	8,157
Finance Director:				
Salaries and Wages	245,229	245,829	243,555	2,274
Fringe Benefits	76,447	76,447	76,298	149
Materials and Supplies	8,557	9,057	8,725	332
Capital Outlay	4,700	4,200	2,729	1,471
Total Finance Director	334,933	335,533	331,307	4,226
Purchasing Department:				
Salaries and Wages	169,657	174,648	172,479	2,169
Fringe Benefits	48,173	50,168	50,168	0
Materials and Supplies	4,058	4,058	961	3,097
Capital Outlay	2,000	2,000	1,500	500
Total Purchasing Department	223,888	230,874	225,108	5,766
Legal Department:				
Salaries and Wages	98,495	100,555	99,500	1,055
Fringe Benefits	31,030	31,670	29,359	2,311
Purchased Services	149,798	148,798	139,925	8,873
Materials and Supplies	1,600	1,150	19	1,131
Total Legal Department	\$280,923	\$282,173	\$268,803	\$13,370

(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, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Legislative:				
Salaries and Wages	\$167,852	\$174,582	\$172,830	\$1,752
Fringe Benefits	76,902	77,122	75,948	1,174
Purchased Services	16,000	16,000	12,438	3,562
Materials and Supplies	8,325	8,325	3,419	4,906
Capital Outlay	4,458	4,458	4,450	8
Total Legislative	273,537	280,487	269,085	11,402
Civil Service:				
Salaries and Wages	1,560	1,560	781	779
Fringe Benefits	362	362	244	118
Purchased Services	1,000	1,000	125	875
Materials and Supplies	24,650	54,650	36,326	18,324
Total Civil Service	27,572	57,572	37,476	20,096
Information Technology:				
Salaries and Wages	161,751	164,031	162,881	1,150
Fringe Benefits	49,003	49,003	48,915	88
Purchased Services	76,886	59,214	56,945	2,269
Materials and Supplies	58,462	85,234	84,556	678
Capital Outlay	25,625	24,025	23,931	94
Total Information Technology	371,727	381,507	377,228	4,279
Land and Building:				
Salaries and Wages	300,000	231,500	217,048	14,452
Purchased Services	477,170	479,380	386,504	92,876
Materials and Supplies	85,900	123,681	102,213	21,468
Capital Outlay	130,180	90,189	70,224	19,965
Total Land and Building	993,250	924,750	775,989	148,761
Engineer:				
Salaries and Wages	107,510	107,510	102,982	4,528
Fringe Benefits	34,601	34,601	33,442	1,159
Purchased Services	116,065	117,395	49,865	67,530
Materials and Supplies	9,033	7,703	676	7,027
Capital Outlay	13,025	13,025	3,495	9,530
Total Engineer	280,234	280,234	190,460	89,774
Cable Advisory Commission:				
Salaries and Wages	475	465	240	225
Fringe Benefits	73	83	74	9
Purchased Services	578	578	0	578
Total Cable Advisory Commission	1,126	1,126	314	812
County Auditor and Treasurer:				
Fringe Benefits	172,754	172,754	93,343	79,411
Purchased Services	69,550	69,550	62,655	6,895
Total County Auditor and Treasurer	\$242,304	\$242,304	\$155,998	\$86,306

(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, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Income Tax Administration:				
Salaries and Wages	\$14,255	\$20,006	\$20,000	\$6
Fringe Benefits	5,417	6,266	6,265	1
Purchased Services	447,500	440,900	433,853	7,047
Materials and Supplies	1,200	1,200	1,056	144
Total Income Tax Administration	468,372	468,372	461,174	7,198
Administrative Support:				
Salaries and Wages	34,925	36,125	34,933	1,192
Fringe Benefits	35,511	58,995	58,845	150
Purchased Services	450,894	421,721	359,528	62,193
Materials and Supplies	1,028,747	1,138,631	1,063,624	75,007
Capital Outlay	6,000	10,395	9,380	1,015
Other	503,300	503,300	0	503,300
Total Administrative Support	2,059,377	2,169,167	1,526,310	642,857
Human Resources Department:				
Salaries and Wages	205,894	306,194	264,237	41,957
Fringe Benefits	74,033	83,033	81,601	1,432
Purchased Services	410,351	400,051	267,684	132,367
Materials and Supplies	106,559	114,325	89,059	25,266
Capital Outlay	200	2,734	2,709	25
Other	1,200	1,200	190	1,010
Total Human Resources Department	798,237	907,537	705,480	202,057
Blossom Hill:				
Salaries and Wages	145,600	143,600	143,526	74
Purchased Services	200,424	200,474	119,939	80,535
Materials and Supplies	10,000	10,000	7,535	2,465
Capital Outlay	20,000	19,950	9,109	10,841
Total Blossom Hill	376,024	374,024	280,109	93,915
Total Legislative and Executive	7,026,845	7,186,001	5,847,025	1,338,976
Judicial System:				
Mayor's Court:				
Salaries and Wages	109,341	115,741	115,391	350
Fringe Benefits	30,737	31,237	29,279	1,958
Purchased Services	22,500	22,500	0	22,500
Materials and Supplies	2,550	2,550	1,293	1,257
Capital Outlay	500	500	0	500
Total Judicial System	165,628	172,528	145,963	26,565
Total General Government	\$7,192,473	\$7,358,529	\$5,992,988	\$1,365,541

(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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Public Safety:				
Police:				
Law Enforcement:				
Salaries and Wages	\$2,716,959	\$2,809,989	\$2,619,817	\$190,172
Fringe Benefits	759,640	762,140	706,389	55,751
Purchased Services	132,234	147,704	126,067	21,637
Materials and Supplies	107,271	104,271	69,686	34,585
Capital Outlay	35,602	23,132	16,867	6,265
Total Law Enforcement	<u>3,751,706</u>	<u>3,847,236</u>	<u>3,538,826</u>	<u>308,410</u>
Prisoner Support:				
Salaries and Wages	184,620	182,620	167,824	14,796
Fringe Benefits	59,009	59,009	54,973	4,036
Purchased Services	17,827	17,827	9,955	7,872
Materials and Supplies	20,055	20,055	16,948	3,107
Capital Outlay	1,750	1,750	0	1,750
Total Prisoner Support	<u>283,261</u>	<u>281,261</u>	<u>249,700</u>	<u>31,561</u>
Animal Control:				
Salaries and Wages	40,862	49,773	46,762	3,011
Fringe Benefits	15,905	16,794	16,708	86
Purchased Services	5,000	4,800	2,234	2,566
Materials and Supplies	1,300	1,500	1,293	207
Capital Outlay	1,500	1,500	1,118	382
Total Animal Control	<u>64,567</u>	<u>74,367</u>	<u>68,115</u>	<u>6,252</u>
Total Police	<u>4,099,534</u>	<u>4,202,864</u>	<u>3,856,641</u>	<u>346,223</u>
Fire:				
Hydrants:				
Salaries and Wages	8,000	8,000	7,555	445
Purchased Services	31,047	28,247	7,464	20,783
Materials and Supplies	24,321	27,121	21,485	5,636
Total Fire	<u>63,368</u>	<u>63,368</u>	<u>36,504</u>	<u>26,864</u>
Total Public Safety	<u>\$4,162,902</u>	<u>\$4,266,232</u>	<u>\$3,893,145</u>	<u>\$373,087</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Public Health Services:				
Cemetery:				
Salaries and Wages	\$77,036	\$97,036	\$85,878	\$11,158
Materials and Supplies	7,600	7,600	5,258	2,342
Capital Outlay	4,000	4,000	104	3,896
Other	2,000	2,000	1,340	660
Total Cemetery	90,636	110,636	92,580	18,056
Board of Health:				
Purchased Services	48,175	48,175	48,175	0
Total Public Health Services	138,811	158,811	140,755	18,056
Street Construction, Maintenance and Repair:				
Street Repairs and Maintenance:				
Salaries and Wages	740,200	754,200	710,910	43,290
Fringe Benefits	801,983	801,983	735,906	66,077
Purchased Services	16,000	15,330	6,330	9,000
Materials and Supplies	59,598	60,268	48,985	11,283
Total Street Repairs and Maintenance	1,617,781	1,631,781	1,502,131	129,650
Snow and Ice Removal:				
Salaries and Wages	163,700	163,700	147,643	16,057
Purchased Services	38,000	38,000	37,450	550
Materials and Supplies	10,000	10,000	9,986	14
Total Snow and Ice Removal	211,700	211,700	195,079	16,621
Vehicle Maintenance:				
Salaries and Wages	192,230	238,230	235,531	2,699
Purchased Services	199,292	199,292	164,130	35,162
Materials and Supplies	10,000	10,000	9,477	523
Capital Outlay	9,939	9,939	7,009	2,930
Total Vehicle Maintenance	411,461	457,461	416,147	41,314
Total Street Construction, Maintenance and Repair	\$2,240,942	\$2,300,942	\$2,113,357	\$187,585

(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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Housing and Community Development:				
Planning Commission:				
Salaries and Wages	\$3,570	\$3,570	\$2,077	\$1,493
Fringe Benefits	871	871	651	220
Purchased Services	19,259	19,259	2,800	16,459
Materials and Supplies	3,832	3,832	2,477	1,355
Total Planning Commission	27,532	27,532	8,005	19,527
Housing and Building Inspection:				
Salaries and Wages	412,132	426,632	402,543	24,089
Fringe Benefits	126,495	131,995	126,480	5,515
Purchased Services	8,700	16,700	13,888	2,812
Materials and Supplies	12,240	11,440	9,384	2,056
Capital Outlay	10,198	5,723	5,198	525
Other	3,000	3,275	1,244	2,031
Total Housing and Building Inspection	572,765	595,765	558,737	37,028
Urban Forestry:				
Salaries and Wages	228,237	210,737	206,430	4,307
Purchased Services	42,425	47,415	26,869	20,546
Materials and Supplies	19,000	14,250	12,980	1,270
Capital Outlay	4,555	4,315	4,313	2
Total Urban Forestry	294,217	276,717	250,592	26,125
Total Housing and Community Development	894,514	900,014	817,334	82,680
Basic Utility Services:				
Storm Sewers and Drains:				
Salaries and Wages	64,840	52,840	46,175	6,665
Purchased Services	50,000	49,000	16,182	32,818
Materials and Supplies	7,000	8,000	7,654	346
Total Storm Sewers and Drains	\$121,840	\$109,840	\$70,011	\$39,829

(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, 2007*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Refuse Collection:				
Salaries and Wages	\$266,079	\$269,079	\$247,644	\$21,435
Purchased Services	287,672	287,672	287,672	0
Total Refuse Collection	553,751	556,751	535,316	21,435
Service Department:				
Salaries and Wages	245,491	245,442	223,823	21,619
Fringe Benefits	166,114	166,163	149,136	17,027
Purchased Services	7,981	7,881	2,848	5,033
Materials and Supplies	22,800	22,900	11,696	11,204
Capital Outlay	12,980	12,980	10,046	2,934
Total Service Department	455,366	455,366	397,549	57,817
House-Keeping Service:				
Salaries and Wages	309,739	316,039	311,323	4,716
Fringe Benefits	96,751	97,451	97,322	129
Purchased Services	22,000	22,000	19,383	2,617
Materials and Supplies	25,000	25,000	23,665	1,335
Capital Outlay	6,000	6,000	5,708	292
Total House-Keeping Service	459,490	466,490	457,401	9,089
Street Lighting:				
Purchased Services	109,208	95,099	85,169	9,930
Rubbish Recycling:				
Salaries and Wages	290,075	286,475	280,171	6,304
Purchased Services	20,000	18,500	14,338	4,162
Materials and Supplies	12,498	13,998	10,811	3,187
Total Rubbish Recycling	322,573	318,973	305,320	13,653
Leaf Program:				
Salaries and Wages	68,340	95,340	84,135	11,205
Purchased Services	35,000	27,000	16,550	10,450
Materials and Supplies	13,000	13,000	5,429	7,571
Total Leaf Program	116,340	135,340	106,114	29,226
Total Basic Utility Services	\$2,138,568	\$2,137,859	\$1,956,880	\$180,979

(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, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Recreational Activities:				
Brecksville Center for the Arts:				
Purchased Services	\$19,214	\$19,214	\$14,689	\$4,525
Materials and Supplies	6,860	7,805	7,134	671
Total Recreational Activities	26,074	27,019	21,823	5,196
<i>Total Expenditures</i>	16,794,284	17,149,406	14,936,282	2,213,124
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,130,130)	(873,291)	1,867,392	2,740,683
Other Financing Sources (Uses)				
Sale of Capital Assets	23,000	23,000	35,038	12,038
Transfers Out	(3,900,000)	(3,950,000)	(3,950,000)	0
<i>Total Other Financing Sources (Uses)</i>	(3,877,000)	(3,927,000)	(3,914,962)	12,038
<i>Net Change in Fund Balance</i>	(5,007,130)	(4,800,291)	(2,047,570)	2,752,721
<i>Fund Balance Beginning of Year</i>	6,891,720	6,891,720	6,891,720	0
Prior Year Encumbrances Appropriated	642,244	642,244	642,244	0
<i>Fund Balance End of Year</i>	\$2,526,834	\$2,733,673	\$5,486,394	\$2,752,721

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, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property and Other Taxes	\$1,877,080	\$1,877,080	\$1,910,408	\$33,328
Charges for Services	0	0	1,318	1,318
Licenses and Permits	0	0	186	186
Intergovernmental	313,236	313,236	297,153	(16,083)
Interest	34,440	34,440	44,532	10,092
Donations	0	0	150	150
Miscellaneous	0	0	1,393	1,393
<i>Total Revenues</i>	<u>2,224,756</u>	<u>2,224,756</u>	<u>2,255,140</u>	<u>30,384</u>
Expenditures				
Current:				
Public Safety:				
Fire:				
Salaries and Wages	1,547,692	1,544,517	1,493,988	50,529
Fringe Benefits	431,401	434,577	359,639	74,938
Purchased Services	162,257	162,271	87,093	75,178
Materials and Supplies	67,538	67,538	39,647	27,891
Capital Outlay	148,520	148,505	117,255	31,250
<i>Total Expenditures</i>	<u>2,357,408</u>	<u>2,357,408</u>	<u>2,097,622</u>	<u>259,786</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(132,652)	(132,652)	157,518	290,170
Other Financing Uses				
Transfers Out	(100,000)	(100,000)	(100,000)	0
<i>Net Change in Fund Balance</i>	(232,652)	(232,652)	57,518	290,170
<i>Fund Balance Beginning of Year</i>	338,684	338,684	338,684	0
Prior Year Encumbrances Appropriated	27,118	27,118	27,118	0
<i>Fund Balance End of Year</i>	<u>\$133,150</u>	<u>\$133,150</u>	<u>\$423,320</u>	<u>\$290,170</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Special Assessments	<u>\$600,000</u>	<u>\$550,000</u>	<u>\$624,415</u>	<u>\$74,415</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Other	<u>50,000</u>	<u>50,000</u>	<u>5,962</u>	<u>44,038</u>
Debt Service:				
Principal Retirement	400,000	400,000	400,000	0
Interest and Fiscal Charges	<u>219,525</u>	<u>219,525</u>	<u>219,525</u>	<u>0</u>
Total Debt Service	<u>619,525</u>	<u>619,525</u>	<u>619,525</u>	<u>0</u>
<i>Total Expenditures</i>	<u>669,525</u>	<u>669,525</u>	<u>625,487</u>	<u>44,038</u>
<i>Net Change in Fund Balance</i>	(69,525)	(119,525)	(1,072)	118,453
<i>Fund Balance Beginning of Year</i>	<u>487,219</u>	<u>487,219</u>	<u>487,219</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$417,694</u>	<u>\$367,694</u>	<u>\$486,147</u>	<u>\$118,453</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, 2007*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	\$1,061,634	\$960,000	\$960,000	\$0
Intergovernmental	0	0	45,713	45,713
Interest	185,972	168,168	211,397	43,229
Miscellaneous	195,917	177,162	159,350	(17,812)
<i>Total Revenues</i>	1,443,523	1,305,330	1,376,460	71,130
Expenditures				
Capital Outlay:				
Capital Outlay	7,816,807	7,185,877	4,804,428	2,381,449
<i>Excess of Revenues Under Expenditures</i>	(6,373,284)	(5,880,547)	(3,427,968)	2,452,579
Other Financing Sources				
Proceeds of Notes	3,317,606	3,000,000	3,000,000	0
Transfers In	2,544,326	2,300,749	2,300,000	(749)
<i>Total Other Financing Sources</i>	5,861,932	5,300,749	5,300,000	(749)
<i>Net Change in Fund Balance</i>	(511,352)	(579,798)	1,872,032	2,451,830
<i>Fund Balance Beginning of Year</i>	487,297	487,297	487,297	0
Prior Year Encumbrances Appropriated	189,910	189,910	189,910	0
<i>Fund Balance End of Year</i>	\$165,855	\$97,409	\$2,549,239	\$2,451,830

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Buildings and Improvements Fund
For the Year Ended December 31, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	\$1,200,000	\$1,200,000	\$1,200,000	\$0
Interest	14,056	14,056	21,880	7,824
Other	0	0	135,806	135,806
<i>Total Revenues</i>	<u>1,214,056</u>	<u>1,214,056</u>	<u>1,357,686</u>	<u>143,630</u>
Expenditures				
Capital Outlay:				
Capital Outlay	194,370	250,300	115,161	135,139
<i>Excess of Revenues Over Expenditures</i>	<u>1,019,686</u>	<u>963,756</u>	<u>1,242,525</u>	<u>278,769</u>
Other Financing Sources (Uses)				
Transfers In	0	360,000	340,000	(20,000)
Transfers Out	(1,165,630)	(1,165,630)	(1,165,630)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(1,165,630)</u>	<u>(805,630)</u>	<u>(825,630)</u>	<u>(20,000)</u>
<i>Net Change in Fund Balance</i>	<u>(145,944)</u>	<u>158,126</u>	<u>416,895</u>	<u>258,769</u>
<i>Fund Balance Beginning of Year</i>	<u>251,221</u>	<u>251,221</u>	<u>251,221</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$105,277</u>	<u>\$409,347</u>	<u>\$668,116</u>	<u>\$258,769</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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Taxes	\$207,065	\$120,000	\$120,000	\$0
Intergovernmental	139,985	81,125	0	(81,125)
Interest	27,652	16,025	20,442	4,417
Miscellaneous	1,731	1,003	150	(853)
<i>Total Revenues</i>	<u>376,433</u>	<u>218,153</u>	<u>140,592</u>	<u>(77,561)</u>
Expenditures				
Capital Outlay:				
Oakes Road Reconstruction:				
Purchased Services	447,002	380,422	184,353	196,069
Capital Outlay	50,761	43,200	14,550	28,650
Total Oakes Road Reconstruction	<u>497,763</u>	<u>423,622</u>	<u>198,903</u>	<u>224,719</u>
Route 21 Access Roads				
Capital Outlay	<u>193,358</u>	<u>164,558</u>	<u>149,004</u>	<u>15,554</u>
Oakes Road Construction:				
Purchased Services	571	486	279	207
Capital Outlay	8,768	7,462	7,067	395
Other	39,097	33,273	33,273	0
Total Oakes Road Construction	<u>48,436</u>	<u>41,221</u>	<u>40,619</u>	<u>602</u>
Citywide Traffic Resignal:				
Capital Outlay	<u>45,092</u>	<u>38,376</u>	<u>38,376</u>	<u>0</u>
<i>Total Expenditures</i>	<u>784,649</u>	<u>667,777</u>	<u>426,902</u>	<u>240,875</u>
<i>Net Change in Fund Balance</i>	(408,216)	(449,624)	(286,310)	163,314
<i>Fund Balance Beginning of Year</i>	444,527	444,527	444,527	0
Prior Year Encumbrances Appropriated	<u>245,523</u>	<u>245,523</u>	<u>245,523</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$281,834</u>	<u>\$240,426</u>	<u>\$403,740</u>	<u>\$163,314</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$37,291	\$35,000	\$34,942	(\$58)
Interest	3,395	3,186	2,796	(390)
<i>Total Revenues</i>	40,686	38,186	37,738	(448)
Expenditures				
Current:				
Street Construction, Maintenance and Repair:				
Street Repair and Maintenance:				
Capital Outlay	155,000	155,000	154,746	254
<i>Net Change in Fund Balance</i>	(114,314)	(116,814)	(117,008)	(194)
<i>Fund Balance Beginning of Year</i>	142,220	142,220	142,220	0
<i>Fund Balance End of Year</i>	<u>\$27,906</u>	<u>\$25,406</u>	<u>\$25,212</u>	<u>(\$194)</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, 2007*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$526,119	\$575,000	\$571,363	(\$3,637)
Interest	12,041	13,160	26,179	13,019
<i>Total Revenues</i>	<u>538,160</u>	<u>588,160</u>	<u>597,542</u>	<u>9,382</u>
Expenditures				
Current:				
Street Construction, Maintenance and Repair:				
Snow and Ice Removal:				
Materials and Supplies	611,655	448,142	412,428	35,714
Capital Outlay	136,487	100,000	90,001	9,999
<i>Total Expenditures</i>	<u>748,142</u>	<u>548,142</u>	<u>502,429</u>	<u>45,713</u>
<i>Net Change in Fund Balance</i>	(209,982)	40,018	95,113	55,095
<i>Fund Balance Beginning of Year</i>	317,572	317,572	317,572	0
Prior Year Encumbrances Appropriated	88,142	88,142	88,142	0
<i>Fund Balance End of Year</i>	<u>\$195,732</u>	<u>\$445,732</u>	<u>\$500,827</u>	<u>\$55,095</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$43,000	\$43,000	\$46,327	\$3,327
Interest	1,120	1,120	2,074	954
<i>Total Revenues</i>	<u>44,120</u>	<u>44,120</u>	<u>48,401</u>	<u>4,281</u>
Expenditures				
Current:				
Street Construction, Maintenance and Repair:				
Route 21 Center Strip:				
Salaries and Wages	10,000	10,000	6,713	3,287
Purchased Services	10,000	10,000	5,000	5,000
Total Route 21 Center Strip	20,000	20,000	11,713	8,287
Snow and Ice Removal:				
Materials and Supplies	55,000	55,000	55,000	0
<i>Total Expenditures</i>	<u>75,000</u>	<u>75,000</u>	<u>66,713</u>	<u>8,287</u>
<i>Net Change in Fund Balance</i>	(30,880)	(30,880)	(18,312)	12,568
<i>Fund Balance Beginning of Year</i>	36,742	36,742	36,742	0
<i>Fund Balance End of Year</i>	<u>\$5,862</u>	<u>\$5,862</u>	<u>\$18,430</u>	<u>\$12,568</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Center Fund
For the Year Ended December 31, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$757,925	\$769,570	\$825,733	\$56,163
Interest	16,380	16,632	33,697	17,065
Donations	2,955	3,000	2,772	(228)
Rentals	46,289	47,000	52,385	5,385
Miscellaneous	15,758	16,000	13,028	(2,972)
<i>Total Revenues</i>	<u>839,307</u>	<u>852,202</u>	<u>927,615</u>	<u>75,413</u>
Expenditures				
Current:				
Recreational Activities:				
Community Center:				
Salaries and Wages	949,345	950,569	932,172	18,397
Fringe Benefits	149,796	149,989	148,388	1,601
Purchased Services	465,822	466,423	392,219	74,204
Materials and Supplies	136,978	137,155	108,228	28,927
Capital Outlay	79,190	79,292	56,180	23,112
Other	2,897	2,900	2,046	854
<i>Total Expenditures</i>	<u>1,784,028</u>	<u>1,786,328</u>	<u>1,639,233</u>	<u>147,095</u>
<i>Excess of Revenues Under Expenditures</i>	(944,721)	(934,126)	(711,618)	222,508
Other Financing Sources				
Transfers In	787,895	800,000	800,000	0
<i>Net Change in Fund Balance</i>	(156,826)	(134,126)	88,382	222,508
<i>Fund Balance Beginning of Year</i>	248,015	248,015	248,015	0
Prior Year Encumbrances Appropriated	51,191	51,191	51,191	0
<i>Fund Balance End of Year</i>	<u>\$142,380</u>	<u>\$165,080</u>	<u>\$387,588</u>	<u>\$222,508</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$2,000	\$2,000	\$1,435	(\$565)
Expenditures				
Current:				
Recreational Activities:				
Special Events:				
Materials and Supplies	8,000	8,000	1,350	6,650
<i>Net Change in Fund Balance</i>	(6,000)	(6,000)	85	6,085
<i>Fund Balance Beginning of Year</i>	8,037	8,037	8,037	0
<i>Fund Balance End of Year</i>	<u>\$2,037</u>	<u>\$2,037</u>	<u>\$8,122</u>	<u>\$6,085</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, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property and Other Taxes	\$504,754	\$504,754	\$561,885	\$57,131
Intergovernmental	148,052	148,052	84,775	(63,277)
Interest	14,056	14,056	38,210	24,154
<i>Total Revenues</i>	<u>666,862</u>	<u>666,862</u>	<u>684,870</u>	<u>18,008</u>
Expenditures				
Current:				
Street Construction, Maintenance and Repair:				
Street Repair and Maintenance:				
Purchased Services	744,683	744,683	725,607	19,076
Capital Outlay	30,000	30,000	27,641	2,359
<i>Total Expenditures</i>	<u>774,683</u>	<u>774,683</u>	<u>753,248</u>	<u>21,435</u>
<i>Excess of Revenues Under Expenditures</i>	(107,821)	(107,821)	(68,378)	39,443
Other Financing Uses				
Transfers Out	(11,732)	(11,732)	(11,732)	0
<i>Net Change in Fund Balance</i>	(119,553)	(119,553)	(80,110)	39,443
<i>Fund Balance Beginning of Year</i>	316,593	316,593	316,593	0
Prior Year Encumbrances Appropriated	24,283	24,283	24,283	0
<i>Fund Balance End of Year</i>	<u>\$221,323</u>	<u>\$221,323</u>	<u>\$260,766</u>	<u>\$39,443</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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$0	\$0	\$242	\$242
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Federal Equitable Sharing				
Other	<u>3,900</u>	<u>3,900</u>	<u>0</u>	<u>3,900</u>
<i>Net Change in Fund Balance</i>	(3,900)	(3,900)	242	4,142
<i>Fund Balance Beginning of Year</i>	<u>3,905</u>	<u>3,905</u>	<u>3,905</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$5</u></u>	<u><u>\$5</u></u>	<u><u>\$4,147</u></u>	<u><u>\$4,142</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$100	\$100	\$0	(\$100)
Interest	392	392	577	185
<i>Total Revenues</i>	492	492	577	85
Expenditures				
Current:				
Public Safety:				
Police:				
Prisoner Support:				
Materials and Supplies	8,000	8,000	30	7,970
<i>Net Change in Fund Balance</i>	(7,508)	(7,508)	547	8,055
<i>Fund Balance Beginning of Year</i>	9,322	9,322	9,322	0
<i>Fund Balance End of Year</i>	<u>\$1,814</u>	<u>\$1,814</u>	<u>\$9,869</u>	<u>\$8,055</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, 2007*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$300	\$300	\$525	\$225
Interest	392	392	616	224
<i>Total Revenues</i>	692	692	1,141	449
Expenditures				
Current:				
Public Safety:				
Police:				
Purchased Services	9,000	9,000	0	9,000
<i>Net Change in Fund Balance</i>	(8,308)	(8,308)	1,141	9,449
<i>Fund Balance Beginning of Year</i>	9,726	9,726	9,726	0
<i>Fund Balance End of Year</i>	<u>\$1,418</u>	<u>\$1,418</u>	<u>\$10,867</u>	<u>\$9,449</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, 2007*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$1,428	\$1,675	\$2,062	\$387
Interest	1,766	2,072	3,009	937
Miscellaneous	1,278	1,500	1,250	(250)
<i>Total Revenues</i>	<u>4,472</u>	<u>5,247</u>	<u>6,321</u>	<u>1,074</u>
Expenditures				
Current:				
Public Safety:				
Police:				
Salaries and Wages	4,253	4,500	1,937	2,563
Purchased Services	29,063	30,750	2,932	27,818
Materials and Supplies	1,134	1,200	820	380
<i>Total Expenditures</i>	<u>34,450</u>	<u>36,450</u>	<u>5,689</u>	<u>30,761</u>
<i>Net Change in Fund Balance</i>	(29,978)	(31,203)	632	31,835
<i>Fund Balance Beginning of Year</i>	<u>49,043</u>	<u>49,043</u>	<u>49,043</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$19,065</u>	<u>\$17,840</u>	<u>\$49,675</u>	<u>\$31,835</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$17,000	\$17,000	\$16,106	(\$894)
Interest	8,120	11,120	12,637	1,517
<i>Total Revenues</i>	25,120	28,120	28,743	623
Expenditures				
Current:				
General Government:				
Judicial:				
Court Computerization:				
Purchased Services	200,000	200,000	160	199,840
<i>Net Change in Fund Balance</i>	(174,880)	(171,880)	28,583	200,463
<i>Fund Balance Beginning of Year</i>	196,019	196,019	196,019	0
<i>Fund Balance End of Year</i>	<u>\$21,139</u>	<u>\$24,139</u>	<u>\$224,602</u>	<u>\$200,463</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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Recreational Activities:				
Extracurricular:				
Purchased Services	949	949	0	949
<i>Net Change in Fund Balance</i>	(949)	(949)	0	949
<i>Fund Balance Beginning of Year</i>	950	950	950	0
<i>Fund Balance End of Year</i>	<u>\$1</u>	<u>\$1</u>	<u>\$950</u>	<u>\$949</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recycling Demo Fund
For the Year Ended December 31, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$0	\$0	\$2,000	\$2,000
Interest	616	616	845	229
<i>Total Revenues</i>	616	616	2,845	2,229
Expenditures				
Current:				
Basic Utility Services:				
Rubbish Recycling:				
Capital Outlay	13,000	13,000	2,034	10,966
<i>Net Change in Fund Balance</i>	(12,384)	(12,384)	811	13,195
<i>Fund Balance Beginning of Year</i>	14,152	14,152	14,152	0
<i>Fund Balance End of Year</i>	<u>\$1,768</u>	<u>\$1,768</u>	<u>\$14,963</u>	<u>\$13,195</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$18,000	\$18,000	\$13,750	(\$4,250)
Interest	6,664	6,664	8,917	2,253
<i>Total Revenues</i>	<u>24,664</u>	<u>24,664</u>	<u>22,667</u>	<u>(1,997)</u>
Expenditures				
Current:				
Housing and Community Development:				
Tree Planning:				
Salaries and Wages	20,000	20,000	5,178	14,822
Capital Outlay	60,000	60,000	16,146	43,854
Other	10,000	10,000	4,400	5,600
<i>Total Expenditures</i>	<u>90,000</u>	<u>90,000</u>	<u>25,724</u>	<u>64,276</u>
<i>Net Change in Fund Balance</i>	(65,336)	(65,336)	(3,057)	62,279
<i>Fund Balance Beginning of Year</i>	<u>143,833</u>	<u>143,833</u>	<u>143,833</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$78,497</u>	<u>\$78,497</u>	<u>\$140,776</u>	<u>\$62,279</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$5,000	\$2,000	\$1,647	(\$353)
Interest	784	784	837	53
<i>Total Revenues</i>	5,784	2,784	2,484	(300)
Expenditures				
Current:				
Public Safety:				
Police:				
Purchased Services	18,000	18,000	7,762	10,238
<i>Net Change in Fund Balance</i>	(12,216)	(15,216)	(5,278)	9,938
<i>Fund Balance Beginning of Year</i>	16,673	16,673	16,673	0
<i>Fund Balance End of Year</i>	<u>\$4,457</u>	<u>\$1,457</u>	<u>\$11,395</u>	<u>\$9,938</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, 2007*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$1,200	\$1,200	\$529	(\$671)
Interest	1,736	1,736	1,923	187
<i>Total Revenues</i>	2,936	2,936	2,452	(484)
Expenditures				
Current:				
Public Safety:				
Police:				
Purchased Services	35,000	35,000	29,590	5,410
<i>Net Change in Fund Balance</i>	(32,064)	(32,064)	(27,138)	4,926
<i>Fund Balance Beginning of Year</i>	40,740	40,740	40,740	0
<i>Fund Balance End of Year</i>	<u>\$8,676</u>	<u>\$8,676</u>	<u>\$13,602</u>	<u>\$4,926</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, 2007

	<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	\$5,000	\$4,690	(\$310)
Interest	1,120	1,120	1,864	744
<i>Total Revenues</i>	2,120	6,120	6,554	434
Expenditures				
Current:				
Public Safety:				
Police:				
Purchased Services	25,000	25,000	0	25,000
<i>Net Change in Fund Balance</i>	(22,880)	(18,880)	6,554	25,434
<i>Fund Balance Beginning of Year</i>	27,613	27,613	27,613	0
<i>Fund Balance End of Year</i>	<u>\$4,733</u>	<u>\$8,733</u>	<u>\$34,167</u>	<u>\$25,434</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property and Other Taxes	\$151,427	\$151,427	\$168,566	\$17,139
Intergovernmental	44,416	44,416	25,484	(18,932)
<i>Total Revenues</i>	<u>195,843</u>	<u>195,843</u>	<u>194,050</u>	<u>(1,793)</u>
Expenditures				
Current:				
Public Safety:				
Police:				
Fringe Benefits	190,000	190,000	190,000	0
Purchased Services	400	400	236	164
<i>Total Expenditures</i>	<u>190,400</u>	<u>190,400</u>	<u>190,236</u>	<u>164</u>
<i>Net Change in Fund Balance</i>	5,443	5,443	3,814	(1,629)
<i>Fund Balance Beginning of Year</i>	<u>19,546</u>	<u>19,546</u>	<u>19,546</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$24,989</u>	<u>\$24,989</u>	<u>\$23,360</u>	<u>(\$1,629)</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Donations	\$0	\$0	\$1,070	\$1,070
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Memorials:				
Materials and Supplies	<u>15,500</u>	<u>15,500</u>	<u>0</u>	<u>15,500</u>
<i>Net Change in Fund Balance</i>	(15,500)	(15,500)	1,070	16,570
<i>Fund Balance Beginning of Year</i>	<u>17,507</u>	<u>17,507</u>	<u>17,507</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$2,007</u>	<u>\$2,007</u>	<u>\$18,577</u>	<u>\$16,570</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property and Other Taxes	\$196,854	\$196,854	\$219,135	\$22,281
Intergovernmental	57,740	57,740	27,713	(30,027)
<i>Total Revenues</i>	<u>254,594</u>	<u>254,594</u>	<u>246,848</u>	<u>(7,746)</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive:				
Other	199	199	122	77
Debt Service:				
Principal Retirement	885,000	885,000	885,000	0
Interest and Fiscal Charges	535,171	535,171	485,170	50,001
<i>Total Debt Service</i>	<u>1,420,171</u>	<u>1,420,171</u>	<u>1,370,170</u>	<u>50,001</u>
<i>Total Expenditures</i>	<u>1,420,370</u>	<u>1,420,370</u>	<u>1,370,292</u>	<u>50,078</u>
<i>Excess of Revenues Under Expenditures</i>	(1,165,776)	(1,165,776)	(1,123,444)	42,332
Other Financing Sources				
Transfers In	1,165,630	1,165,630	1,165,630	0
<i>Net Change in Fund Balance</i>	(146)	(146)	42,186	42,332
<i>Fund Balance Beginning of Year</i>	<u>293,896</u>	<u>293,896</u>	<u>293,896</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$293,750</u>	<u>\$293,750</u>	<u>\$336,082</u>	<u>\$42,332</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$12,936	\$19,436	\$21,333	\$1,897
Expenditures				
Capital Outlay:				
Purchased Services	852	1,000	0	1,000
Debt Service:				
Principal Retirement	45,886	53,885	53,884	1
<i>Total Expenditures</i>	<u>46,738</u>	<u>54,885</u>	<u>53,884</u>	<u>1,001</u>
<i>Excess of Revenues Under Expenditures</i>	(33,802)	(35,449)	(32,551)	2,898
Other Financing Sources				
Transfers In	45,737	45,737	45,737	0
<i>Net Change in Fund Balance</i>	11,935	10,288	13,186	2,898
<i>Fund Balance Beginning of Year</i>	<u>327,653</u>	<u>327,653</u>	<u>327,653</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$339,588</u>	<u>\$337,941</u>	<u>\$340,839</u>	<u>\$2,898</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, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	\$186,991	\$192,000	\$192,000	\$0
Interest	56,323	57,832	67,512	9,680
<i>Total Revenues</i>	243,314	249,832	259,512	9,680
Expenditures				
Capital Outlay:				
Capital Outlay	1,736,562	1,756,562	1,354,234	402,328
<i>Excess of Revenues Under Expenditures</i>	(1,493,248)	(1,506,730)	(1,094,722)	412,008
Other Financing Sources (Uses)				
Transfers In	876,518	900,000	900,000	0
Transfers Out	(11,224)	(11,224)	(11,224)	0
<i>Total Other Financing Sources (Uses)</i>	865,294	888,776	888,776	0
<i>Net Change in Fund Balance</i>	(627,954)	(617,954)	(205,946)	412,008
<i>Fund Balance Beginning of Year</i>	418,631	418,631	418,631	0
Prior Year Encumbrances Appropriated	232,911	232,911	232,911	0
<i>Fund Balance End of Year</i>	<u>\$23,588</u>	<u>\$33,588</u>	<u>\$445,596</u>	<u>\$412,008</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$3,416	\$4,216	\$4,982	\$766
Expenditures				
Capital Outlay:				
Capital Outlay	80,000	80,000	0	80,000
<i>Net Change in Fund Balance</i>	(76,584)	(75,784)	4,982	80,766
<i>Fund Balance Beginning of Year</i>	80,676	80,676	80,676	0
<i>Fund Balance End of Year</i>	<u>\$4,092</u>	<u>\$4,892</u>	<u>\$85,658</u>	<u>\$80,766</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$30,000	\$30,000	\$27,570	(\$2,430)
Interest	7,168	7,168	8,987	1,819
<i>Total Revenues</i>	<u>37,168</u>	<u>37,168</u>	<u>36,557</u>	<u>(611)</u>
Expenditures				
Capital Outlay:				
Capital Outlay	147,400	160,800	149,804	10,996
Other	1,100	1,200	171	1,029
<i>Total Expenditures</i>	<u>148,500</u>	<u>162,000</u>	<u>149,975</u>	<u>12,025</u>
<i>Net Change in Fund Balance</i>	(111,332)	(124,832)	(113,418)	11,414
<i>Fund Balance Beginning of Year</i>	<u>141,463</u>	<u>141,463</u>	<u>141,463</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$30,131</u>	<u>\$16,631</u>	<u>\$28,045</u>	<u>\$11,414</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, 2007

	<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				
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>	(37,000)	(37,000)	0	37,000
<i>Fund Balance Beginning of Year</i>	<u>37,460</u>	<u>37,460</u>	<u>37,460</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$460</u>	<u>\$460</u>	<u>\$37,460</u>	<u>\$37,000</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$100,000	\$0	\$0	\$0
Interest	1,456	1,456	1,081	(375)
<i>Total Revenues</i>	101,456	1,456	1,081	(375)
Expenditures				
Capital Outlay:				
Capital Outlay	130,000	35,806	35,806	0
<i>Net Change in Fund Balance</i>	(28,544)	(34,350)	(34,725)	(375)
<i>Fund Balance Beginning of Year</i>	34,725	34,725	34,725	0
<i>Fund Balance End of Year</i>	<u>\$6,181</u>	<u>\$375</u>	<u>\$0</u>	<u>(\$375)</u>

City of Brecksville, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Station Building Fund
For the Year Ended December 31, 2007

	<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				
Capital Outlay:				
Capital Outlay	<u>18,000</u>	<u>18,000</u>	<u>156</u>	<u>17,844</u>
<i>Net Change in Fund Balance</i>	(18,000)	(18,000)	(156)	17,844
<i>Fund Balance Beginning of Year</i>	<u>19,352</u>	<u>19,352</u>	<u>19,352</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,352</u></u>	<u><u>\$1,352</u></u>	<u><u>\$19,196</u></u>	<u><u>\$17,844</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$21,504	\$21,504	\$19,295	(\$2,209)
Donations	0	45,500	45,598	98
<i>Total Revenues</i>	<u>21,504</u>	<u>67,004</u>	<u>64,893</u>	<u>(2,111)</u>
Expenditures				
Capital Outlay:				
Purchased Services	4,200	25,200	17,067	8,133
Capital Outlay	443,295	443,295	427,328	15,967
<i>Total Expenditures</i>	<u>447,495</u>	<u>468,495</u>	<u>444,395</u>	<u>24,100</u>
<i>Excess of Revenues Under Expenditures</i>	(425,991)	(401,491)	(379,502)	21,989
Other Financing Uses				
Operating Transfers Out	(340,000)	(340,000)	(340,000)	0
<i>Net Change in Fund Balance</i>	(765,991)	(741,491)	(719,502)	21,989
<i>Fund Balance Beginning of Year</i>	372,983	372,983	372,983	0
Prior Year Encumbrances Appropriated	427,495	427,495	427,495	0
<i>Fund Balance End of Year</i>	<u>\$34,487</u>	<u>\$58,987</u>	<u>\$80,976</u>	<u>\$21,989</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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$2,856	\$3,856	\$4,205	\$349
Expenditures				
Capital Outlay:				
Purchased Services	69,000	69,000	0	69,000
<i>Net Change in Fund Balance</i>	(66,144)	(65,144)	4,205	69,349
<i>Fund Balance Beginning of Year</i>	68,112	68,112	68,112	0
<i>Fund Balance End of Year</i>	<u>\$1,968</u>	<u>\$2,968</u>	<u>\$72,317</u>	<u>\$69,349</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, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Licenses and Permits	\$111,157	\$31,500	\$21,360	(\$10,140)
Interest	15,216	4,312	5,272	960
<i>Total Revenues</i>	<u>126,373</u>	<u>35,812</u>	<u>26,632</u>	<u>(9,180)</u>
Expenditures				
Capital Outlay:				
Purchased Services	1,979	1,300	0	1,300
Capital Outlay	561,064	368,534	354,007	14,527
<i>Total Expenditures</i>	<u>563,043</u>	<u>369,834</u>	<u>354,007</u>	<u>15,827</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(436,670)</u>	<u>(334,022)</u>	<u>(327,375)</u>	<u>6,647</u>
Other Financing Sources (Uses)				
Transfers In	176,439	50,000	50,000	0
Transfers Out	(103,193)	(67,782)	(22,781)	45,001
<i>Total Other Financing Sources (Uses)</i>	<u>73,246</u>	<u>(17,782)</u>	<u>27,219</u>	<u>45,001</u>
<i>Net Change in Fund Balance</i>	<u>(363,424)</u>	<u>(351,804)</u>	<u>(300,156)</u>	<u>51,648</u>
<i>Fund Balance Beginning of Year</i>	244,543	244,543	244,543	0
Prior Year Encumbrances Appropriated	320,154	320,154	320,154	0
<i>Fund Balance End of Year</i>	<u>\$201,273</u>	<u>\$212,893</u>	<u>\$264,541</u>	<u>\$51,648</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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$1,311,200	\$1,311,200	\$1,313,230	\$2,030
Interest	10,752	10,752	18,759	8,007
Miscellaneous	0	0	731	731
<i>Total Revenues</i>	<u>1,321,952</u>	<u>1,321,952</u>	<u>1,332,720</u>	<u>10,768</u>
Expenses				
Purchased Services	325,000	325,000	246,484	78,516
Claims	1,073,000	1,073,000	1,000,079	72,921
<i>Total Expenses</i>	<u>1,398,000</u>	<u>1,398,000</u>	<u>1,246,563</u>	<u>151,437</u>
<i>Net Change in Fund Equity</i>	(76,048)	(76,048)	86,157	162,205
<i>Fund Equity Beginning of Year</i>	<u>170,506</u>	<u>170,506</u>	<u>170,506</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$94,458</u>	<u>\$94,458</u>	<u>\$256,663</u>	<u>\$162,205</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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Interest	\$50	\$50	\$185	\$135
Expenses				
Materials and Supplies	270	270	152	118
<i>Net Change in Fund Equity</i>	(220)	(220)	33	253
<i>Fund Equity Beginning of Year</i>	3,101	3,101	3,101	0
<i>Fund Equity End of Year</i>	<u>\$2,881</u>	<u>\$2,881</u>	<u>\$3,134</u>	<u>\$253</u>

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Statistical Section

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

Contents	Pages(s)
<i>Financial Trends</i>	<i>S3 – S11</i>
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	<i>S12 – S19</i>
These schedules contain information to help the reader assess the City's most significant local revenue, the property tax and the municipal income tax.	
<i>Debt Capacity</i>	<i>S20 – S23</i>
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
<i>Economic and Demographic Information</i>	<i>S24 – S25</i>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	
<i>Operating Information</i>	<i>S26 – S29</i>
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The City implemented GASB Statement No. 34 in 2000; schedules presenting government-wide information include information beginning in that year.

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City of Brecksville, Ohio
Net Assets By Component
Last Nine Years
(Accrual Basis of Accounting)

	2007	2006	2005	2004	2003	2002	2001	2000	1999
Governmental Activities									
Invested in Capital Assets, Net of Related Debt	\$60,553,136	\$57,841,389	\$55,145,792	\$52,108,292	\$45,138,862	\$38,639,023	\$34,795,536	\$30,614,461	\$26,373,272
Restricted:									
Capital Projects	5,991,605	4,400,084	5,885,715	4,953,157	6,896,322	6,919,152	4,904,140	4,923,709	5,397,122
Debt Service	4,811,900	5,162,626	5,320,046	4,493,213	4,786,541	6,111,400	6,344,837	2,831,673	3,899,231
Fire Department	375,265	279,010	429,565	370,646	265,884	N/A	N/A	N/A	N/A
Community Center	282,524	218,840	151,056	185,522	117,212	N/A	N/A	N/A	N/A
Street Construction, Repair and Maintenance	876,258	1,110,622	1,195,093	999,759	393,836	N/A	N/A	N/A	N/A
Other Purposes	1,296,150	697,202	502,465	642,334	1,143,615	2,854,699	2,568,737	1,836,373	1,848,429
Unrestricted	8,379,624	9,390,837	7,318,052	5,689,748	5,494,860	6,105,475	7,347,422	8,652,492	8,667,715
Total Governmental Activities Net Assets	\$82,566,462	\$79,100,610	\$75,947,784	\$69,442,671	\$64,237,132	\$60,629,749	\$55,960,672	\$48,858,708	\$46,175,769

† Note: 2003 was the first year other purposes were further identified.

City of Brecksville, Ohio
Changes in Net Assets
Last Eight Years
(Accrual Basis of Accounting)

	2007	2006	2005	2004
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government:				
Legislative and Executive	\$513,336	\$350,725	\$87,170	\$151,662
Judicial System	201,864	316,831	326,593	349,991
Public Safety:				
Police	9,085	42,463	20,849	8,841
Fire	3,255	50	669	2,853
Public Health Services	7,906	37,060	37,965	93,342
Street Construction, Maintenance and Repair	105,053	0	0	0
Housing and Community Development	55,745	186,792	214,392	192,314
Basic Utility Services	116,823	31,480	56,030	39,616
Recreational Activities	910,748	862,767	884,160	782,684
Subtotal - Charges for Services	<u>1,923,815</u>	<u>1,828,168</u>	<u>1,627,828</u>	<u>1,621,303</u>
Operating Grants and Contributions:				
General Government:				
Legislative and Executive	5,010	2,590	1,330	11,400
Judicial System	131	0	0	0
Public Safety:				
Police	29,040	25,883	33,445	41,675
Fire	175	6,816	7,584	0
Public Health and Welfare	114	325	0	0
Street Construction, Maintenance and Repair	668,446	639,195	638,155	637,407
Housing and Community Development	583	0	2,281	0
Basic Utility Services	3,376	0	7,745	5,907
Recreational Activities	2,788	9,086	8,846	4,836
Subtotal - Operating Grants and Contributions	<u>709,663</u>	<u>683,895</u>	<u>699,386</u>	<u>701,225</u>
Capital Grants and Contributions:				
General Government				
Legislative and Executive	0	0	0	0
Public Safety:				
Fire	0	0	0	0
Public Health Services	0	0	0	0
Street Construction, Maintenance and Repair	0	48,859	2,619,017	1,394,171
Housing and Community Development	0	4,236	0	0
Basic Utility Services	0	0	278,298	0
Recreational Activities	0	0	0	724,841
Subtotal - Capital Grants and Contributions	<u>0</u>	<u>53,095</u>	<u>2,897,315</u>	<u>2,119,012</u>
Total Primary Government Program Revenues	<u>\$2,633,478</u>	<u>\$2,565,158</u>	<u>\$5,224,529</u>	<u>\$4,441,540</u>

2003	2002	2001	2000
\$146,626	\$214,328	\$136,062	\$115,258
335,897	346,837	366,916	358,507
5,774	40,233	55,580	21,042
2,092	3,843	2,420	1,982
90,250	19,691	28,734	26,997
340	330	1,420	15,768
183,530	162,026	127,232	179,512
56,635	0	77,320	77,010
717,068	602,448	605,477	574,423
<u>1,538,212</u>	<u>1,389,736</u>	<u>1,401,161</u>	<u>1,370,499</u>
5,781	4,696	13,368	5,365
0	0	0	0
21,666	41,587	26,555	32,799
6,525	5,542	6,200	154,401
0	0	0	0
539,875	479,926	441,349	398,028
0	222,928	27,325	0
11,666	20,000	0	23,400
3,348	3,684	726	39,794
<u>588,861</u>	<u>778,363</u>	<u>515,523</u>	<u>653,787</u>
95,000	0	0	0
0	4,050	0	0
0	0	30,000	0
3,532,626	1,436,541	0	0
0	0	0	0
0	43,490	2,201,667	0
0	23,440	200,000	0
<u>3,627,626</u>	<u>1,507,521</u>	<u>2,431,667</u>	<u>0</u>
<u>\$5,754,699</u>	<u>\$3,675,620</u>	<u>\$4,348,351</u>	<u>\$2,024,286</u>

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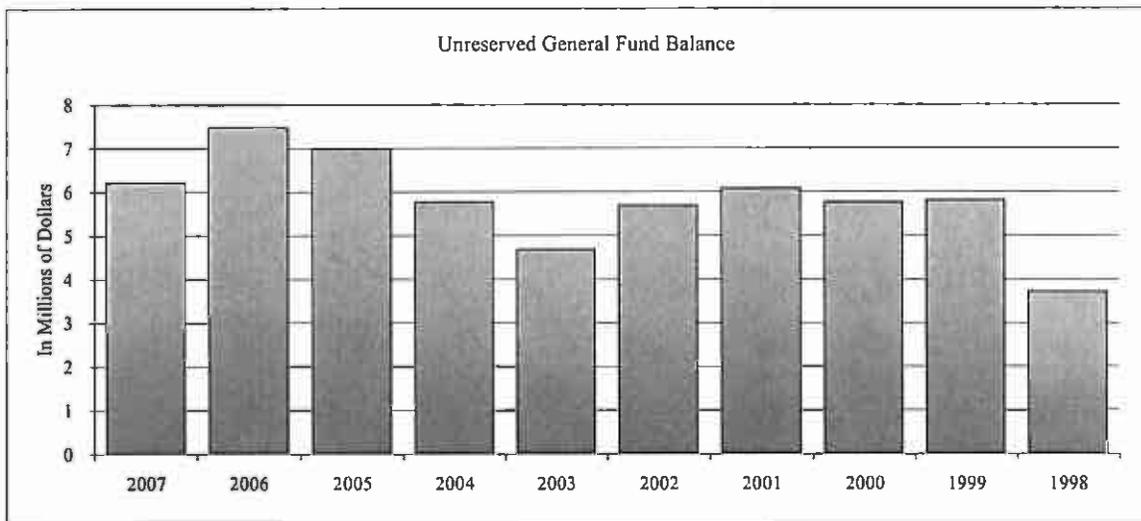
City of Brecksville, Ohio
Changes in Net Assets (continued)
Last Eight Years
(Accrual Basis of Accounting)

	2007	2006	2005	2004
Expenses				
Governmental Activities:				
General Government:				
Legislative and Executive	\$5,592,721	\$5,443,397	\$4,355,622	\$4,246,585
Judicial System	179,656	171,607	157,222	151,584
Public Safety:				
Police	4,148,827	3,996,184	3,811,772	3,930,138
Fire	2,294,629	2,248,157	2,027,052	1,862,540
Public Health Services	154,672	153,476	122,266	113,498
Street Construction, Maintenance and Repair	4,220,016	3,913,477	4,280,735	3,433,446
Housing and Community Development	1,092,407	956,383	1,079,752	860,061
Basic Utility Services	2,128,748	2,048,065	1,946,379	2,457,634
Recreational Activities	1,940,978	1,843,775	1,466,915	1,568,851
Interest and Fiscal Charges	768,970	808,230	725,075	496,051
<i>Total Governmental Activities Expenses</i>	<u>22,521,624</u>	<u>21,582,751</u>	<u>19,972,790</u>	<u>19,120,388</u>
Net (Expense)/Revenue				
Governmental Activities	<u>(19,888,146)</u>	<u>(19,017,593)</u>	<u>(14,748,261)</u>	<u>(14,678,848)</u>
General Revenues and Other Changes in Net Assets				
Governmental Activities				
Taxes:				
Property and Other Local Taxes Levied For:				
General Purposes	2,028,243	1,838,138	1,832,776	1,772,674
Fire Department	1,964,679	1,780,532	1,777,908	1,716,753
Streets	577,846	523,686	522,913	504,927
Police Department	173,354	157,106	156,874	151,478
Debt Service	225,361	200,877	256,235	245,481
Other Purposes	0	0	0	0
Municipal Income Taxes levied for:				
General Purposes	12,386,754	12,732,659	11,350,171	10,309,796
Capital Outlay	2,574,193	2,481,438	2,495,169	2,452,992
Grants and Entitlements not Restricted to				
Specific Programs	1,659,652	1,545,865	1,494,661	1,760,102
Investment Earnings	1,047,479	636,011	644,426	594,442
Gain on Sale of Capital Assets	10,011	4,087	0	0
Miscellaneous	706,426	270,020	722,241	375,742
<i>Total Governmental Activities</i>	<u>23,353,998</u>	<u>22,170,419</u>	<u>21,253,374</u>	<u>19,884,387</u>
Change in Net Assets				
Governmental Activities	<u>\$3,465,852</u>	<u>\$3,152,826</u>	<u>\$6,505,113</u>	<u>\$5,205,539</u>

2003	2002	2001	2000
\$4,135,163	\$4,088,405	\$3,793,602	\$3,478,288
151,387	158,683	125,666	154,482
3,901,614	3,655,090	3,060,371	3,078,248
1,964,919	1,374,110	1,738,761	1,533,443
118,442	145,378	54,214	96,675
4,132,195	2,784,828	2,760,673	4,486,001
1,186,316	830,697	883,503	782,844
1,884,812	1,701,700	1,659,828	2,019,430
1,859,992	1,522,030	1,437,308	1,343,632
519,414	577,384	651,325	686,151
<u>19,854,254</u>	<u>16,838,305</u>	<u>16,165,251</u>	<u>17,659,194</u>
<u>(14,099,555)</u>	<u>(13,162,685)</u>	<u>(11,816,900)</u>	<u>(15,634,908)</u>
1,646,088	1,586,320	1,574,747	1,422,726
1,593,930	1,535,769	0	0
468,802	0	0	0
140,640	0	0	0
278,400	221,332	219,672	198,407
0	587,206	2,107,068	1,929,684
8,930,938	8,684,168	9,806,736	9,606,196
2,442,323	2,376,998	2,380,619	2,651,311
1,307,353	1,781,468	1,186,863	1,310,106
634,052	714,986	964,378	950,457
16,532	18,321	1,915	0
247,880	325,194	676,866	248,960
<u>17,706,938</u>	<u>17,831,762</u>	<u>18,918,864</u>	<u>18,317,847</u>
<u>\$3,607,383</u>	<u>\$4,669,077</u>	<u>\$7,101,964</u>	<u>\$2,682,939</u>

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

	2007	2006	2005	2004	2003
General Fund					
Reserved	\$446,930	\$521,033	\$205,703	\$152,799	\$129,821
Unreserved	6,213,938	7,472,841	7,000,511	5,774,941	4,678,964
Total General Fund	6,660,868	7,993,874	7,206,214	5,927,740	4,808,785
All Other Governmental Funds					
Reserved	4,134,754	1,583,769	2,405,842 *	8,161,824	2,708,943
Unreserved, Undesignated, Reported in:					
Special Revenue funds	1,958,225	1,784,046	1,493,502	1,573,035	1,382,265
Debt Service funds	809,373	781,115	757,229	542,934	719,213
Capital Projects funds (Deficit)	1,793,269	2,588,372	2,841,013	2,476,285	3,756,795
Total All Other Governmental Funds	8,695,621	6,737,302	7,497,586	12,754,078	8,567,216
Total Governmental Funds	\$15,356,489	\$14,731,176	\$14,703,800	\$18,681,818	\$13,376,001

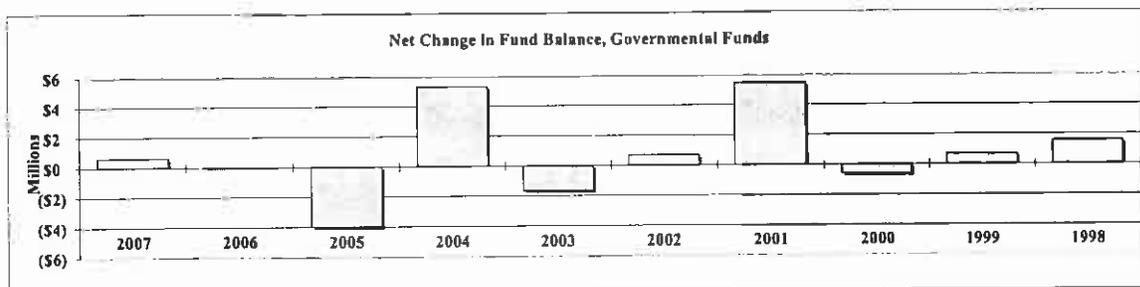


* The large change from the prior year is due to encumbrances for the construction of the Human Services facility in the prior year.

2002	2001	2000	1999	1998
\$186,479	\$348,005	\$281,273	\$362,971	\$155,610
5,688,101	6,082,777	5,758,845	5,812,661	3,716,064
5,874,580	6,430,782	6,040,118	6,175,632	3,871,674
3,026,921	1,328,730	2,544,652	2,161,410	1,705,698
1,464,612	2,237,924	1,396,426	1,194,816	1,047,925
478,266	394,277	323,042	247,845	216,972
4,158,804	3,927,051	(1,455,495)	(338,962)	1,920,959
9,128,603	7,887,982	2,808,625	3,265,109	4,891,554
\$15,003,183	\$14,318,764	\$8,848,743	\$9,440,741	\$8,763,228

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

	2007	2006	2005	2004	2003	2002
Revenues						
Taxes (1)	\$19,556,957	\$18,082,865	\$18,112,579	\$18,163,891	\$15,798,469	\$15,605,768
Charges for Services	928,599	795,817	780,783	763,763	757,802	621,980
Licenses and Permits	370,401	370,661	426,845	433,896	382,356	335,530
Fines and Forfeitures	281,554	318,741	315,131	331,702	321,007	353,697
Intergovernmental	2,394,732	2,201,360	3,381,031	3,445,386	2,776,961	3,496,062
Special Assessments	624,415	612,128	723,870	335,895	327,902	325,000
Interest	1,028,720	624,763	633,497	587,077	629,781	714,986
Sales	0	0	0	0	0	0
Donations	14,475	21,267	13,142	32,231	9,734	8,611
Rentals	119,234	99,195	105,069	91,942	77,047	150,939
Miscellaneous	705,695	270,020	719,916	270,539	223,698	415,384
Total Revenues	26,024,782	23,396,817	25,211,863	24,456,322	21,304,757	22,027,957
Expenditures						
Current:						
General Government: (2)						
Legislative and Executive	5,464,710	5,220,680	4,332,900	4,142,258	4,024,845	3,490,750
Judicial System	188,321	169,613	157,402	148,162	150,947	154,019
Public Safety (2)						
Police	4,063,261	3,848,371	3,710,648	3,853,278	3,699,440	3,419,938
Fire	2,139,383	2,046,088	1,866,348	1,797,479	1,845,131	1,641,677
Public Health Services	137,731	150,617	123,716	119,739	118,588	142,703
Street Construction, Maintenance and Repair	3,166,873	2,765,761	3,060,674	2,803,466	3,327,036	2,568,880
Housing and Community Development	836,660	807,590	835,066	818,070	1,183,455	963,679
Basic Utilities Services	1,913,731	1,777,645	1,678,032	1,593,358	1,640,660	1,324,054
Recreational Activities	1,677,602	1,553,328	1,655,893	1,781,954	1,661,078	1,492,749
Capital Outlay	3,742,989	3,155,119	13,663,395	8,203,769	3,997,138	4,825,124
Debt Service:						
Principal Retirement	1,338,884	1,271,233	1,880,949	2,040,170	1,810,170	760,170
Repayment to Refunded Bond Escrow Agent	0	0	0	12,867	0	0
Interest and Fiscal Charges	764,362	777,817	722,436	437,710	502,644	584,633
Bond Issuance Costs	0	0	0	141,470	0	0
Total Expenditures	25,434,507	23,543,862	33,687,459	27,893,750	23,961,132	21,368,376
Excess of Revenues Over (Under) Expenditures	590,275	(147,045)	(8,475,596)	(3,437,428)	(2,656,375)	659,581
Other Financing Sources (Uses)						
Bond Anticipation Notes Issued	0	0	1,550,000	2,550,000	1,000,000	0
General Obligation Bonds Issued	0	0	4,205,000	7,785,000	0	0
Special Assessment Bonds Issued	0	0	1,240,000	0	0	0
OPWC Loan Issued	0	162,934	231,143	0	0	0
Premium on Issuance of Debt	0	0	78,615	115,282	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	(1,739,483)	0	0
Payment to Refund Notes	0	0	(2,850,000)	0	0	0
Sale of Capital Assets	35,038	11,487	42,820	32,446	29,193	24,838
Transfers In	5,601,367	4,641,971	4,254,600	5,386,125	6,465,396	6,082,372
Transfers Out	(5,601,367)	(4,641,971)	(4,254,600)	(5,386,125)	(6,465,396)	(6,082,372)
Total Other Financing Sources (Uses)	35,038	174,421	4,497,578	8,743,245	1,029,193	24,838
Net Change in Fund Balances	\$625,313	\$27,376	(\$3,978,018)	\$5,305,817	(\$1,627,182)	\$684,419
Debt Service as a Percentage of Noncapital Expenditures	9.9%	10.2%	13.4%	13.4%	13.1%	8.8%



(1) Includes All Taxes

(2) 2000 was the first year subcategories were identified for general government and public safety

2001	2000	1999	1998
\$16,544,343	\$14,872,585	\$14,463,984	\$13,452,239
640,568	569,601	532,604	546,933
290,325	376,390	317,020	271,021
394,319	356,597	375,327	310,979
1,869,874	1,922,782	2,087,824	1,895,182
265,000	510,618	495,518	479,277
960,118	973,121	655,703	461,111
0	0	20,519	23,033
15,130	11,227	50,785	50,111
75,949	75,186	50,351	48,677
641,602	245,914	200,843	361,336
<u>21,697,228</u>	<u>19,914,021</u>	<u>19,250,478</u>	<u>17,899,899</u>
		3,369,331	3,029,340
3,606,295	3,393,415	N/A	N/A
132,114	156,667	N/A	N/A
		4,457,722	4,411,141
3,250,985	3,111,668	N/A	N/A
1,521,449	1,505,903	N/A	N/A
103,780	93,325	103,603	90,101
2,299,218	2,478,337	2,313,386	2,289,444
761,285	646,989	606,612	622,808
1,246,551	1,289,244	1,182,446	1,104,936
1,264,053	1,151,375	1,122,847	1,032,279
2,959,846	5,369,478	4,278,188	2,606,384
685,170	660,170	624,558	579,449
0	0	0	0
617,742	689,069	646,856	600,691
0	0	0	0
<u>18,448,488</u>	<u>20,545,640</u>	<u>18,705,549</u>	<u>16,366,573</u>
<u>3,248,740</u>	<u>(631,619)</u>	<u>544,929</u>	<u>1,533,326</u>
0	0	0	0
2,200,000	0	106,372	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
21,281	39,621	26,212	34,126
6,157,935	5,521,290	2,089,809	3,100,098
<u>(6,157,935)</u>	<u>(5,521,290)</u>	<u>(2,089,809)</u>	<u>(3,100,098)</u>
<u>2,221,281</u>	<u>39,621</u>	<u>132,584</u>	<u>34,126</u>
<u>\$5,470,021</u>	<u>(\$591,998)</u>	<u>\$677,513</u>	<u>\$1,567,452</u>
9.2%	9.8%	9.7%	9.4%

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

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2007	\$481,735,920	\$115,062,150	\$1,705,137,343	\$19,525,150	\$22,187,670
2006	441,195,080	107,170,670	1,566,759,286	19,629,130	22,305,830
2005	433,727,390	91,010,670	1,499,251,600	20,730,430	23,557,307
2004	424,437,130	89,385,240	1,468,063,914	21,523,860	24,458,932
2003	390,955,440	87,535,460	1,367,116,857	20,984,450	23,845,966
2002	377,071,210	83,881,000	1,317,006,314	21,668,560	24,623,364
2001	366,435,280	80,782,980	1,277,766,457	33,447,710	38,008,761
2000	325,272,420	66,492,890	1,119,329,457	34,466,070	39,165,989
1999	322,807,710	63,790,780	1,104,567,114	35,334,490	40,152,830
1998	314,100,770	62,843,620	1,076,983,971	35,441,760	40,274,727

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

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

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

Source: Cuyahoga County, Ohio; County Auditor

Tangible Personal Property					
General Business		Total		Ratio	Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$22,088,288	\$176,706,304	\$638,411,508	\$1,904,031,317	33.53%	\$8.60
30,089,242	160,475,957	598,084,122	1,749,541,073	34.19	8.60
29,751,764	119,007,056	575,220,254	1,641,815,963	35.04	8.70
28,958,950	115,835,800	564,305,180	1,608,358,646	35.09	8.70
29,509,649	118,038,596	528,984,999	1,509,001,419	35.06	8.70
30,013,647	120,054,588	512,634,417	1,461,684,266	35.07	8.70
27,244,402	108,977,608	507,910,372	1,424,752,827	35.65	8.70
27,974,748	111,898,992	454,206,128	1,270,394,438	35.75	8.70
27,789,077	111,156,308	449,722,057	1,255,876,252	35.81	8.70
32,077,445	128,309,780	444,463,595	1,245,568,479	35.68	8.80

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

	2007	2006	2005	2004	2003
Unvoted Millage					
Operating	\$3.5100	\$3.5100	\$3.5100	\$3.5100	\$3.5100
Police Pension	0.3000	0.3000	0.3000	0.3000	0.3000
<i>Total Unvoted Millage</i>	<u>3.8100</u>	<u>3.8100</u>	<u>3.8100</u>	<u>3.8100</u>	<u>3.8100</u>
Charter Millage					
1982 Charter/Fire	3.4000	3.4000	3.4000	3.4000	3.4000
1987 Charter/Road Improvement	1.0000	1.0000	1.0000	1.0000	1.0000
<i>Total Charter Millage</i>	<u>4.4000</u>	<u>4.4000</u>	<u>4.4000</u>	<u>4.4000</u>	<u>4.4000</u>
Voted Millage					
Library	0.3900	0.3900	0.4900	0.4900	0.4900
Total Millage	<u>\$8.6000</u>	<u>\$8.6000</u>	<u>\$8.7000</u>	<u>\$8.7000</u>	<u>\$8.7000</u>

Overlapping Rates by Taxing District

Brecksville-Broadview Heights City School District					
Residential/Agricultural Real	\$37.1756	\$39.9809	\$39.9810	\$40.2141	\$34.0346
Commerical/Industrial and Public Utility Real	43.1759	46.3679	46.3680	46.4754	40.5435
General Business and Public Utility Personal	77.1000	77.4000	77.4000	77.6000	71.4000
Cuyahoga Valley Career Center					
Residential/Agricultural Real	\$2.0000	\$2.0000	\$2.0000	\$2.0000	\$2.0000
Commerical/Industrial and Public Utility Real	2.0000	2.0000	2.0000	2.0000	2.0000
General Business and Public Utility Personal	2.0000	2.0000	2.0000	2.0000	2.0000
Cuyahoga County Commissioner					
Residential/Agricultural Real	11.8688	11.7227	11.7227	10.9754	10.9899
Commerical/Industrial and Public Utility Real	12.4535	12.5880	12.5762	11.9846	12.0433
General Business and Public Utility Personal	13.4200	13.5200	13.5200	13.5200	13.5200
Special Taxing Districts (1)					
Residential/Agricultural Real	5.9676	6.2900	6.2900	6.2880	4.7783
Commerical/Industrial and Public Utility Real	6.2519	6.5596	6.5552	6.5067	5.1811
General Business and Public Utility Personal	6.7800	6.7800	6.7800	6.7800	5.8800

Source: Cuyahoga County Auditor

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

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

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

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

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

2002	2001	2000	1999	1998
\$3.5100	\$3.5100	\$3.5100	\$3.5100	\$3.5100
0.3000	0.3000	0.3000	0.3000	0.3000
3.8100	3.8100	3.8100	3.8100	3.8100
3.4000	3.4000	3.4000	3.4000	3.4000
1.0000	1.0000	1.0000	1.0000	1.0000
4.4000	4.4000	4.4000	4.4000	4.4000
0.4900	0.4900	0.4900	0.4900	0.5900
\$8.7000	\$8.7000	\$8.7000	\$8.7000	\$8.8000

\$36.0269	\$36.0663	\$29.5048	\$32.3342	\$32.4160
41.7308	41.8723	35.5571	40.3497	40.6739
71.5000	71.5000	64.8000	65.3000	65.4000

\$2.0000	\$2.0000	\$2.0000	\$2.0000	\$2.0000
2.0000	2.0000	2.0000	2.0000	2.0000
2.0000	2.0000	2.0000	2.0000	2.0000

12.4609	11.3815	11.3967	11.4114	11.4230
12.8764	12.0023	11.9298	12.3736	12.4065
14.6500	14.6500	14.6500	13.7500	13.7500

2.5323	2.5354	2.5422	2.8242	2.5610
2.5497	2.5320	2.5253	2.8923	2.7580
2.9500	2.9500	2.9500	2.9500	2.9500

City of Brecksville, Ohio
Principal Real Property Taxpayers
 2007 and 1998

<i>2007</i>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Cleveland Electric Illuminating Company	\$13,189,089	2.21 %
Ohio Bell Telephone Company	8,906,460	1.49
PDM Group, Inc	7,334,740	1.23
Grand Bay of Brecksville	6,747,895	1.13
Gateway Association	6,516,475	1.08
Cleveland Cuyahoga	6,413,225	1.07
R.C. Investors	4,917,885	0.82
Creekview Commons, LLC	3,961,615	0.66
Treeline Inc.	3,859,975	0.65
C E I	3,144,050	0.53
Total	\$64,991,409	10.89 %
Total Real Property Assessed Valuation	\$596,798,070	
<i>1998</i>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
B.F. Goodrich Company	\$16,724,750	4.44 %
Ohio Bell Telephone Company	8,719,970	2.31
Teledyne Industries, Incorporated	4,465,310	1.18
Grand Bay of Brecksville	4,403,310	1.17
Gateway Association III & IV	2,885,160	0.77
South Point Association	2,265,770	0.60
Brecksville Shopping Center	2,013,200	0.53
Framatone Connectors Interlock, Incorporated	1,957,490	0.52
Marathon Oil Company	1,559,880	0.41
Chippewa Place Development Company	1,547,000	0.41
Total	\$46,541,840	12.34 %
Total Real Property Assessed Valuation	\$376,944,390	

Source: Cuyahoga County Auditor

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

Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections (1)	Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
2007	\$5,471,368	\$5,218,601	95.38%	\$122,322	\$5,340,923	97.62%	\$246,600	4.51%
2006	5,080,922	4,893,297	96.31	101,802	4,995,099	98.31	182,408	3.59
2005	5,186,465	4,835,607	93.24	112,123	4,947,730	95.40	162,105	3.13
2004	5,038,544	4,681,595	92.92	129,800	4,811,394	95.49	198,671	3.94
2003	4,845,764	4,480,297	92.46	132,706	4,613,003	95.20	204,120	4.21
2002	4,614,317	4,307,338	93.35	103,464	4,410,802	95.59	192,446	4.17
2001	4,643,484	4,258,919	91.72	102,292	4,361,211	93.92	178,606	3.85
2000	4,106,344	3,803,743	92.63	74,744	3,878,487	94.45	179,982	4.38
1999	4,120,238	3,865,265	93.81	109,014	3,974,279	96.46	144,088	3.50
1998	4,070,820	3,798,879	93.32	56,963	3,855,842	94.72	201,966	4.96

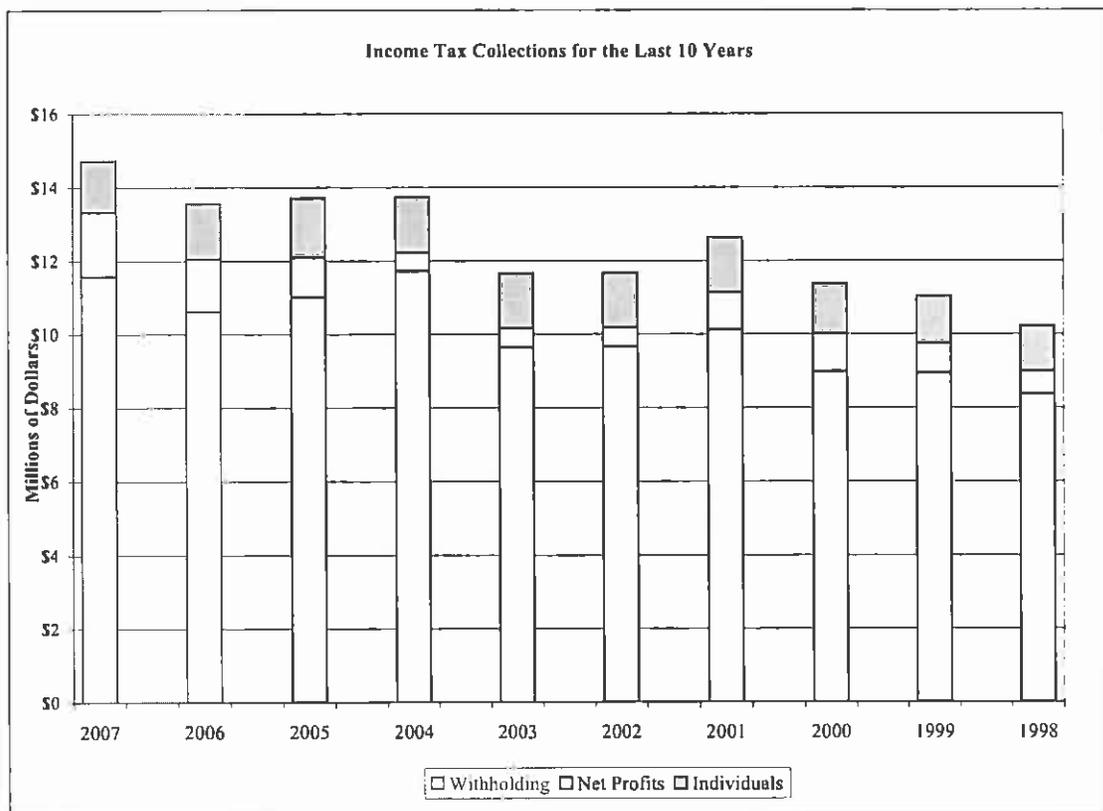
Source: Cuyahoga County, Ohio; County Auditor

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

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

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

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individuals	Percentage of Taxes from Individuals
2007	2.00%	\$14,724,747	\$11,570,706	78.58%	\$1,753,717	11.91%	\$1,400,323	9.51%
2006	2.00	13,551,132	10,615,957	78.34	1,435,065	10.59	1,500,110	11.07
2005	2.00	13,713,689	11,017,578	80.34	1,072,410	7.82	1,623,701	11.84
2004	2.00	13,747,033	11,715,222	85.22	505,891	3.68	1,525,921	11.10
2003	2.00	11,665,183	9,647,106	82.70	523,767	4.49	1,495,476	12.82
2002	2.00	11,672,006	9,670,257	82.85	507,732	4.35	1,494,017	12.80
2001	2.00	12,641,479	10,111,919	79.99	1,018,903	8.06	1,510,657	11.95
2000	2.00	11,386,360	8,981,561	78.88	1,019,079	8.95	1,384,581	12.16
1999	2.00	11,046,200	8,935,271	80.89	807,477	7.31	1,303,452	11.80
1998	2.00	10,223,702	8,371,167	81.88	620,579	6.07	1,231,956	12.05



City of Brecksville, Ohio
Income Tax Filers by Income Level
Tax Years 2006 and 1997

Tax Year 2006 (1)				
Income Range	Number of Filers	Percent of Filers	Taxable Income (2)	Percent of Taxable Income
Over \$100,000	1,702	31.61 %	\$373,041,556	73.71 %
75,001-100,000	568	10.55	49,633,914	9.81
50,001-75,000	637	11.83	39,529,668	7.81
25,000-50,000	777	14.43	29,151,581	5.76
Under 25,000	1,700	31.58	14,739,824	2.91
Total	<u>5,384</u>	<u>100.00 %</u>	<u>\$506,096,543</u>	<u>100.00 %</u>

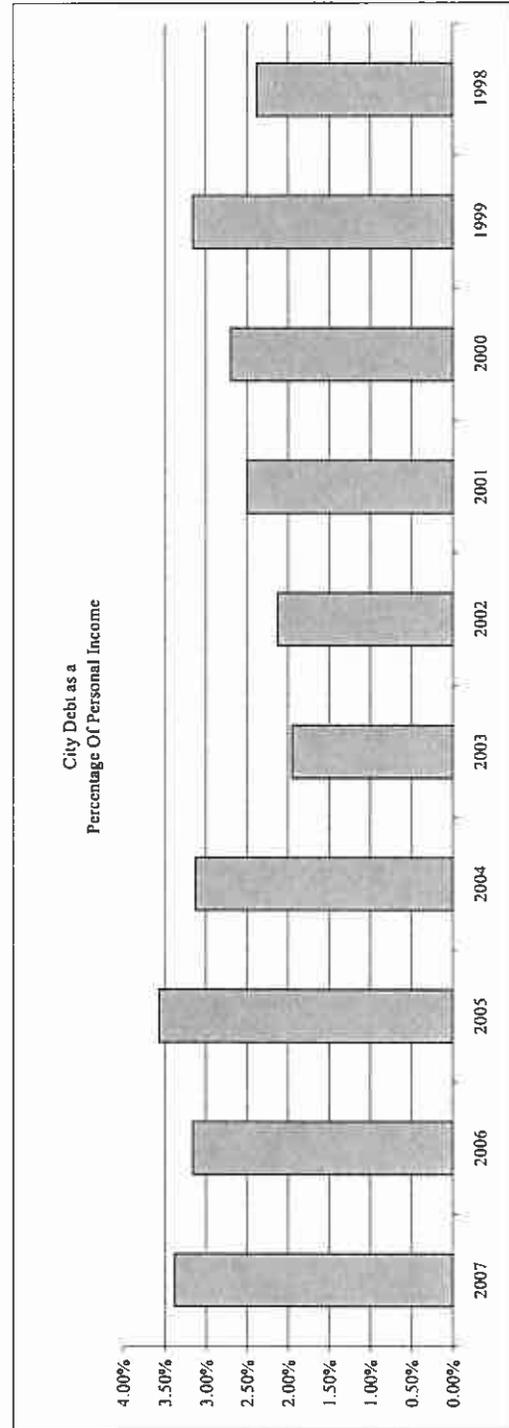
Tax Year 1997				
Income Range	Number of Filers	Percent of Filers	Taxable Income (2)	Percent of Taxable Income
Over \$100,000	1,083	22.69 %	\$195,329,902	58.09 %
75,001-100,000	573	12.01	49,560,683	14.74
50,001-75,000	732	15.34	45,418,823	13.51
25,000-50,000	902	18.90	33,362,063	9.92
Under 25,000	1,482	31.06	12,589,505	3.74
Total	<u>4,772</u>	<u>100.00 %</u>	<u>\$336,260,976</u>	<u>100.00 %</u>

Source: Regional Income Tax Agency Data

- (1) Information for 2007 was not available
- (2) Taxable income of residents of the City

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

Fiscal Year	General Obligation Bonds	Special Assessment Bonds	OPWC Loans	Notes Payable	Total Primary Government	Total Personal Income (1)	Percentage Of Personal Income	Population (2)	Total Debt Per Capita
2007	\$11,875,548	\$4,169,352	\$709,295	\$3,000,000	\$19,754,195	\$583,783,744	3.38 %	13,806	\$1,431
2006	12,761,477	4,569,483	763,179	0	18,094,139	572,461,107	3.16	13,755	1,315
2005	13,615,307	4,929,614	651,478	800,000	19,996,399	559,584,836	3.57	13,661	1,464
2004	10,027,432	4,057,000	471,284	2,550,000	17,105,716	546,998,189	3.13	13,567	1,261
2003	4,491,102	4,417,000	516,454	1,000,000	10,424,556	534,694,651	1.95	13,474	774
2002	4,874,400	4,772,000	561,624	1,000,000	11,208,024	527,524,135	2.12	13,506	830
2001	5,228,502	5,097,000	606,794	2,000,000	12,932,296	517,409,828	2.50	13,459	961
2000	5,579,208	3,162,000	651,964	4,285,000	13,678,172	506,348,116	2.70	13,382	1,022
1999	5,910,979	3,422,000	697,135	5,585,000	15,615,114	494,367,879	3.16	13,205	1,183
1998	6,218,859	3,677,000	630,321	985,000	11,511,180	482,671,095	2.38	13,031	883



(1) Brecksville Finance Department estimates 1997-1999, 2001-2007; U.S. Census Bureau 2000
 (2) Estimates 1997-1999, 2001-2007, U.S. Census Bureau 2000

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

Year	General Obligation Bonds	Estimated True Value of Taxable Property	Ratio of Bonded Debt to Estimated True Value of Taxable Property	Bonded Debt per Capita
2007	\$11,875,548	\$1,904,031,317	0.62%	\$863
2006	12,761,477	1,749,541,073	0.73	928
2005	13,615,307	1,641,815,963	0.83	997
2004	10,027,432	1,608,358,646	0.62	739
2003	4,491,102	1,509,001,419	0.30	333
2002	4,874,400	1,461,684,266	0.33	360
2001	5,228,502	1,424,752,827	0.37	388
2000	5,579,208	1,270,394,438	0.44	416
1999	5,910,979	1,255,876,252	0.47	447
1998	6,218,859	1,245,568,479	0.50	477

City of Brecksville
*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2007*

	Debt Attributable to Governmental Activities	Percentage Applicable to City (1)	Amount of Direct and Overlapping Debt
Direct Debt:			
City of Brecksville			
General Obligation Bonds	\$11,875,548	100.00%	\$11,875,548
Special Assessment Bonds	4,169,352	100.00	4,169,352
OPWC Loans	709,295	100.00	709,295
Various Purpose Notes	<u>3,000,000</u>	100.00	<u>3,000,000</u>
Total Direct Debt	<u>19,754,195</u>		<u>19,754,195</u>
Overlapping Debt:			
Payable from Property Taxes:			
Cuyahoga County Bonds	188,814,000	1.93	3,644,110
Regional Transit Authority Bonds	149,463,059	1.93	2,884,637
Brecksville-Broadview Heights City School District Bonds	28,535,000	58.71	16,752,899
Payable from Other Sources:			
Cuyahoga County Capital Leases	4,268,000	1.93	82,372
Cuyahoga County Loans	7,293,000	1.93	140,755
Regional Transit Authority Loan	4,088,320	1.93	78,905
Brecksville-Broadview Heights City School District Capital Leases	<u>1,570,770</u>	58.71	<u>922,199</u>
Total Overlapping Debt	<u>384,032,149</u>		<u>24,505,877</u>
Total Direct and Overlapping Debt	<u>\$403,786,344</u>		<u>\$44,260,072</u>

Source: Office of the Auditor, Cuyahoga County, Ohio

(1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations used were for the 2007 collection year.

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

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Overall Debt Limitation (10.5% of Assessed Valuation)	\$67,033	\$62,799	\$60,398	\$59,252	\$55,543	\$53,827	\$53,331	\$47,692	\$47,221	\$46,669
Net Debt Within 10.5% Limitations	11,553	12,202	14,150	12,100	4,701	4,998	6,952	9,624	11,270	6,995
Overall Legal Debt Margin Within 10.5% Limitations	\$55,480	\$50,597	\$46,248	\$47,152	\$50,842	\$48,829	\$46,379	\$38,068	\$35,951	\$39,674
Total net debt applicable to the limit as a percentage of debt limit	17.23%	19.43%	23.43%	20.42%	8.46%	9.29%	13.04%	20.18%	23.87%	14.99%
Unvoted Debt Limitation (5.5% of Assessed Valuation)	\$35,113	\$32,895	\$31,637	\$31,037	\$29,094	\$28,195	\$27,935	\$24,981	\$24,735	\$24,445
Net Debt Within 5.5% Limitations	11,553	12,202	14,150	12,100	4,701	4,998	6,952	9,624	11,270	6,910
Unvoted Legal Debt Margin Within 5.5% Limitations	\$23,560	\$20,693	\$17,487	\$18,937	\$24,393	\$23,197	\$20,983	\$15,357	\$13,465	\$17,535
Total net debt applicable to the limit as a percentage of debt limit	32.90%	37.09%	44.73%	38.99%	16.16%	17.73%	24.89%	38.53%	45.56%	28.27%

Legal Debt Margin Calculation for Fiscal Year 2007

Assessed property value	Overall Margin Within 10.5%	Unvoted Margin Within 5.5%
Overall Debt Limitation (percentage of assessed valuation)	\$638,412	\$638,412
Gross Indebtedness	\$67,033	\$35,113
Less: Various Purpose Notes	19,754	19,754
Special Assessment Bonds	(3,000)	(3,000)
OPWC Loans	(4,169)	(4,169)
General Obligation Bond Retirement Fund Balance	(709)	(709)
	(323)	(323)
Net Debt Within Limitations	\$11,553	\$11,553
Legal Debt Margin Within Limitations	\$55,480	\$23,560

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

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

Year	Population (1)	Total Personal Income (2)	Median Family Income (1)	Per Capita Income (2)	Unemployment Rate (3)		City Square Miles (4)
					Cuyahoga County	State of Ohio	
2007	13,806	\$583,783,744	\$97,055	\$42,285	6.3%	5.8%	19.54
2006	13,755	572,461,107	95,526	41,619	6.1	5.6	19.54
2005	13,661	559,584,836	94,022	40,963	5.9	5.9	19.54
2004	13,567	546,998,189	92,541	40,318	6.6	5.9	19.54
2003	13,474	534,694,651	91,084	39,683	6.2	6.1	19.54
2002	13,506	527,524,135	89,649	39,059	6.6	5.7	19.54
2001	13,459	517,409,828	88,238	38,443	4.6	4.2	19.54
2000	13,382	506,348,116	86,848	37,838	4.5	4.1	19.54
1999	13,205	494,367,879	85,927	37,437	4.5	4.3	19.54
1998	13,031	482,671,095	85,017	37,040	4.5	4.3	19.54

(1) Estimates 1998-1999, 2001-2007; U.S. Census Bureau 2000

(2) Brecksville Finance Department estimates 1998-1999, 2001-2009;
U.S. Census Bureau 2000.

(3) Ohio Bureau of Employment Services; U.S. Department of Labor, Bureau of
Labor Statistics

(4) City Records

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

2007			
Employer	Nature of Activity	Employees	Percentage of Total City Employment
Department of Veteran Affairs	Medical Center	1,400	10.07 %
AT&T/ Ohio Bell	Communication Services	1,331	9.57
National City Corporation	Banking Services	824	5.93
Lubrizol Corporation	Chemical Technology	725	5.21
Brecksville-Broadview Heights School	Public Education	517	3.72
House of LaRose	Beverage Distributor	279	2.01
City of Brecksville	Municipal Government	226	1.63
Curtiss-Wright Flow Control	Manufacturing	218	1.57
First Energy/Illuminating Company	Electric Utility	193	1.39
Cuyahoga Valley Joint Vocational School	Vocational Education	136	0.98
Total		<u>5,849</u>	<u>42.07 %</u>
Total Employment within the City		<u>13,904</u>	
1998			
Employer	Nature of Activity	Employees	Percentage of Total City Employment
Department of Veteran Affairs	Medical Center	1,180	10.51 %
B.F. Goodrich Company	R&D Polymers and Chemicals	828	7.38
Ohio Bell Telephone Company	Communication Services	818	7.29
Norstan Company	Communication Services	299	2.66
Brecksville-Broadview Heights School	Public Education	278	2.48
Teledyne Industrial, Inc	Manufacturing	223	1.99
City of Brecksville	Municipal Government	211	1.88
LDA Systems	Computer Software Development	194	1.73
Curtiss-Wright Flow Control	Manufacturing	154	1.37
Cuyahoga Valley Joint Vocational School	Vocational Education	109	0.97
Total		<u>4,294</u>	<u>38.26 %</u>
Total Employment within the City		<u>11,223</u>	

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

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

Function/Program	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
General Government										
Council	4.50	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Mayor	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Finance	4.00	4.00	4.00	4.00	4.00	3.00	3.00	4.00	4.00	4.00
Income Tax	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Purchasing	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Legal	1.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Mayor's Court	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Technology	3.00	3.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Engineering	2.00	2.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Administrative Support	1.00	1.00	1.00	1.00	2.00	1.00	1.00	1.00	1.00	1.00
Public Safety										
Police	43.50	43.00	45.00	45.00	43.50	46.50	43.50	46.00	44.00	45.00
Fire	28.00	26.00	26.00	25.00	25.50	25.00	25.50	25.00	22.00	23.00
Recreational Activities										
Community Center	51.50	49.00	55.50	59.50	54.50	60.00	45.50	48.00	49.00	48.50
Senior/Community Services	9.00	8.00	4.00	4.00	4.00	4.00	3.00	3.00	3.00	3.00
Street Construction, Maintenance and Repair Service	48.00	59.50	60.50	61.00	62.00	63.00	62.00	60.00	60.00	62.00
Housing and Community Development										
Building Inspection	8.50	8.00	7.50	7.00	7.00	7.00	7.00	7.00	6.00	7.00
Basic Utility Services										
Housekeeping	13.50	11.00	10.00	9.50	8.00	0.00	0.00	0.00	0.00	0.00
Totals:	225.50	230.00	233.00	233.50	228.00	227.00	208.00	211.50	206.50	211.00

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee as of December 31, 2007.

Source: Finance Department

City of Brecksville, Ohio
Capital Assets Statistics by Function/Program
Last Eight Years (1)

Function/Program	2007	2006	2005	2004	2003	2002	2001	2000
General Government								
Building Department Vehicles	6	6	6	6	5	5	5	5
Other Department Vehicles	5	5	5	4	4	4	4	4
Police								
Stations	1	1	1	1	1	1	1	1
Square Footage of Building	6,577	6,577	6,577	6,577	6,577	6,577	6,577	6,577
Vehicles	22	22	22	22	22	20	18	20
Fire								
Stations	1	1	1	1	1	1	1	1
Square Footage of Building	17,674	17,674	17,674	17,674	17,674	10,544	10,544	10,544
Vehicles	12	12	13	12	12	12	12	11
Street Construction, Maintenance and Repair								
Streets (lane miles)	189	189	185	185	181	178	N/A	175
Urban Forestry Vehicles	3	3	3	3	4	2	2	N/A
Other Public Services Vehicles	54	54	54	51	49	49	48	52
Recreational Activities								
Recreation Center	1	1	1	1	1	1	1	1
Recreation Center Square Footage	65,000	65,000	49,000	49,000	49,000	49,000	49,000	49,000
Number of Parks	3	3	3	3	3	3	3	3
Number of Baseball Diamonds	10	10	10	10	10	10	8	8
Number of Playgrounds	8	8	8	8	8	8	6	2
Number of Tennis Courts	3	3	3	3	3	3	3	3
Number of Full Sized Soccer Fields	2	2	2	2	2	2	2	2
Vehicles	3	3	3	3	3	2	2	1
Housing and Community Development								
Human Services Center Square Footage	46,000	46,000	0	0	0	0	0	0
Vehicles	6	6	6	6	6	4	5	5

(1) Information is not available prior to 2000.

Source: Finance Department

City of Brecksville, Ohio
Operating Indicators by Function/Program
Last Seven Years (1)

Function/Program	2007	2006	2005	2004	2003	2002	2001
Police:							
Police Expenditures (in thousands)	\$3,428	\$3,321	\$2,970	\$3,021	\$2,919	\$2,609	\$2,548
Total Arrests	3,526	4,499	4,171	4,275	4,567	4,443	4,428
Part One Offenses	67	71	72	79	105	93	123
OVI Arrests	55	44	55	71	86	69	68
Prisoners	1,086	1,033	923	888	932	840	901
Motor Vehicle Accidents	303	326	344	325	272	217	250
Calls for Service	15,669	15,433	16,668	17,271	18,225	17,557	17,094
Incidents per Citizen	1.1349	1.1220	1.2202	1.2730	1.3526	1.2999	1.2701
Cost per Citizen	\$248.32	\$241.41	\$217.41	\$222.67	\$216.64	\$193.17	\$189.32
Fire:							
Fire Expenditures (in thousands)	\$2,194	\$2,220	\$2,053	\$1,997	\$1,880	\$1,730	\$1,770
Emergency Responses	1,313	1,387	1,386	1,345	1,263	1,381	1,281
Fire Safety Inspections	276	268	164	235	257	243	165
Fire Protection Systems Inspected	47	34	46	38	30	68	11
Building Fire Protection Plans Reviewed	7	14	7	39	39	67	14
Percentage of Business Inspected	44%	28%	28%	25%	26%	25%	22%
Number of Community Programs	15	15	11	10	10	7	14
Emergency Responses per Citizen	0.0951	0.1008	0.1015	0.0991	0.0937	0.1023	0.0952
Cost per Citizen	\$158.91	\$161.40	\$150.29	\$147.20	\$139.53	\$128.09	\$131.51
Street Lights Expenditures (in thousands)	\$85	\$85	\$85	\$84	\$85	\$80	\$81
Cost per Acre of Streetlights	\$6.81	\$6.80	\$6.80	\$6.72	\$6.80	\$6.40	\$6.48
Public Health Services:							
Health Department (in thousands)	\$48	\$45	\$45	\$41	\$41	\$39	\$35
Health Cost per Citizen	\$3.49	\$3.27	\$3.29	\$3.02	\$3.04	\$2.89	\$2.60
Recreational Activities:							
Blossom Hill (in thousands)	\$280	\$254	\$260	\$271	\$215	\$215	\$181
Community Center (in thousands)	1,609	1,527	1,666	1,546	1,642	1,487	1,228
Total Leisure Service Cost (in thousands)	\$1,889	\$1,781	\$1,926	\$1,817	\$1,857	\$1,702	\$1,409
Cost per Citizen	\$136.85	\$129.48	\$140.99	\$133.93	\$137.82	\$126.02	\$104.69
Community Center Square Feet	65,000	65,000	49,000	49,000	49,000	49,000	49,000
Square Feet per Citizen	4.71	4.73	3.59	3.61	3.64	3.63	3.64
Total Recreational Revenue (in thousands)	\$928	\$791	\$796	\$747	\$694	\$669	\$643
Community Center Members	7,440	6,637	6,453	6,564	6,405	5,389	0
Total Participations	171,266	165,066	155,135	171,000	167,000	94,000	0
Participations of Members Over Age 60	N/A	N/A	30,144	34,437	28,817	19,876	0
Fitness Class Participations	21,779	15,531	14,345	16,382	14,546	6,889	0
Participations per Citizen	12.40	12.00	11.36	12.61	12.42	6.97	0.00
Cost per Participation	\$9.40	\$9.25	\$10.74	\$9.03	\$9.82	\$15.79	\$0.00
Revenue per Participation	\$5.42	\$4.79	\$5.13	\$4.37	\$4.15	\$7.10	\$0.00
Housing and Community Development:							
Human Services (in thousands)	\$659	\$504	N/A	N/A	N/A	N/A	N/A
Cost per Citizen	\$48.00	\$37.00	N/A	N/A	N/A	N/A	N/A
Human Services Square Feet	29,000	29,000	N/A	N/A	N/A	N/A	N/A
Square Feet per Citizen	31.80	44.89	N/A	N/A	N/A	N/A	N/A
Total Human Services Revenue (in thousands)	\$52	\$51	N/A	N/A	N/A	N/A	N/A
Human Services Members	912	646	N/A	N/A	N/A	N/A	N/A
Total Participations	32,542	33,299	N/A	N/A	N/A	N/A	N/A
Participations per Citizen	2.36	2.42	N/A	N/A	N/A	N/A	N/A
Cost per Participation	\$722.15	\$780.19	N/A	N/A	N/A	N/A	N/A

(continued)

City of Brecksville, Ohio
Operating Indicators by Function/Program (continued)
Last Seven Years (1)

Function/Program	2007	2006	2005	2004	2003	2002	2001
Housing and Community Development:							
Planning and Zoning (in thousands)	\$8	\$9	\$15	\$16	\$7	\$11	\$8
Housing and Building Inspection (in thousands)	\$492	\$473	\$487	\$496	\$463	\$480	\$478
Cost per Citizen	\$36.00	\$35.00	\$37.00	\$38.00	\$35.00	\$36.00	\$36.00
Building Permits - Residential	1,077	981	1,095	926	843	957	800
Dollar Value of Permits (in thousands)	\$7,609	\$12,371	\$19,823	\$17,508	\$19,503	\$17,094	\$23,535
Building Permits - Commercial	126	124	104	157	232	160	134
Dollar Value of Permits (in thousands)	\$23,762	\$4,212	\$7,461	\$19,572	\$25,600	\$4,054	\$10,364
Engineering (in thousands)	\$152	\$129	\$114	N/A	N/A	N/A	N/A
Engineering Reviews							
New Topo Reviews	15	29	39	N/A	N/A	N/A	N/A
Revised Topo Reviews	28	46	40	N/A	N/A	N/A	N/A
Retaining Wall Reviews	32	12	0	N/A	N/A	N/A	N/A
Plat Reviews	3	0	11	N/A	N/A	N/A	N/A
Other Reviews	38	41	0	N/A	N/A	N/A	N/A
Builder Grades	66	31	0	N/A	N/A	N/A	N/A
Landscaping Grades	20	11	0	N/A	N/A	N/A	N/A
Total All Reviews	202	170	90	N/A	N/A	N/A	N/A
Number of Trees Planted	168	278	73	231	294	593	279
Number of Trees Removed	103	102	157	166	106	42	156
Cemetery Interments	60	68	58	38	50	41	49
Grave Purchases/Interment Payments (in thousands)	\$40	\$37	\$38	\$30	\$90	\$19	\$28
Street Construction, Maintenance and Repair:							
Street Maintenance (in thousands)	\$1,112	\$1,115	\$1,070	\$1,086	\$1,053	\$967	\$1,170
Snow and Ice Removal (in thousands)	\$175	\$70	\$229	\$181	\$172	\$76	\$88
Road Maintenance (man hours)	66,405	63,460	74,505	71,160	72,481	68,706	68,321
Streets (lane miles)	189	189	185	185	181	178	178
Cost per mile of street	\$6.81	\$6.27	\$7.02	\$6.85	\$6.77	\$5.86	\$7.07
Feet of street per capita	72.28	72.55	71.51	72.00	70.93	69.59	69.83
Asphalt Usage (in tons)	2,119	4,526	4,000	3,188	3,949	2,050	6,093
Asphalt Cost per ton	\$30.34	\$26.01	\$26.01	\$25.50	\$25.75	\$25.00	\$26.50
Salt Usage (in tons)	9,875	4,255	9,770	5,809	9,168	11,263	4,918
Concrete Used (in cubic yards)	1,172	1,600	1,205	1,246	2,400	1,939	1,655
Brush/Grass/Yard Waste Collected (in cubic yard)	2,120	2,717	3,269	3,240	3,497	2,213	1,932
Leaves Collected (in cubic yards)	6,953	6,145	5,721	5,934	4,920	5,306	4,362
General Government:							
Law (in thousands)	\$241	\$208	\$205	\$203	\$188	\$177	\$191
Cost per budget dollar	\$0.0058	\$0.0060	\$0.0058	\$0.0049	\$0.0045	\$0.0036	\$0.0045
Finance (in thousands)	\$292	\$285	\$282	\$280	\$281	\$202	\$215
Cost per budget dollar	\$0.0070	\$0.0083	\$0.0080	\$0.0067	\$0.0067	\$0.0042	\$0.0050
Purchasing (in thousands)	\$198	\$191	\$179	\$183	\$178	\$197	\$182
Cost per employee	\$847.97	\$817.99	\$766.60	\$879.81	\$784.14	\$864.04	\$779.44
Lands and Buildings (in thousands)	\$769	\$777	\$732	\$808	\$862	\$1,002	\$917
Cost per citizen	\$55.70	\$56.49	\$53.58	\$59.56	\$63.98	\$74.19	\$68.13
Mayor's Office (in thousands)	\$206	\$210	\$227	\$186	\$220	\$216	\$207
Council (in thousands)	\$230	\$212	\$204	\$200	\$185	\$172	\$137

(1) Information prior to 2001 is not available

Source: Finance Department

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Mary Taylor, CPA
Auditor of State

CITY OF BRECKSVILLE

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 8, 2008**